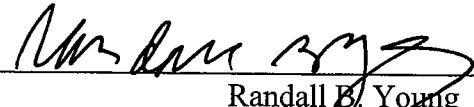


CERTIFICATE RE: INDENTURE

RANDALL B. YOUNG, Assistant Treasurer-External Finance of The Regents of the University of California ("The Regents"), hereby certifies that attached hereto is a true, correct and complete copy of the Indenture, dated as of September 1, 2003 (the "Indenture"), by and between The Regents and BNY Western Trust Company, as trustee. The Indenture has not been modified, amended or supplemented other than as supplemented by (i) the First Supplemental Indenture, dated as of September 1, 2003, by and between The Regents and BNY Western Trust Company, as trustee, (ii) the Second Supplemental Indenture, dated as of October 1, 2003, by and between The Regents and BNY Western Trust Company, as trustee, (iii) the Third Supplemental Indenture, dated as of January 1, 2005, by and between The Regents and The Bank of New York Trust Company, N.A. (as successor in interest to BNY Western Trust Company), as trustee (the "Trustee"), (iv) the Fourth Supplemental Indenture, dated as of January 1, 2005, by and between The Regents and the Trustee, (v) the Fifth Supplemental Indenture, dated as of June 1, 2005, by and between The Regents and the Trustee, and (vi) the Sixth Supplemental Indenture, dated as of June 1, 2005, by and between The Regents and the Trustee.

Dated: July 7, 2005.

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

By: 
Randall B. Young
Assistant Treasurer-External Finance

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

BNY WESTERN TRUST COMPANY, as trustee

INDENTURE

Dated as of September 1, 2003

Authorizing the Issuance of

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

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Execution

THIS INDENTURE, made and entered into as of the first day of September, 2003, 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 BNY WESTERN TRUST COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of California, having a corporate trust office in San Francisco, California, and being qualified to accept and administer the trusts hereby created (herein called the "Trustee"),

WITNESSETH:

WHEREAS, The Regents is vested with powers of organization and governance of the University of California;

WHEREAS, The Regents desires to provide for the issuance of its general revenue bonds (the "Bonds") from time to time for any lawful purpose of The Regents;

WHEREAS, The Regents desires that the Bonds be payable from general revenues in accordance with and subject to the terms of this Indenture;

WHEREAS, The Regents desires that the Bonds be issued from time to time in various series;

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by The Regents and authenticated and delivered by the Trustee, the valid, legal and binding limited obligations of The Regents, payable out of the general revenues as provided in this Indenture, and to constitute this 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 Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest on all Bonds at any time issued and Outstanding under this Indenture, according to their tenor, 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 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 Bonds by the owners thereof, and for other valuable considerations, 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 I

DEFINITIONS

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of any indenture supplemental hereto, have the meanings herein specified, the following definitions to be equally applicable to both the singular and plural forms of any of the terms herein defined:

Ancillary Obligations

“Ancillary Obligations” means any Credit Facility, Liquidity Facility or Financial Products Agreement designated in a Supplemental Indenture as an Ancillary Obligation for purposes of this Indenture.

Authorized Denominations

“Authorized Denominations” means with respect to a Series of Bonds the meaning set forth in the Supplemental Indenture establishing the terms and provisions of such Series of 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 Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Bond Counsel

“Bond Counsel” means any attorney at law or firm of attorneys selected by The Regents, of nationally recognized standing in matters pertaining to the validity of and federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

Bonds

“Bonds” means any or all of The Regents of the University of California General Revenue Bonds authorized under and secured by this Indenture. The term “Serial Bonds” shall mean the Bonds, falling due by their terms in specified years, for which no Mandatory Sinking Account Payments are provided. The term “Term Bonds” shall mean the Bonds, if any, payable at or before their specified maturity date or dates from Mandatory Sinking Account Payments established for that purpose and calculated to retire such Bonds on or before their specified maturity date or dates.

Business Day

“Business Day” means any day other than Saturday, Sunday or a day on which banking institutions in Los Angeles or San Francisco, California, or New York, New York, are authorized or required to be closed or a day on which the New York Stock Exchange is closed.

Certificate, Request, Requisition, Statement and Written Order of The Regents

“Certificate,” “Request,” “Requisition,” “Statement” and “Written Order” mean, respectively, a written certificate, request, requisition, statement or order signed, in the case of The Regents, in the name of The Regents by the Chairman, Treasurer, Associate Treasurer, Assistant Treasurer – External Finance, President or Senior Vice President – Administration of the University of California or such other person as may be designated and authorized to sign for

The Regents. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by the provisions of Section 1.02, each Certificate shall include the statements provided for in Section 1.02.

Code

“Code” means the Internal Revenue Code of 1986.

Continuing Disclosure Agreement

“Continuing Disclosure Agreement” means, with respect to each Series of Bonds requiring an undertaking regarding disclosure under Rule 15c2-12, the Continuing Disclosure Agreement, dated the date of issuance and delivery of such Series of Bonds, by and between The Regents and the Trustee and Dissemination Agent named therein, as originally executed and as the same may from time to time be amended or supplemented pursuant to its terms.

Costs of Issuance

“Costs of Issuance” means the costs and expenses incurred by The Regents to effect the authorization, preparation, issuance, sale and delivery of the Bonds, including but not limited to any printing costs, rating agency fees, fees and disbursements of Bond Counsel, fees and expenses of The Regents incurred in connection with issuance of the Bonds, and initial fees and expenses of the Trustee, Liquidity Providers and Credit Providers.

CP Indenture

“CP Indenture” means The Regents Commercial Paper Issuance Certificate, dated as of October 1, 1996, as amended and supplemented from time to time.

Credit Facility

“Credit Facility” means a financial guaranty or municipal bond insurance policy, an irrevocable direct-pay letter of credit, a line of credit, a standby bond purchase agreement, a revolving credit agreement or other credit arrangement obtained by The Regents pursuant to which a Credit Provider provides credit support for all or a portion of a Series of Bonds, as the same may be amended from time to time pursuant to its terms, or any replacement therefor.

Credit Provider

“Credit Provider” means the issuer or provider of a Credit Facility and any successor or successors to such issuer or provider.

Current Senior Lien Indebtedness

“Current Senior Lien Indebtedness” means Indebtedness issued and secured pursuant to the Research Facilities Indenture and the Housing Indenture which is outstanding as of the date of this Indenture.

Current Subordinate Lien Indebtedness

“Current Subordinate Lien Indebtedness” means Indebtedness issued and secured pursuant to the 1989 Indenture, 1991 Indenture or CP Indenture, which is outstanding as of the date of this Indenture.

Debt Service Fund

“Debt Service Fund” means the fund by that name established pursuant to Section 5.01(c).

Defeasance Obligations

“Defeasance Obligations” means (i) non-callable Investment Securities described in clause (1), (2) or (5) of the definition thereof, (ii) for a particular Series of Bonds, any Investment Securities approved as Defeasance Obligations by the Credit Provider for such Series of Bonds, or (iii) any other investment designated in a Supplemental Indenture as a Defeasance Obligation for purposes of defeasing a Series of Bonds authorized by such Supplemental Indenture.

DTC

“DTC” means The Depository Trust Company, New York, New York.

Event of Default

“Event of Default” means any of the events specified in Section 7.01.

Financial Newspaper or Journal

“Financial Newspaper or Journal” means The Wall Street Journal or The Bond Buyer or any other newspaper or journal containing financial news, printed in the English language, customarily published on each business day and circulated in Los Angeles or San Francisco, California, and selected by the Trustee, in its sole discretion whose decision shall be final and conclusive.

Financial Products Agreement

“Financial Products Agreement” means an interest rate swap, cap, collar, option, floor, forward or other hedging agreement, arrangement or security, however denominated, identified to the Trustee in a Certificate of The Regents as having been entered into with a Qualified Provider not for investment purposes but with respect to Indebtedness (which

Indebtedness shall be specifically identified in the Certificate of The Regents) for the purpose of (1) reducing or otherwise managing the risk of interest rate changes or (2) effectively converting interest rate exposure, in whole or in part, from a fixed rate exposure to a variable rate exposure, or from a variable rate exposure to a fixed rate exposure.

Fiscal Year

"Fiscal Year" means the period beginning on July 1 of each year and ending on the succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year of The Regents.

General Revenue Fund

"General Revenue Fund" means the fund by that name established pursuant to Section 5.01.

General Revenues

"General Revenues" means certain operating and non-operating revenues of the University of California as reported in the University's Financial Report, including (i) gross student tuition and fees; (ii) facilities and administrative cost recovery from contracts and grants; (iii) net sales and service revenues from educational and auxiliary enterprise activities; (iv) other net operating revenues; (v) certain other nonoperating revenues, including unrestricted investment income; and (vi) any other revenues as may be designated as General Revenues from time to time by a Certificate of The Regents delivered to the Trustee, but excluding (a) appropriations from the State of California (except as permitted under Section 28 of the State Budget Act or other legislative action); (b) moneys which are restricted as to expenditure by a granting agency or donor; (c) gross revenues of the University of California Medical Centers; (d) management fees resulting from the contracts for management of the United States Department of Energy Laboratories; and (e) any revenues which may be excluded from General Revenues from time to time by a Certificate of The Regents delivered to the Trustee.

Holder or Bondholder

"Holder" or "Bondholder" means the person in whose name a Bond is registered.

Housing Indenture

"Housing Indenture" means the Indenture, dated as of June 1, 1993, by and between The Regents and BNY Western Trust Company, as successor Trustee, securing the University of California Housing System Revenue Bonds, Series A, as such may be amended or supplemented from time to time.

Indebtedness

"Indebtedness" means any indebtedness or obligation of The Regents which, in accordance with generally accepted accounting principles for colleges and universities, is classified as a liability on a balance sheet.

Indenture

"Indenture" means this Indenture, as originally executed or as it may from time to time hereafter be supplemented, modified or amended by any Supplemental Indenture entered into pursuant to the provisions hereof.

Independent Certified Public Accountant

"Independent Certified Public Accountant" means any certified public accountant or firm of such accountants appointed and paid by The Regents, and who, or each of whom –

- (1) is in fact independent, and not under control of The Regents;
 - (2) does not have any substantial interest, direct or indirect, with The Regents;
- and
- (3) is not connected with The Regents as a member of The Regents, or as an official or employee of The Regents or of the University of California, but who may be regularly retained to make annual or similar audits of any of the books of The Regents.

Information Services

"Information Services" means Financial Information, Inc., Daily Called Bond Service; Kenny Information Systems, Called Bond Department; Moody's Investors Service, Information Center; Standard & Poor's Rating Services, Called Bond Record; and any other information service providing information with respect to called bonds as The Regents may designate to the Trustee.

Interest Fund

"Interest Fund" means the fund by that name established pursuant to Section 5.02.

Interest Payment Date

"Interest Payment Date" means with respect to any Series of Bonds the meaning set forth in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

Investment Securities

"Investment Securities" means any of the following which at the time are legal investments under the laws of the State of California and the policies of The Regents as filed with the Trustee from time to time for moneys held hereunder and then proposed to be invested therein: (1) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America or any Federal Reserve Bank) or obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America or tax-exempt obligations which are rated in the highest rating category of each Rating Agency; (2) obligations, debentures,

notes or other evidence of indebtedness issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank System, the Farm Credit System, or any other agency or instrumentality of the United States of America; (3) bonds of the State of California or of any county or city of the State of California for which each Rating Agency is maintaining a rating at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds; (4) obligations the interest on which is excluded from gross income for federal income taxation pursuant to the Code and which are rated by each Rating Agency in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds, or in the highest short term rating category of each Rating Agency; (5) receipts representing direct interests in Investment Securities described in clause (1) and (2) of this definition; (6) repurchase agreements with any financial institution which is rated by each Rating Agency in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds, or repurchase agreements fully secured by collateral security described in clauses (1) or (2) of this definition continuously having a market value at least equal to the amount so invested so long as such underlying obligations or securities are in the possession of the Trustee or the Securities Investors Protection Corporation; (7) interest bearing bankers acceptances and demand or time deposits (including certificates of deposit) in banks (including the Trustee), provided such deposits are either (a) secured at all times, in the manner and to the extent provided by law, by collateral security described in clauses (1) or (2) of this definition of a market value no less than the amount of moneys so invested; or (b) in banks (including the Trustee) having a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000) and whose rating by each Rating Agency, or the rating of its parent holding company, is at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds or (c) fully insured by the Federal Deposit Insurance Corporation; (8) commercial paper rated in the highest rating category of each Rating Agency, and issued by corporations organized and operating within the United States and having total assets in excess of Five Hundred Million Dollars (\$500,000,000); (9) collateralized investment agreements or other collateralized contractual arrangements with corporations, financial institutions or national associations within the United States fully secured by collateral security described in clause (1) or (2) of this definition; or investment agreements or other contractual arrangements with corporations, financial institutions or national associations within the United States, provided that the senior long-term debt of such corporations, institutions or associations is rated in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds; (10) any money market fund or mutual fund that is comprised of investments described in clauses (1) through (9) of this definition and which fund or investments are continuously rated by each Rating Agency in a rating category at least equal to the higher of "A" (or equivalent) or such Rating Agency's then current rating on the Bonds; and (11) the Short Term Investment Pool of The Regents.

Liquidity Facility

"Liquidity Facility" means an irrevocable direct-pay letter of credit, a line of credit, a standby bond purchase agreement, a revolving credit agreement or other liquidity arrangement obtained by The Regents pursuant to which a Liquidity Provider provides liquidity support with respect to all or a portion of a Series of Bonds, as the same may be amended from time to time pursuant to its terms, or any replacement therefor.

Liquidity Provider

"Liquidity Provider" means the issuer or provider of a Liquidity Facility and any successor or successors to such issuer or provider.

Mandatory Sinking Account Payment

"Mandatory Sinking Account Payment" shall mean, with respect to Bonds of any Series and maturity, the amount required by this Indenture or any Supplemental Indenture to be paid by The Regents on any single date for the retirement of Term Bonds of such Series and maturity.

1989 Indenture

"1989 Indenture" means the Indenture dated as of December 1, 1989, as amended and supplemented, by and between The Regents and BNY Western Trust Company (as successor to First Interstate Bank of California), as trustee, providing for the issuance of The Regents of the University of California Revenue Bonds (1989 Multiple Purpose Projects).

1991 Indenture

"1991 Indenture" means the Indenture dated as of December 1, 1991, as amended and supplemented, by and between The Regents and BNY Western Trust Company (as successor to First Interstate Bank of California), as trustee, providing for the issuance of The Regents of the University of California Revenue Bonds (1991 Multiple Purpose Projects).

Opinion of Counsel

"Opinion of Counsel" means a written opinion of counsel who is selected by The Regents (including counsel to The Regents) and who is acceptable to the Trustee. If and to the extent required by the provisions of Section 1.02, each Opinion of Counsel shall include the statements provided for in Section 1.02.

Optional Redemption Account

"Optional Redemption Account" means the account by that name established pursuant to Section 5.05.

Outstanding

"Outstanding" when used as of any particular time with reference to Bonds, means all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which all liability of The Regents shall have been discharged in accordance with Section 10.02; and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

Parity Lien

“Parity Lien” means any pledge, lien, security interest, encumbrance or charge of any kind on or in any General Revenues which is equal and ratable to the lien of this Indenture on or in such General Revenues.

Person

“Person” shall mean an individual, a corporation, a partnership, a trust, an unincorporated organization or a government or any agency or political subdivision thereof.

Principal Fund

“Principal Fund” means the fund by that name established pursuant to Section 5.02.

Qualified Provider

“Qualified Provider” means any financial institution or insurance company which is a party to a Financial Products Agreement.

Rating Agency

“Rating Agency” means, on any given date, any nationally recognized rating agency designated by The Regents which then has outstanding a credit rating on the Bonds (or other obligations to which reference is made herein).

Rebate Fund

“Rebate Fund” means the fund by that name established pursuant to Section 5.08.

Record Date

“Record Date” means with respect to a Series of Bonds the meaning set forth in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

Redemption Fund

“Redemption Fund” means the fund by that name established pursuant to Section 5.05.

Representation Letter

“Representation Letter” means, with respect to any Series of Bonds, the Letter of Representations to The Depository Trust Company, New York, New York, from The Regents and the Trustee.

Research Facilities Indenture

"Research Facilities Indenture" means the Indenture, dated as of May 1, 1993, by and between The Regents and U.S. Bank Trust National Association, as successor Trustee, securing the Research Facilities Revenue Bonds, as such may be amended or supplemented from time to time.

Responsible Officer

"Responsible Officer" of the Trustee means and includes the president, every vice president, every assistant vice president, every trust officer, and every officer and assistant officer of the Trustee other than those specifically above mentioned, to whom any corporate trust matter is referred because of his knowledge of, and familiarity with, a particular subject.

Securities Depositories

"Securities Depositories" means: The Depository Trust Company; Midwest Securities Trust Company, Capital Structures Call Notification; Philadelphia Depository Trust Company, Reorganization Division; or such other securities depositories as The Regents may designate.

Security Documents

"Security Documents" means all of the instruments, documents and agreements which, as of any date, have been executed and are then binding upon The Regents in connection with any Senior Lien, Parity Lien or Subordinate Lien, including without limitation any indenture, trust agreement, loan agreement, credit agreement or security agreement.

Senior Lien

"Senior Lien" means any pledge, lien, security interest, encumbrance or charge of any kind on or in any General Revenues which is senior in priority and superior to the lien of this Indenture on or in such General Revenues.

Series

"Series," whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series, authenticated and delivered in a simultaneous transaction pursuant to the Indenture or a Supplemental Indenture, regardless of variations in maturity, interest rate, redemption and other provisions, and any Bonds thereafter authenticated and delivered upon transfer or exchange of or in lieu of or in substitution for (but not to refund) such Bonds as herein provided.

Sinking Accounts

"Sinking Accounts" means the accounts in the Principal Fund so designated and established pursuant to Section 5.04.

Special Redemption Account

“Special Redemption Account” means the account by that name established pursuant to Section 5.05.

State

“State” means the State of California.

Subordinate Lien

“Subordinate Lien” means any pledge, lien, security interest, encumbrance or charge of any kind on or in any General Revenues which is subordinate to the lien of this Indenture on or in such General Revenues.

Supplemental Indenture

“Supplemental Indenture” or “Indenture supplemental hereto” means any indenture hereafter duly authorized and entered into between The Regents and the Trustee in accordance with the provisions of this Indenture.

Tax Certificate

“Tax Certificate” means the certificate signed by The Regents on the date any Series of Bonds are issued relating to the requirements of the Code.

The Regents

“The Regents” means 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.

Trustee

“Trustee” means BNY Western Trust Company, in San Francisco, California, as trustee or as authenticating agent or its successor as Trustee hereunder as provided in Section 8.08.

SECTION 1.02. Content of Certificates and Opinions. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the Person or Persons making or giving such certificate or opinion have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate or opinion made or given by an officer of The Regents may be based, in so far as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his or her certificate or opinion may be based are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion made or given by counsel may be based, in so far as it relates to factual matters, information with respect to such matters which is in the possession of The Regents, upon the certificate or opinion of or representations by an officer or officers of The Regents, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his or her opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

SECTION 1.03. Rules of Construction.

(a) The singular form of any word used herein, including the terms defined in Section 1.01, shall include the plural, and vice versa. The use herein of a word of any gender shall include correlative words of the other genders.

(b) All references herein to "Articles," "Sections" and other subdivisions hereof are to the corresponding Articles, sections or subdivisions of this Indenture as originally executed; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

(c) 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 Indenture.

ARTICLE II

THE BONDS

SECTION 2.01. Authorization of Bonds. Bonds may be issued hereunder from time to time in order to obtain moneys to carry out any lawful purpose of The Regents. The maximum principal amount of Bonds which may be issued hereunder is not limited. The Bonds are designated generally as "The Regents of the University of California General Revenue Bonds" with such variations or additions as The Regents may deem appropriate with respect to any Series of Bonds. The Bonds may be issued in such Series as from time to time shall be established and authorized by The Regents, and this Indenture constitutes a continuing agreement with the owners of all the Bonds issued or to be issued and at any time Outstanding to secure the full and final payment of the principal of and premium, if any, and the interest on all Bonds which may from time to time be executed and delivered hereunder; subject to the covenants, agreements, provisions and conditions herein contained.

SECTION 2.02. Terms of the Bonds. The Bonds of each Series shall be dated such date, shall be issued in such denominations, shall bear interest at such rate or rates determined in such manner and payable at such intervals and shall mature and become payable on such date or dates and in such year or years, and may be subject to redemption, tender and

purchase on such terms, as may be determined by The Regents at the time of issuance thereof, all as shall be set forth in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

Unless otherwise provided in the Supplemental Indenture delivered in connection with such Series of Bonds, the Bonds of each Series shall be initially registered in the name of "Cede & Co.," as nominee of DTC and shall be evidenced by one or more bond certificates for each Series of Bonds in the total aggregate principal amount of the Bonds of such Series. Registered ownership of any Series of Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 2.10 hereof, or in the event the use of DTC is discontinued, in accordance with the provisions set forth in Section 2.04 hereof.

The principal or redemption price of a Series of Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee or at such other location as shall be specified in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds. Payment of the interest on any Bond shall be made to the person whose name appears on the bond registration books of the Trustee as the Holder thereof as of the Record Date preceding each Interest Payment Date, such interest to be paid by check mailed by first class mail on the applicable Interest Payment Date to the Holder at his address as it appears on such registration books; provided that such interest shall be paid by wire transfer to an account in the United States for any Holder of at least \$1,000,000 in aggregate principal amount of Bonds of any Series if the Holder makes a written request to the Trustee on or prior to the close of business on the Record Date preceding such Interest Payment Date specifying the account address.

Any such interest not so punctually paid or duly provided for with respect to any Bond shall forthwith cease to be payable to the Bondholder on such Record Date and shall be paid to the Person in whose name the Bond is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof to be given to the Holders of such Bonds as set forth in the Supplemental Indenture establishing the terms and provisions of such Bonds or, if not provided therein, notice whereof to be given to the Holders of such Bonds not less than ten (10) days prior to such special record date.

SECTION 2.03. Execution of Bonds. The Bonds shall be signed on behalf of The Regents in its corporate name by its Chairman and its Secretary, under its corporate seal. All such signatures may be printed, lithographed or otherwise mechanically reproduced. Such seal may be in the form of a facsimile of The Regents' seal and may be reproduced, imprinted or impressed on the Bonds. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of the officers who shall have signed or countersigned any of the Bonds shall cease to be such officer or officers of The Regents before the Bonds so signed or countersigned shall have been authenticated or delivered by the Trustee or issued by The Regents, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be binding upon The Regents as though those who signed and countersigned the same had continued to be such officers of The Regents, and also any Bond may be signed and countersigned on behalf of The Regents by such persons as at the actual date of execution of such Bond shall be the proper officers of The Regents although at the nominal date of such Bond any such person shall not have been such officer of The Regents.

Only such of the Bonds as shall bear thereon a certificate of authentication and registration in the form set forth in the preambles hereto, manually executed by the authorized signatory of the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.04. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.06, by the person in whose name it is registered, in person or by its duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by a written instrument of transfer, duly executed in a form approved by the Trustee.

Whenever any Bond or Bonds shall be surrendered for transfer, The Regents shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of authorized denomination or denominations and for the aggregate principal amount of such surrendered Bond or Bonds then remaining Outstanding, which will be delivered to the transferee in exchange therefor. The Trustee shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Bond shall be required if such Bond shall have been called for redemption or during the fifteen days next preceding any date established by the Trustee for the selection of Bonds for redemption.

SECTION 2.05. Exchange of Bonds. Any Bond may, in accordance with its terms, be exchanged, at the corporate trust office of the Trustee in San Francisco or Los Angeles, California, for a new Bond or Bonds, of any authorized denomination or denominations and for the aggregate principal amount of such Bond then remaining Outstanding.

No exchange of any Bond shall be required if such Bond shall have been called for redemption or during the fifteen days next preceding any date established by the Trustee for the selection of Bonds for redemption.

SECTION 2.06. Bond Register. Except as otherwise provided in a Supplemental Indenture, the Trustee will keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by The Regents; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Bonds as hereinbefore provided.

SECTION 2.07. Ownership of Bonds. The person in whose name any Bond 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 of, premium, if any, and the interest on, any such Bond, shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments made with respect to a Bond shall be valid and effectual to satisfy and discharge the liability upon such Bond including the interest thereon to the extent of the sum or sums so paid.

SECTION 2.08. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bond may be printed, lithographed or typewritten, shall be of such denomination as may be determined by The Regents, shall be in registered form and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by The Regents and be authenticated by the Trustee upon the same conditions and in substantially the same manner the definitive Bonds. If The Regents issues temporary Bonds it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

SECTION 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, The Regents, at the expense of the owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and number in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, The Regents. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to The Regents or the Trustee and, if such evidence be satisfactory to each of them and indemnity satisfactory to each of them shall be given, The Regents, at the expense of the owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and number in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof). The Regents may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by The Regents and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of The Regents whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

SECTION 2.10. Special Covenants as to Book-Entry Only System. (a) Except as otherwise provided in Section 2.10(b) and Section 2.10(c) or as otherwise provided in the Supplemental Indenture establishing the terms and provisions of a Series of Bonds, all of the Bonds initially issued hereunder shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Bond registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Bonds to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) The Bonds issued hereunder shall be in the form of one or more authenticated fully registered bonds for each stated maturity representing the aggregate principal amount of the Bonds maturing on such date. Upon initial issuance of a Series of Bonds, the ownership of all

such Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.07 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, The Regents and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price or purchase price of and interest on such Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Indenture, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders of the Bonds and for all other purposes whatsoever; and neither the Trustee nor The Regents or any paying agent shall be affected by any notice to the contrary. Neither the Trustee nor The Regents or any paying agent shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.10, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Bondholder, with respect to: (i) the accuracy of any records maintained by DTC or any Participant; (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price or purchase price of or interest on the Bonds; (iii) any notice which is permitted or required to be given to Bondholders under the Indenture; (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds; or (v) any consent given or other action taken by DTC as Bondholder. The Trustee shall pay all principal of, premium, if any, and interest on the Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge The Regents' obligations with respect to the principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Bonds will be transferable to such new nominee in accordance with subsection (f) of this Section 2.10.

(c) In the event that The Regents determines that it is in the best interests of the Beneficial Owners of the Bonds that they be able to obtain bond certificates, the Trustee shall, upon the written instruction of The Regents, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Bonds will be transferable in accordance with Section 2.10(f). DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice of such discontinuance to The Regents and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with Section 2.10(f). Whenever DTC requests The Regents and the Trustee to do so, the Trustee and The Regents will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another custodian to maintain custody of all certificates evidencing the Bonds then Outstanding. In such event, the Bonds will be transferable to such custodian in accordance with Section 2.10(f), and thereafter, all reference in this Indenture to DTC or its nominee shall be deemed to refer to such successor custodian and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as all Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of, premium, if any, and interest on each such Bond, all payments with

respect to purchase price and all notices with respect to each such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any successor nominee for DTC and any successor custodian, the Trustee is hereby authorized and requested to execute and deliver such documentation as shall be necessary to enter into arrangements comparable to such arrangements as the Trustee shall have entered into with DTC, and the Trustee shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Indenture.

(f) In the event that any transfer or exchange of Bonds is authorized under Section 2.10(b) or (c), such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Section 2.05 of this Indenture. In the event bond certificates are issued to Holders other than Cede & Co., its successor as nominee for DTC as registered owner of all the Bonds, another custodian as registered owner of all the Bonds, or the nominee of such successor custodian, the provisions of Section 2.04, Section 2.05 and Section 2.06 of this Indenture shall also apply to, among other things, the registration, exchange and transfer of the Bonds and the provisions of Section 2.02 of this Indenture shall apply to the method of payment of principal of, premium, if any, and interest on the Bonds and to the payment of purchase price with respect to the Bonds.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. Conditions Precedent to Issuance of Bonds. The Regents may by Supplemental Indenture establish one or more Series of Bonds, payable from General Revenues and secured by the pledge made under this Indenture. The Bonds shall be executed by The Regents for issuance and delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to The Regents upon its order, but only upon receipt by the Trustee of the following:

(a) An original executed copy of the Supplemental Indenture authorizing such Bonds, which Supplemental Indenture shall specify:

- (i) the purpose for which such Series of Bonds is being issued;
- (ii) whether such Bonds shall bear interest at a fixed or variable rate, including, but not limited to, an interest rate determined pursuant to an auction procedure;
- (iii) whether the interest on such Bonds shall be federally taxable or tax-exempt;
- (iv) the Series of such Bonds, the date or dates, the Interest Payment Dates, the principal payment dates and the maturity date or dates of such Bonds;
- (v) the manner of dating and numbering such Bonds;

(vi) the place or places of payment of the principal or redemption, tender or purchase price, and the manner of payment of interest on, such Bonds;

(vii) any redemption, tender or purchase provisions for such Bonds;

(viii) the amount and due date of each Mandatory Sinking Fund Payment, if any, for such Bonds;

(ix) the amounts to be deposited in the funds and accounts created and established by this Indenture and the Supplemental Indenture authorizing such Bonds;

(x) any other provisions deemed advisable by The Regents that are not in conflict with the provisions hereof;

(b) An opinion of Bond Counsel, dated the date of delivery thereof, to the effect that: (i) such Supplemental Indenture is a valid and binding obligation of The Regents and (ii) upon the execution, authentication and delivery thereof, such Bonds will be valid and binding obligations of The Regents;

(c) A Written Order of The Regents as to the delivery of such Bonds; and

(d) A Certificate of The Regents stating that The Regents is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in this Indenture.

SECTION 3.02. Application of Proceeds. Proceeds of each Series of Bonds shall be applied as specified in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

ARTICLE IV

REDEMPTION, TENDER AND PURCHASE OF BONDS

SECTION 4.01. Terms of Redemption, Tender and Purchase of Bonds.

(a) Each Series of Bonds may be made subject to mandatory or optional redemption prior to their respective stated maturities, as a whole or in part, on such date or dates, upon such terms and conditions, upon such notice and at such redemption prices and with such effect as may be provided in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

(b) Each Series of Bonds may be made subject to mandatory or optional tender and purchase prior to their respective stated maturities, as a whole or in part, on such date or dates, upon such terms and conditions, upon such notice and at such purchase prices and with such effect as may be provided in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

SECTION 4.02. Selection of Bonds for Redemption. Whenever provision is made for the redemption of less than all of a Series of Bonds, the Trustee shall select the Bonds to be redeemed in the manner set forth in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

SECTION 4.03. Notice of Redemption. Except as otherwise provided in a Supplemental Indenture, notice of redemption shall be given by mail, facsimile or electronic transmission, or overnight delivery service not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. Each notice of redemption shall state the redemption date, the place or places of redemption, the maturities, and, if less than all of any such maturity, the distinctive numbers of the Bonds of such maturity, to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed, and shall also state that on said date there will become due and payable on each of said Bonds the principal thereof or of said specified portion of the principal thereof, in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered.

Except as otherwise provided in a Supplemental Indenture, at least thirty (30) days before each redemption date, the Trustee shall also give notice of prepayment containing the aforementioned information by (i) registered or certified mail, postage prepaid, (ii) confirmed (by telephone or otherwise) facsimile or electronic transmission or (iii) overnight delivery service to Information Services and Securities Depositories as may be designated by The Regents.

Notice of redemption of Bonds shall be given by the Trustee for and on behalf of The Regents. Any failure of the Trustee to give notice of redemption of any Bond to any Bondholder or any defect in such notice shall not affect the validity of the proceedings for redemption of any other Bond. Any failure of the Trustee to give notice pursuant to this Section to any one or more of the Information Services or Securities Depositories, or the insufficiency of such notices, shall not affect the validity of the proceedings for redemption of any Bond.

SECTION 4.04. Partial Redemption. Upon surrender of any Bond redeemed in part only, The Regents shall execute and the Trustee shall authenticate and deliver to the registered owner thereof, at the expense of The Regents, a new Bond or Bonds of Authorized Denominations and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered. Bonds shall be redeemed only in Authorized Denominations.

SECTION 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the principal, premium, if any, and interest accrued to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice the Bonds (or portions thereof) so called for redemption shall become due and payable at the principal amount specified in such notice and interest accrued thereon to the date fixed for redemption, interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue, said Bonds (or portions

thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Holders of said Bonds shall have no rights in respect thereof except to receive payment of said principal amount and accrued interest.

All Bonds redeemed pursuant to the provisions of this Article, shall be cancelled upon surrender thereof and delivered to or upon the order of The Regents.

SECTION 4.06. Rescission of Redemption; Cancellation of Redemption.

The Trustee shall rescind any redemption by notice of rescission if directed to do so by The Regents prior to the date of redemption. The Trustee shall give notice of rescission by the same means as is provided for the giving of a notice of redemption. The redemption shall be deemed canceled once the Trustee has given notice of rescission. Neither the rescission nor the failure of funds being made available in part or in whole on or before a redemption date shall constitute an Event of Default.

ARTICLE V

GENERAL REVENUES

SECTION 5.01. Pledge and Assignment; General Revenue Fund; Debt Service Fund.

(a) Subject only to the provisions of this Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth herein, The Regents hereby pledges to the Trustee to secure the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of this Indenture and the payment of all amounts due pursuant to Ancillary Obligations, all of the General Revenues, all of the proceeds of the Bonds and any other amounts held in any fund or account established pursuant to this Indenture, excluding the Rebate Fund. Said pledge shall constitute a lien on and security interest in all of the General Revenues, all of the proceeds of the Bonds and any other amounts held in any fund or account established pursuant to this Indenture, excluding the Rebate Fund, and shall attach and be valid and binding from and after delivery by the Trustee of the Bonds, without any physical delivery thereof or further act, against all parties having claims of any kind in tort, contract or otherwise against The Regents or the Trustee, irrespective of whether the parties have notice thereof; provided, however, that the pledge of General Revenues set forth in this Section 5.01(a) shall in all respects be (i) junior to any Current Senior Lien Indebtedness or any future Indebtedness or other obligations secured by a Senior Lien, (ii) on a parity with any future Indebtedness or other obligations secured by a Parity Lien, and (iii) senior to any Current Subordinate Lien Indebtedness or any future Indebtedness or other obligations secured by a Subordinate Lien.

(b) The Regents agrees that, so long as any of the Bonds remain Outstanding (i) all of the General Revenues not encumbered by any Senior Lien or Parity Lien shall be deposited as soon as practicable upon receipt in a fund designated as "The Regents of the University of California General Revenue Fund" (the "General Revenue Fund") which The Regents shall establish and maintain at such banking institution or institutions (which may include the Trustee) as The Regents shall from time to time designate for such purpose (herein

called the "Depository Banks") and (ii) funds equal to General Revenues encumbered by any Senior Lien (but not encumbered by any Parity Lien) shall be deposited in the General Revenue Fund at the earliest practicable time and to the extent such funds are available pursuant to the terms of the Security Documents evidencing such Senior Lien. To the extent General Revenues are encumbered by Indebtedness (other than a Series of Bonds) or other obligations secured by a Parity Lien, The Regents agrees to allocate in a fair and equitable manner (i) amounts to be deposited in the General Revenue Fund and (ii) amounts to be transferred to the funds and accounts established pursuant to the Security Documents securing the Indebtedness or other obligations secured by a Parity Lien. Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, The Regents hereby grants a security interest to the Trustee in the General Revenue Fund to secure the payment of the principal of and interest on the Bonds Outstanding and the payment of all amounts due pursuant to Ancillary Obligations and the pledge of General Revenues hereunder.

Amounts in the General Revenue Fund may be used and withdrawn by The Regents at any time for any lawful purpose (including any use required by a Security Document), except as hereinafter restricted in this Section 5.01. In the event of the occurrence of an Event of Default of which the Trustee has actual knowledge or has received written notice, the Trustee shall notify The Regents and the Depository Banks of such delinquency, and The Regents shall cause the Depository Banks to, and the Depository Banks shall, transfer the General Revenue Fund to the name and credit of the Trustee. All General Revenues shall continue to be deposited by The Regents in the General Revenue Fund as provided herein until all Events of Default known to the Trustee shall have been made good or cured or provision deemed by the Trustee to be adequate shall have been made therefor, whereupon the General Revenue Fund shall be returned to the name and credit of The Regents. During any period that the General Revenue Fund is held in the name and to the credit of the Trustee, the Trustee shall use and withdraw amounts in said fund first to pay fees, expenses and disbursements of the Trustee and its agents in the event such fees, disbursements or expenses have not otherwise been paid by The Regents, and second to make the transfers and deposits required by Section 5.01(c) hereof. The Regents agrees to execute and deliver all instruments as may be required to implement this Section. The Regents further agrees that a failure to comply with the terms of this Section shall cause irreparable harm to the owners from time to time of the Bonds and shall entitle the Trustee, with or without notice, to take immediate action to compel the specific performance of the obligations of The Regents as provided in this Section.

(c) On or before any Interest Payment Date, and as long as any of the Bonds remain Outstanding, The Regents shall transfer from the General Revenue Fund to the Trustee for deposit in a special fund designated as "The Regents of the University of California General Revenue Debt Service Fund" (the "Debt Service Fund"), which the Trustee shall establish, maintain and hold in trust, such amount as is required by Section 5.02 to make the transfers and deposits required on such Interest Payment Date (or to replenish the amounts required to be on deposit in any fund hereunder). In addition, The Regents shall, pursuant to the terms and provisions of a Supplemental Indenture providing for Ancillary Obligations, transfer from the General Revenue Fund the amounts due and payable pursuant to such Ancillary Obligations. Each transfer by The Regents to the Trustee hereunder shall be in lawful money of the United States of America and paid to the Trustee at its corporate trust office in San Francisco, California. All such moneys shall be promptly deposited by the Trustee upon receipt thereof in

the Debt Service Fund. All moneys deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture. If The Regents fails to make timely payment of all amounts required to be made pursuant to this Section 5.01(c), The Regents shall promptly make such payments in full as soon as possible.

SECTION 5.02. Allocation of General Revenues to Funds. The Trustee shall transfer from the Debt Service Fund, and deposit into one or more of the following respective funds (each of which the Trustee shall establish and maintain and hold in trust, and each of which shall be disbursed and applied only as hereinafter authorized), on or before each Interest Payment Date, the following amounts, in the following order of priority, the requirements of each such fund (including the making up of any deficiencies in any such fund resulting from lack of General Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any fund subsequent in priority:

First: Into the Interest Fund, the amount, if any, needed to increase the amount in the Interest Fund to the aggregate amount of interest becoming due and payable on such Interest Payment Date upon all Bonds then Outstanding.

Second: Into the Principal Fund, the amount, if any, needed to increase the amount in the Principal Fund to the aggregate amount of principal and Mandatory Sinking Account Payments becoming due and payable on the Outstanding Bonds on such Interest Payment Date.

Any moneys remaining in the Debt Service Fund on each Interest Payment Date shall be transferred, free and clear of the lien of this Indenture, to, or upon the order of, The Regents to be applied for any lawful purpose of The Regents, and the Trustee shall have no obligation or duty to inquire or investigate how such moneys are being used.

SECTION 5.03. Application of Interest Fund.

(a) All amounts in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture), and otherwise as provided in Section 5.06.

SECTION 5.04. Application of Principal Fund.

(a) All amounts in the Principal Fund shall be used and withdrawn by the Trustee solely for the purposes of purchasing or redeeming or paying at maturity the Bonds as provided in this Section, and otherwise as provided in Section 5.06.

(b) The Trustee shall establish and maintain within the Principal Fund a separate account for the Term Bonds, if any, of each Series and maturity (the "Sinking Account"). On or before each date specified in a Supplemental Indenture, the Trustee shall transfer the amount deposited in the Principal Fund pursuant to Section 5.02 for the purpose of making a Mandatory Sinking Account Payment (if such deposit is required in such month) from the Principal Fund to the applicable Sinking Account. With respect to each Sinking Account, on each Mandatory Sinking Account Payment date established for such Sinking Account, the Trustee shall apply the

Mandatory Sinking Account Payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of the Series and maturity for which such Sinking Account was established, upon the notice and in the manner provided in Article IV; provided that, at any time prior to giving such notice of such redemption, the Trustee shall apply moneys in such Sinking Account to the purchase of Term Bonds of such Series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Fund) as may be directed by The Regents. All Bonds purchased or deposited pursuant to this subsection shall be cancelled and delivered by the Trustee to or upon the Written Request of The Regents. Any amounts remaining in a Sinking Account when all of the Term Bonds for which such account was established are no longer Outstanding shall be withdrawn by the Trustee and transferred to the Debt Service Fund. Subject to a different allocation provided in a Supplemental Indenture for a Series of Bonds issued pursuant to such Supplemental Indenture, all Term Bonds purchased from a Sinking Account or deposited by The Regents with the Trustee shall be applied, to the extent of the full principal amount thereof, to reduce Mandatory Sinking Account Payments as follows: first to the next succeeding Mandatory Sinking Account Payment for such Series and maturity of Bonds, then pro rata to the remaining Mandatory Sinking Account Payments required for such Series and maturity of Bonds in proportion to the amount of such Mandatory Sinking Account Payments.

SECTION 5.05. Establishment and Application of Redemption Fund. The Trustee shall establish and maintain within the Redemption Fund (which the Trustee shall establish, maintain and hold in trust), for each Series of Bonds, a separate Optional Redemption Account and a separate Special Redemption Account. All amounts deposited in the Optional Redemption Account and in the Special Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of redeeming Bonds outstanding, in the manner and upon the terms and conditions specified in Article IV, at the next succeeding date of redemption for which notice has not been given and at the redemption prices then applicable to redemptions from the Optional Redemption Account and the Special Redemption Account, respectively; provided that, at any time prior to giving such notice of redemption, the Trustee shall apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Fund) as may be directed by The Regents. Each Supplemental Indenture shall provide for the establishment of subaccounts within the Optional Redemption Account or the Special Redemption Account for the redemption or purchase of Bonds of particular Series from moneys allocable to such Series and required by a Supplemental Indenture to be deposited into such subaccount. Subject to a different allocation provided for such subaccounts by Supplemental Indentures, all Term Bonds of any Series purchased or redeemed from the Redemption Fund shall be allocated to applicable Mandatory Sinking Account Payments pro rata to the Mandatory Sinking Account Payments required for such Series and maturity of Bonds in proportion to the amount of such Mandatory Sinking Account Payments.

SECTION 5.06. Investment of Moneys in Funds. All moneys in any of the funds and accounts established pursuant to this Indenture and held by the Trustee shall be invested by the Trustee in Investment Securities as directed by The Regents. The Trustee shall only invest funds hereunder in accordance with directions from The Regents and shall have no liability whatsoever with respect to the selection of such investments by The Regents.

Investment Securities purchased as an investment of moneys in any fund or account established pursuant to this Indenture shall be credited to such fund or account, subject to the provisions of the immediately succeeding paragraph. For the purpose of determining the amount in any such fund or account, all Investment Securities credited to such fund or account shall be valued at market value or as otherwise provided in a Supplemental Indenture.

Unless otherwise provided in a Supplemental Indenture and subject to Section 5.08, all interest, profits and other income received from the investment of moneys in any fund or account shall be deposited in such fund or account.

SECTION 5.07. Trustee as Principal. The Trustee may act as principal or agent in the making or disposing of any investment. The Trustee may sell at the best price reasonably obtainable or present for redemption, any Investment Security so purchased whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security is credited, and the Trustee shall not be liable or responsible for any loss resulting from such investment. Investments in any and all funds and accounts (except the Rebate Fund) may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Indenture.

SECTION 5.08. Rebate Fund. The Trustee shall establish and maintain a fund separate from any other fund established and maintained hereunder designated the Rebate Fund. The Regents shall cause to be deposited in the Rebate Fund the rebate requirement as provided in the Tax Certificate for each Series of Bonds the interest on which is excluded from gross income for federal income tax purposes. Subject to the provisions of this Section, moneys held in the Rebate Fund are hereby pledged to secure payments to the United States government, and The Regents and the owners shall have no rights in or claim to such moneys. The Trustee shall invest all amounts held in the Rebate Fund in accordance with directions from The Regents.

Upon receipt of the rebate instructions required to be delivered to the Trustee by the Tax Certificate, the Trustee shall remit part or all of the balance held in the Rebate Fund to the United States government as so directed. In addition, if the rebate instructions so direct, the Trustee shall deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or funds as the rebate instructions direct.

The Trustee shall conclusively be deemed to have complied with the provisions of this Section if it follows the directions of The Regents set forth in the rebate instructions and shall not be required to take any actions thereunder in the absence of rebate instructions from The Regents.

Notwithstanding any provisions of this Section, if The Regents shall provide to the Trustee any Opinion of Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion of interest on the Series of Bonds from gross income for federal income tax purposes, the Trustee

and The Regents may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

ARTICLE VI

PARTICULAR COVENANTS

SECTION 6.01. Punctual Payments. The Regents shall pay or cause to be paid punctually the principal of, premium, if any, and interest due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of General Revenues and other assets pledged for such payment as provided in this Indenture.

SECTION 6.02. No Extension of Payment of Principal and Interest on the Bonds. The Regents shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of The Regents to issue obligations for the purpose of refunding any outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

SECTION 6.03. Permitted Indebtedness, Obligations and Encumbrances. So long as an Event of Default has not occurred and is continuing hereunder, The Regents may incur any Indebtedness or other obligations payable from General Revenues, including, but not limited to, Indebtedness or other obligations secured by a Senior Lien, Parity Lien or Subordinate Lien.

SECTION 6.04. Power to Issue Bonds and Make Pledge and Assignment. The Regents is duly authorized pursuant to law to issue the Bonds and to execute and deliver this Indenture and to pledge and assign the General Revenues and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding limited obligations of The Regents in accordance with their terms, and The Regents shall at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment of General Revenues and other assets and all the rights of the Bondholders under this Indenture against all claims and demands of all persons whomsoever.

SECTION 6.05. Payment of Taxes and Claims. The Regents or the Trustee shall, from time to time, but solely from General Revenues, duly pay and discharge, or cause to be paid and discharged, any property taxes, assessments or other governmental charges that may be lawfully imposed upon the General Revenues or other assets pledged or assigned under this Indenture, when the same shall become due, as well as any lawful claim which, if unpaid, might

by law become a lien or charge upon the General Revenues or such other assets or which might impair the security of the Bonds.

SECTION 6.06. Accounting Records and Financial Statements.

(a) The Regents shall cause the Trustee to keep proper books of record and account in which complete and accurate entries shall be made in accordance with industry standards of all transactions relating to the proceeds of Bonds, the General Revenues, and all funds and accounts established pursuant to this Indenture. Such books of record and account shall be available for inspection by The Regents and by any Bondholder, or its agent or representative duly authorized in writing, during any Business Day at reasonable hours and under reasonable circumstances, including at least 24 hours notice.

(b) Not later than seven months after the end of each Fiscal Year of The Regents, The Regents shall also furnish to the Trustee a certified report of audit, prepared by an Independent Certified Public Accountant, reflecting the financial condition and record of operation of The Regents.

SECTION 6.07. Compliance with Indenture, Contracts, Laws and Regulations. The Regents shall faithfully observe and perform all the covenants, conditions and requirements of this Indenture, shall not issue any Bonds in any manner other than in accordance with this Indenture, and shall not suffer or permit any default to occur hereunder, or do or permit to be done, anything that might in any way weaken, diminish or impair the security intended to be given pursuant to this Indenture. Subject to the limitations and consistent with the covenants, conditions and requirements contained in this Indenture, The Regents and the Trustee shall comply with the terms, covenants and provisions of all contracts concerning or affecting the application of proceeds of Bonds or the General Revenues.

SECTION 6.08. General Revenue Covenant. So long as the Bonds are Outstanding, The Regents shall set rates, charges, and fees in each Fiscal Year so as to cause General Revenues deposited in the General Revenue Fund to be in an amount sufficient to pay principal of and interest on the Bonds and amounts due and payable on Ancillary Obligations for the then-current Fiscal Year.

SECTION 6.09. Waiver of Laws. The Regents shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by The Regents to the extent permitted by law (but only with respect to the application of General Revenues to pay the principal of and interest on the Bonds).

SECTION 6.10. Further Assurances. The Regents will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Holders of the Bonds of the rights and benefits provided in this Indenture.

SECTION 6.11. Continuing Disclosure. Upon the issuance of any Series of Bonds requiring an undertaking regarding continuing disclosure under Rule 15c2-12, The Regents and the Trustee hereby covenant and agree that The Regents will comply with and carry out all of the provisions of the Continuing Disclosure Agreement executed and delivered in connection with such Series of Bonds and applicable to them. Notwithstanding any other provision of this Indenture, failure of The Regents or the Trustee to comply with the provisions of any Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee at the written request of any Participating Underwriter or the Holders of at least 50% aggregate principal amount of any Series of Bonds then Outstanding, shall, but only to the extent it has been indemnified to its satisfaction from any loss, liability, cost, claim or expense whatsoever, including, without limitation, fees and expenses of its attorneys, or any Holder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause The Regents or the Trustee, as the case may be, to comply with its obligations under this Section.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 7.01. Events of Default. The following events shall be Events of Default:

- (a) default in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise;
- (b) default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or
- (c) default by The Regents in the observance of any of the covenants, agreements or conditions on its part of this Indenture or in the Bonds contained, other than a default described in (a) or (b) above, and continuance of such default for a period of sixty (60) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to The Regents by the Trustee, or to The Regents and the Trustee by the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding.
- (d) if The Regents files a petition in voluntary bankruptcy, for the composition of its affairs or for its corporate reorganization under any state or federal bankruptcy or insolvency law, or makes an assignment for the benefit of creditors, or admits in writing to its insolvency or inability to pay debts as they mature, or consents in writing to the appointment of a trustee or receiver for itself;
- (e) if a court of competent jurisdiction shall enter an order, judgment or decree declaring The Regents an insolvent, or adjudging it bankrupt, or appointing a trustee or receiver of The Regents, or approving a petition filed against The Regents seeking reorganization of The Regents under any applicable law or statute of the United

States of America or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof; or

(f) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of The Regents, and such custody or control shall not be terminated within sixty (60) days from the date of assumption of such custody or control.

SECTION 7.02. Acceleration of Maturities. If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, and at the request of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time outstanding shall, upon notice in writing to The Regents, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding. The Trustee shall immediately give notice of such declaration to Bondholders, in the same manner that notices of redemption are given, specifying the date of such declaration, that as of the Business Day immediately following such declaration the Bonds shall cease to bear interest; and that all principal of and interest on the Bonds to the Business Day immediately following such declaration of acceleration shall be payable upon the surrender thereof at the principal office of the Trustee.

SECTION 7.03. Application of General Revenues and Other Funds After Default. If an Event of Default shall occur, then, and in every such case during the continuance of such Event of Default, all General Revenues and any other moneys then held or thereafter received by the Trustee under any of the provisions of this Indenture, shall be applied by the Trustee as follows and in the following order:

(1) To the payment of any compensation and expenses as due to the Trustee under Section 8.06;

(2) To the payment of the principal of and interest then due on the Bonds (upon presentation of the Bonds to be paid, any stamping thereon of the payment if only partially paid or surrender thereof if fully paid) subject to the provisions of this Indenture (including Section 6.02), as follows:

(i) Unless the principal of all of the Bonds shall have become or have been declared due and payable,

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due, whether at maturity or by

call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference.

(ii) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over the principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

SECTION 7.04. Trustee to Represent Bondholders. The Trustee is hereby irrevocably appointed (and the successive respective Holders of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Bonds and this Indenture, as well as under applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bondholders, the Trustee in its discretion may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its sole satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Holders by such appropriate suit, action, mandamus or other proceedings as it shall deem most effectual to protect or enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Holders under this Indenture, or any law; and upon instituting such proceeding, the Trustee shall be entitled as a matter of right to the appointment of a receiver of the General Revenues and other assets pledged or assigned under this Indenture. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Holders of such Bonds, subject to the provisions of this Indenture (including Section 6.02). Nothing herein contained shall be deemed to require the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 7.05. Bondholders' Direction of Proceedings. The Holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction and the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

SECTION 7.06. Limitation on Bondholders' Right to Sue. No Holder of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture or any applicable law with respect to such Bond, unless: (1) such Holder shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (3) such Holder or said Holders shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee; and (5) the Trustee shall not have received contrary directions from the Holders of a majority of the Bonds then Outstanding.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy hereunder or under any law; it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of this Indenture on the rights of any other Holder of Bonds, or to enforce any right under this Indenture or applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Holders of the Outstanding Bonds, subject to the provisions of this Indenture (including Section 6.02).

SECTION 7.07. Limited Obligation of The Regents. Nothing in Section 7.06 or in any other provision of this Indenture or in the Bonds contained shall affect or impair the obligation of The Regents, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on the Bonds to the respective Holders of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, but only out of the General Revenues herein pledged therefor, or affect or impair the right of such Holders, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

SECTION 7.08. Termination of Proceedings. In case any proceedings taken by the Trustee or any one or more Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bondholders, then in every such case The Regents, the Trustee and the Bondholders, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of The Regents, the Trustee and the Bondholders shall continue as though no such proceedings had been taken.

SECTION 7.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

SECTION 7.10. No Waiver of Default. No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power arising upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VIII

THE TRUSTEE

SECTION 8.01. Duties, Immunities and Liabilities of Trustee. The Trustee shall, prior to an Event of Default and after the curing of all such Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any such Event of Default (which has not been cured), exercise such of the rights and powers visited in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that --

(a) prior to such an Event of Default hereunder and after the curing of all such Events of Default which may have occurred --

(1) the duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee conforming to the requirements of this Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to read such certificate or opinion to determine if such document states the matters required by the Indenture to be stated therein; provided, that the Trustee shall not be liable for any such determinations made in error in the absence of bad faith; and

(b) at all times, regardless of whether or not any such Event of Default shall exist --

(1) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(2) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the owners of not less than a majority in aggregate principal amount of all the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

SECTION 8.02. Right of Trustee to Rely upon Documents, Etc. Except as otherwise provided in Section 8.01 --

(a) the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties, and the Trustee may rely upon the correctness of statements of fact and of opinions contained in any certificate, audit report or opinion prepared pursuant to and conforming with the requirements of this Indenture;

(b) any notice, request, direction, election, order or demand of The Regents mentioned herein shall be sufficiently evidenced by an instrument signed in the name of The Regents by its President or its Chairman or its Secretary or an Assistant Secretary or its Treasurer, Associate Treasurer or an Assistant Treasurer (unless other evidence in respect thereof be herein specifically prescribed);

(c) the Trustee may consult with counsel (who may be counsel for The Regents) and the opinion of such counsel shall be the full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel;

(d) whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively provided and established by a Certificate of The Regents; and such Certificate of The Regents shall, in the absence of negligence or bad faith on the part of the Trustee, be full warranty to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof; and

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Bondholders pursuant to this Indenture, unless such Bondholders shall have offered to the Trustee security or indemnity, satisfactory to the Trustee, against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of The Regents, personally or by agent or attorney but shall not assume any liability hereunder as a result of such inquiry;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it hereunder;

(h) the Trustee shall be under no obligation to declare an Event of Default pursuant to Section 7.01(c), unless and until the Trustee has received written notice of an Event of Default from the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding;

(i) before taking any action under Article VII hereof or this Section at the request or direction of the Holders, the Trustee may require that a satisfactory indemnity bond be furnished by the Holders, for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default in connection with any action so taken;

(j) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys;

(k) The Regents shall not be deemed an agent of the Trustee for any purpose, and the Trustee shall not be liable for any noncompliance of The Regents in connection with its duties hereunder or in connection with the transactions contemplated hereby;

(l) the Trustee shall be entitled to rely upon telephonic notice for all purposes whatsoever so long as the Trustee reasonably believes such telephonic notice has been given by a person authorized to give notice; and

(m) the immunities extended to the Trustee also extend to its directors, officers, employees and agents.

Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of the Trustee shall be subject to the provisions of this Article VIII.

SECTION 8.03. Trustee Not Responsible for Recitals. The recitals contained herein and in the Bonds shall be taken as the statements of The Regents, and the Trustee assumes and shall have no responsibility for the correctness of the same or duty to analyze any reports, records or financial statements submitted to it in accordance herewith. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Bonds, or as to the sufficiency of the General Revenues to meet the obligations of The Regents hereunder. The Trustee shall not be accountable for the use or application of The Regents of any of the Bonds authenticated or delivered hereunder or the proceeds of such Bonds.

SECTION 8.04. Right of Trustee to Acquire Bonds. The Trustee and its officers and directors may acquire and hold, or become the pledgee of, Bonds and otherwise deal with The Regents in the manner and to the same extent and with like effect as though it were not Trustee hereunder.

SECTION 8.05. Moneys Received by Trustee to Be Held in Trust. Subject to the provisions of Section 10.03, all moneys received by the Trustee, either as Trustee or as paying agent hereunder, shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law.

SECTION 8.06. Compensation and Indemnification of Trustee. The Regents covenants and agrees to pay or cause to be paid, but only out of General Revenues, as herein provided, to the Trustee from time to time, and the Trustee shall be entitled to, compensation pursuant to a letter proposal submitted by the Trustee to The Regents and approved by The Regents through the execution and delivery hereof, for all services rendered by it in the execution of the trusts hereby created and in the exercise of performance of any of the powers and duties hereunder of the Trustee, which compensation shall not be limited by any provision of law in regard to the compensation of a Trustee of an express trust, and The Regents will, out of such General Revenues exclusively, pay or reimburse the Trustee upon its request for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all Persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. If any property, other than cash, shall at any time be held by the Trustee subject to this Indenture, or any Supplemental Indenture, as security for the Bonds, the Trustee, if and to the extent authorized by any court of competent jurisdiction or by the instrument subjecting such property to the

provisions of this Indenture as such security for the Bonds, shall be entitled to make advances for the purpose of preserving such property or of discharging tax liens or other prior liens or encumbrances thereon. The Regents also covenants and agrees to indemnify the Trustee for, and to hold it harmless against, any loss, liability, expense or advance incurred or made without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim of liability in connection with the exercise or performance of any of its powers or duties hereunder. The obligations of The Regents under this Section 8.06 to compensate the Trustee for services and to pay or reimburse the Trustee for any and all expenses, disbursements, liabilities and advances shall constitute additional indebtedness hereunder, but shall be limited and restricted to the General Revenues available therefor. Such additional indebtedness shall have priority over the Bonds in respect of all property and funds held or collected by the Trustee as such, except funds held in trust by the Trustee for the benefit of the owners of particular Bonds.

SECTION 8.07. Qualifications of Trustee. There shall at all times be a trustee hereunder which shall be a corporation organized and doing business under the laws of the United States or the State of California, authorized under such laws to exercise corporate trust powers, having its corporate trust office and place of business in San Francisco, California, having a combined capital and surplus of at least one hundred million dollars (\$100,000,000), and subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 8.07 the combined capital and surplus shall be as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 8.07, the Trustee shall resign upon written notice from The Regents or a Bondholder in the manner and with the effect specified in Section 8.08.

SECTION 8.08. Resignation and Removal of Trustee and Appointment of Successor Trustee.

(a) The Trustee may at any time resign by giving 30 days written notice to The Regents and by giving to the Bondholders notice by mail, first class postage prepaid, at the addresses of the owners set forth on the registration books of the Trustee. Upon receiving such notice of resignation, The Regents shall promptly appoint a successor trustee by an instrument in writing. If no successor trustee shall have been so appointed and have accepted appointment within thirty (30) days after the receipt by The Regents of such notice of resignation, the resigning trustee at the expense of The Regents may petition any court of competent jurisdiction for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) The Regents may in its sole and absolute discretion remove the Trustee at any time unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with Section 8.07, or shall become incapable of acting, or shall

be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint a successor Trustee by an instrument in writing.

(c) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 8.08 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 8.09.

SECTION 8.09. Acceptance of Trust by Successor Trustee. Any successor trustee appointed as provided in Section 8.08 shall execute, acknowledge and deliver to The Regents and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective, and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusts hereunder, with like effect as if originally named as trustee herein; but, nevertheless on the Request of The Regents or the request of the successor trustee, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusts herein expressed, all the rights, powers and trusts of the trustee so ceasing to act. Upon request of any such successor trustee, The Regents shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights, powers and duties. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure the amounts due it as compensation, reimbursement, expenses and indemnity afforded to it by Section 8.06.

No successor trustee shall accept appointment as provided in this Section 8.09 unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Section 8.07.

Upon acceptance of appointment by a successor trustee as provided in this Section 8.09, The Regents shall, give notice of such appointment to the owners of the Bonds by mail, first class postage prepaid, at the addresses of the owners set forth on the registration books of the Trustee. If The Regents fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of The Regents.

SECTION 8.10. Merger or Consolidation of Trustee. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation succeeding to the business of the Trustee, by sale or otherwise, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that such successor trustee shall be eligible under the provisions of Section 8.07.

ARTICLE IX

MODIFICATION OF INDENTURE

SECTION 9.01. Modification without Consent of Bondholders. The Regents and the Trustee from time to time and at any time, subject to the conditions and restrictions contained in this Indenture, including Section 9.02 hereof, may enter into an indenture or indentures supplemental hereto, which indenture or indentures thereafter shall form a part hereof, for any one or more or all of the following purposes --

- (a) to add to the covenants and agreements of The Regents in this Indenture contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon The Regents;
- (b) to evidence the succession of another corporation, whether public or private, to The Regents, or successive successions, and the assumption by a successor corporation of the covenants and obligations of The Regents in the Bonds and in this Indenture contained;
- (c) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to any matters or any questions arising under this Indenture, as The Regents may deem necessary or desirable and not inconsistent with this Indenture, and which shall not materially adversely affect the interests of the owners of the Bonds;
- (d) to conform to the terms and conditions of the Security Documents evidencing a Senior Lien or Parity Lien, provided such modification shall not materially adversely affect the interests of the owners of the Bonds;
- (e) to make any changes necessary or convenient to provide for the issuance of a Series of Bonds pursuant to the provisions of Section 3.01 hereof including any changes necessary or convenient in connection with the establishment of an interest rate mode, tender and purchase provisions;
- (f) to permit, provide for or accommodate the delivery of a Credit Facility, Liquidity Facility or Financial Products Agreement for any Series of Bonds;
- (g) to make any changes required by a Rating Agency in order to obtain or maintain a rating for any Series of Bonds;
- (h) to modify, alter, amend or supplement this Indenture in any other respect desired by The Regents which is not materially adverse to the Holders.

Any Supplemental Indenture authorized by the provisions of this Section 9.01 may be executed by The Regents and the Trustee without the consent of the owners of any of the Bonds at the time outstanding but the Trustee shall not be obligated to enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 9.02. Modification with Consent of Bondholders. With the consent (evidenced as provided in Section 11.09) of the owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, The Regents and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to, or changing in any manner, or eliminating any of the provisions of, this Indenture or of any Supplemental Indenture; provided, however, that no such Supplemental Indenture shall (1) extend the stated maturity of the Bonds or reduce the rate of interest thereon, or extend the time of payment of interest, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption hereof, without the consent of the owner of each Bond so affected, or (2) reduce the aforesaid percentage of owners of Bonds required to approve any such Supplemental Indenture, without the consent of the owners of all Bonds then outstanding. Upon receipt by the Trustee of a Certificate of The Regents authorizing the execution of any such Supplemental Indenture, and upon the filing with the Trustee of evidence of the consent of Bondholders, the Trustee shall join with The Regents in the execution of such Supplemental Indenture unless such Supplemental Indenture affects the Trustee's own rights, duties or immunities under this indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obliged to, enter into such Supplemental Indenture.

It shall not be necessary for the consent of the Bondholders under this Section 9.02 to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

SECTION 9.03. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to the provisions of this Article IX, this Indenture shall be and be deemed to be modified and amended in accordance therewith, and respective rights, duties and obligations under this Indenture of The Regents, the Trustee and all owners of Bonds Outstanding shall thereafter be determined, exercised and endorsed hereunder subject in all respects to such modification and amendments, and all the terms and conditions of any such Supplemental Indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 9.04. Opinion of Counsel as to Supplemental Indenture. Subject to the provisions of Section 8.01, the Trustee may receive an Opinion of Counsel as conclusive evidence that any Supplemental Indenture executed pursuant to the provisions of this Article IX complies with the requirements of this Article IX.

SECTION 9.05. Notation of Modification on Bonds; Preparation of New Bonds. Bonds authenticated and delivered after the execution of any Supplemental Indenture pursuant to the provisions of this Article IX may bear a notation, in form approved by the Trustee, as to any matter provided for in such Supplemental Indenture, and if such Supplemental Indenture shall so provide, new Bonds, so modified as to conform, in the opinion of the Trustee and The Regents, to any modification of this Indenture contained in any such Supplemental Indenture, may be prepared by The Regents, authenticated by the Trustee and delivered without cost to the owners of the Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

ARTICLE X

DEFEASANCE

SECTION 10.01. Discharge of Indenture. Bonds maybe paid by The Regents in any of the following ways provided that The Regents also pays or causes to be paid any other sums payable hereunder by The Regents and related to the Bonds:

- (a) by paying or causing to be paid the principal, and interest on Outstanding Bonds, as and when the same become due and payable;
- (b) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem Outstanding Bonds; or
- (c) by delivering to the Trustee, for cancellation by it, Outstanding Bonds.

If The Regents shall pay all Bonds Outstanding and shall also pay or cause to be paid all other sums payable hereunder by The Regents, then and in that case, at the election of The Regents (evidenced by a Certificate of The Regents, filed with the Trustee, signifying the intention of The Regents to discharge all such indebtedness and this Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of General Revenues and other assets made under this Indenture and all covenants, agreements and other obligations of The Regents under this Indenture shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 10.02 and except for the obligation of The Regents to pay any amounts under and to otherwise satisfy all of its obligations to the Trustee under Section 8.06. In such event, upon Request of The Regents, the Trustee shall cause an accounting for such period or periods as may be requested by The Regents to be prepared and filed with The Regents and shall execute and deliver to The Regents all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee and any paying agent shall pay over, transfer, assign or deliver to The Regents all moneys or securities or other property held by them pursuant to this Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

SECTION 10.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV provided then all liability of The Regents in respect of such Bond shall cease, terminate and be completely discharged, except only that thereafter the owner thereof shall be entitled only to payment of the principal of and interest on such Bond by The Regents, and The Regents shall remain liable for such payment, but only out of such money or securities deposited with the Trustee as aforesaid for their payment, provided further, however, that the provisions of Section 10.04 shall apply in all events.

The Regents may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered which The Regents may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

SECTION 10.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be--

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds, premium, if any, and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal, premium, if any, and all unpaid interest thereon to the redemption date; or

(b) Defeasance Obligations the principal of and interest on which when due will provide money sufficient to pay the principal, premium, if any, and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal, premium, if any, and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Request of The Regents) to apply such money to the payment of such principal and interest with respect to such Bonds.

SECTION 10.04. Payment of Bonds After Discharge of Indenture. Notwithstanding any provisions of this Indenture, any moneys held by the Trustee in trust for the payment of the principal or interest on any Bonds and remaining unclaimed for two years after such principal or interest on the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Indenture), if such moneys were so held at such date, or two years after the date of deposit of such moneys deposited after said date when such principal or interest became due and payable, shall, upon Request of The Regents, be repaid to The Regents free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to The Regents as aforesaid, the Trustee, as the case may be, shall at the request of The Regents (at the cost of The Regents) first mail a notice, in such form as may be deemed appropriate by the Trustee, to the owners of the Bonds so payable and not presented and with respect to the provisions relating to the repayment to The Regents of the moneys held for the payment thereof.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Liability of Regents Limited to General Revenues.

Notwithstanding anything in this Indenture or in the Bonds contained, The Regents shall not be required to advance any moneys derived from any source other than the General Revenues and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal or purchase price of or interest on the Bonds or for any other purpose of this Indenture.

SECTION 11.02. Successor is Deemed Included in All References to

Predecessor. When in this Indenture either The Regents or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of The Regents or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. If any of the powers or duties of The Regents shall be transferred by or pursuant to any law of the State of California, and if such transfer shall relate to any matter or thing permitted or required to be done under this Indenture by The Regents, then the entity or body or official which shall succeed to such powers or duties shall act and be obligated with respect to such matter or thing in the place and stead of The Regents as in this Indenture provided.

SECTION 11.03. Limitation of Rights to Parties and Bondholders; Rights of Credit Facility Providers, Liquidity Facility Providers and Qualified Providers. (a) Except as provided in Section 11.03(b), nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than The Regents, the Trustee and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of The Regents, the Trustee and the Holders of the Bonds.

(b) Notwithstanding the foregoing, The Regents may, pursuant to a Supplemental Indenture, grant to any Credit Facility Provider, Liquidity Facility Provider or Qualified Provider in connection with all or a portion of a Series of Bonds rights and privileges relating to such Series of Bonds, including but not limited to rights and privileges relating to defaults, acceleration, remedies, consents and notices.

SECTION 11.04. Timing and Business Days. Whenever any action is required to be taken hereunder on a day that is not a Business Day, such action shall be taken on the next succeeding Business Day except as otherwise specifically provided in a Supplemental Indenture.

SECTION 11.05. Waiver of Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice, and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 11.06. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to The Regents of any Bonds, the Trustee shall, if so instructed by Request of The Regents, in lieu of such cancellation and delivery, destroy such Bonds (in the presence of an officer of The Regents, if The Regents shall so require), and deliver a certificate of such destruction to The Regents.

SECTION 11.07. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Regents hereby declares that it would have authorized the execution and delivery of this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable. The provisions of this Section shall not apply to any limitations on liability of The Regents and its officers and agents contained in this Indenture, which limitations are not severable from and are an essential part of this Indenture.

SECTION 11.08. Notice to The Regents and Trustee. Any notice to or demand upon The Regents or the Trustee may be served or presented, and such demand may be made, and shall be deemed to have been sufficiently given or served for all purposes, by being deposited, first class postage prepaid, in a post office letter box, addressed as follows:

To The Regents: The Regents of the University of California
External Finance
1111 Franklin, 9th Floor
Oakland, CA 94607
Attention: Randall B. Young

To the Trustee: BNY Western Trust Company
550 Kearny Street, Suite 600
San Francisco, CA 94108
Attention: Corporate Trust Department

The Regents and the Trustee may, by notice given to each of the others as provided above, designate any different address for delivery of notices or demands to such party.

SECTION 11.09. Evidence of Rights of Bondholders. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of The Regents if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to such notary public or other officer the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of Bonds shall be proved by the bond registration books held by the Trustee.

Any request, consent, or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or The Regents in accordance therewith or reliance thereon.

SECTION 11.10. Disqualified Bonds. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of The Regents, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, The Regents or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, The Regents or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

SECTION 11.11. Money Held for Particular Bonds. The money held by the Trustee or any paying agent for the payment of the interest or principal due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the holders of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04.

SECTION 11.12. Funds and Accounts. Any fund required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with generally accepted accounting principles, to the extent practicable, and with due regard for the protection of the security of the Bonds and the rights of every Holder thereof.

SECTION 11.13. Notice to Rating Agency. The Trustee shall notify the Rating Agency of the occurrence of a change in the Trustee hereunder.

SECTION 11.14. Execution in Several Counterparts. This 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.

SECTION 11.15. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the date provided therefor in this Indenture and, in the case of any payment, no interest shall accrue for the period after such date.

SECTION 11.16. Waiver of Personal Liability. No Regent or officer, agent or employee of The Regents shall be individually or personally liable for the payment of the principal or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

SECTION 11.17. Governing Law. This Indenture shall be interpreted in accordance with the laws of the State of California.

SECTION 11.18. CUSIP Numbers. Neither the Trustee nor The Regents shall be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Holders and that neither the Trustee nor The Regents shall be liable for any inaccuracies in such numbers.

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

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

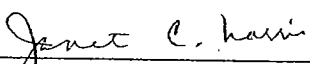
By: 

Chairman

By: 

Secretary

Approved as to form:



University Counsel of The Regents of the
University of California

BNY WESTERN TRUST COMPANY,
as Trustee

By: 


Vice President

CERTIFICATE RE: FIRST SUPPLEMENTAL INDENTURE

RANDALL B. YOUNG, Assistant Treasurer-External Finance of The Regents of the University of California ("The Regents"), hereby certifies that attached hereto is a true, correct and complete copy of the First Supplemental Indenture, dated as of September 1, 2003, by and between The Regents and BNY Western Trust Company, as trustee.

Dated: July 7, 2005.

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

By: 
Randall B. Young
Assistant Treasurer-External Finance

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

BNY WESTERN TRUST COMPANY, as trustee

FIRST SUPPLEMENTAL INDENTURE

Dated as of September 1, 2003

\$914,270,000

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

2003 SERIES A

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THIS FIRST SUPPLEMENTAL INDENTURE, made and entered into as of the first day of September, 2003, 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 BNY WESTERN TRUST COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of California, having its 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 (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 refund certain of its obligations issued to finance and refinance the acquisition, construction, improvement and renovation of certain facilities of the University of California, including, but not limited to student housing, faculty housing, parking facilities, student centers, recreation and events facilities, cogeneration 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 refunding and the financing of such capital improvement projects, The Regents desires to issue, sell and deliver not to exceed \$914,270,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2003 Series A (the "2003 Series A Bonds"), all under and in accordance with the 2003 Indenture and this First Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2003 Series A 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 2003 Series A 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 First 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 First Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS FIRST 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 2003 Series A 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 2003 Series A 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 XII

2003 SERIES A BONDS

SECTION 12.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 12.01 shall, for all purposes of the Indenture and this First 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.

Ambac Assurance

"Ambac Assurance" means Ambac Assurance Corporation, a Wisconsin-domiciled stock insurance company.

Authorized Denomination

"Authorized Denomination" means \$5,000 or any integral multiple thereof with respect to 2003 Series A 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 2003 Series A Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Financial Guaranty Insurance Policy

"Financial Guaranty Insurance Policy" means the financial guaranty insurance policy issued by Ambac Assurance insuring the payment when due of the principal of and interest on the Insured Bonds as provided therein.

First Supplemental Indenture

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

Insured Bonds

"Insured Bonds" means the 2003 Series A Bonds maturing on May 15, 2007 through May 15, 2036, inclusive.

Insured Holder

"Insured Holder" means the Holder of an Insured Bond.

Participating Underwriter

"Participating Underwriter" means any of the original underwriters of the 2003 Series A 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 2003 Series A Bonds.

Prior Obligations

"Prior Obligations" means The Regents of the University of California Housing System Revenue Bonds, Series A; The Regents of the University of California Refunding Revenue Bonds (Multiple Purpose Projects), Series B and C; The Regents of the University of California Research Facility Revenue Bonds 1993 Series A; and The Regents of the University of California 1993 Refunding Certificates of Participation (UCLA Central Chiller/Cogeneration Facility).

2003 Series A Bonds

"2003 Series A Bonds" means The Regents of the University of California General Revenue Bonds, 2003 Series A, authorized under and secured by the 2003 Indenture and this First Supplemental Indenture.

2003 Series A Projects

"2003 Series A Projects" means the capital improvement projects described in Exhibit B, or such other capital improvement projects designated by The Regents.

SECTION 12.02 Authorization of 2003 Series A Bonds.

(A) A first 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, 2003 Series A.” The aggregate principal amount of 2003 Series A Bonds which may be issued and outstanding under the Indenture shall not exceed Nine Hundred Fourteen Million Two Hundred Seventy Thousand Dollars (\$914,270,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2003 Series A Bonds are authorized and issued to refund the Prior Obligations, to provide for the financing of the 2003 Series A Projects, and to pay for Costs of Issuance of the 2003 Series A Bonds.

(C) The 2003 Series A 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 and herein.

SECTION 12.03 Terms of 2003 Series A Bonds.

(A) The 2003 Series A 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, 2004, 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</u> <u>(May 15)</u>	<u>Principal Amount</u>	<u>Rate</u>
2004	\$10,685,000	1.000%
2005	13,415,000	5.000
2005	17,905,000	3.000
2006	21,945,000	5.000
2006	10,625,000	4.000
2007	22,105,000	5.000
2007	14,330,000	4.000
2008	25,325,000	5.000
2008	12,800,000	4.000
2009	34,810,000	5.000
2009	5,065,000	4.250
2010	36,050,000	5.000
2010	5,760,000	4.500
2011	41,185,000	5.000
2011	2,650,000	4.500
2012	37,990,000	5.000
2012	8,030,000	4.000
2013	37,665,000	5.000
2013	8,720,000	4.000
2014	37,630,000	5.125
2014	11,025,000	4.125

2015	47,520,000	5.125
2015	620,000	4.250
2016	48,930,000	5.125
2016	1,000,000	4.375
2017	48,760,000	5.125
2018	24,540,000	5.125
2018	315,000	4.500
2019	24,500,000	5.125
2019	1,075,000	4.625
2020	18,465,000	5.125
2021	18,665,000	5.000
2022	16,025,000	5.000
2023	16,835,000	5.000
2024	15,860,000	5.000
2025	16,035,000	5.000
2026	16,835,000	5.000
2027	17,685,000	5.000
2028	18,570,000	5.000
2033*	107,810,000	5.000
2036*	38,510,000	5.000

*Term Bond

The principal of the 2003 Series A 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 fifteenth day of the month immediately preceding an Interest Payment Date (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 2003 Series A Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2003 Series A Bonds shall be substantially in the form set forth in Exhibit A.

(C) The 2003 Series A 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 2003 Series A 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, 2004, in which event it shall bear interest from the date of original delivery. The 2003 Series A 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 fifteenth day of the month preceding an Interest Payment Date and ending on such Interest Payment Date.

SECTION 12.04 Redemption of 2003 Series A Bonds.

(A) 2003 Series A Bonds maturing on or after May 15, 2014 shall be subject to redemption prior to their respective stated maturities, at the option of The Regents from lawfully available funds deposited in the 2003 Series A Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (D) of Section 12.06 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, 2013, at a redemption price equal to the principal amount of the 2003 Series A Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium

(B) (i) 2003 Series A Bonds maturing on May 15, 2033, 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 on May 15:

Year	Mandatory Sinking Account Payment
2029	\$19,500,000
2030	20,485,000
2031	21,510,000
2032	22,590,000
2033*	23,725,000

*Maturity.

(ii) 2003 Series A Bonds maturing on May 15, 2036, 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 on May 15:

Year	Mandatory Sinking Account Payment
2034	\$12,790,000
2035	12,545,000
2036*	13,175,000

*Maturity.

(C) Whenever provision is made for the redemption of a portion of the 2003 Series A Bonds of a maturity date, the Trustee shall select the 2003 Series A Bonds to be redeemed by lot.

(D) Except as in this Section otherwise provided, the redemption of 2003 Series A Bonds shall be subject to the provisions of Article IV of the Indenture.

SECTION 12.05 Issuance of 2003 Series A Bonds. The Trustee, forthwith upon the execution and delivery of this First 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 2003 Series A Bonds, and without any further action on the part of The Regents, shall authenticate 2003 Series A Bonds in the aggregate principal amount of Nine Hundred Fourteen Million Two Hundred Seventy Thousand Dollars (\$914,270,000) and shall deliver them to or upon the Written Order of The Regents.

SECTION 12.06 Application of Proceeds; Establishment of 2003 Series A

Funds.

(A) The proceeds received upon the sale of the 2003 Series A Bonds shall be applied or deposited as follows:

(1) \$755,030,759.77, which together with \$30,782,491.74, which shall be transferred from Lehman Brothers, Inc., acting on behalf of itself and as representative of the other underwriters of the 2003 Series A Bonds, to U.S. Bank National Association, as successor trustee (the "1993A Trustee"), under the indenture dated as of May 1, 1993, by and between The Regents and the 1993A Trustee, authorizing the issuance of The Regents of the University of California Research Facilities Revenue Bonds, 1993 Series A, shall be applied to the refunding of the Prior Obligations pursuant to the Written Orders of The Regents;

(2) \$308,466.63 shall be transferred to The Regents for deposit in the 2003 Series A Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section; and

(3) \$154,226,295.02 shall be transferred to The Regents for deposit in the 2003 Series A Construction Fund established by The Regents pursuant to subparagraph (C) of this Section.

(B) 2003 Series A Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the "2003 Series A Costs of Issuance Fund." Moneys in the 2003 Series A Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2003 Series A Bonds, and at the end of six months from the date of issuance of the 2003 Series A 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) 2003 Series A Construction Fund. The Regents shall establish and maintain a fund designated as the "2003 Series A Construction Fund." Moneys in the 2003 Series A Construction Fund shall be used and withdrawn by The Regents to pay the cost of the acquisition, construction, improvement and/or renovation of the 2003 Series A Projects, including reimbursements of any sums advanced by The Regents for such purposes and refunding borrowings of The Regents incurred for such purposes, and to pay interest on the 2003 Series A Bonds in such amounts and on such dates as determined by The Regents. Amounts in the 2003 Series A Construction Fund may be invested in Investment Securities. Upon completion of the 2003 Series A Projects, any amounts remaining in the 2003 Series A Construction Fund shall be applied to pay the interest on the 2003 Series A Bonds or to pay other capital expenditures of The Regents.

(D) 2003 Series A Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the "2003 Series A Optional Redemption Subaccount." Moneys in the 2003 Series A Optional Redemption Subaccount shall be used for the redemption or purchase of 2003 Series A Bonds from money allocable to the 2003 Series A Bonds and required, pursuant to Section 12.04(A) of this First Supplemental Indenture, to be deposited into such subaccount.

SECTION 12.07 Tax Covenants. The Regents will not make any use of the proceeds of the 2003 Series A Bonds or any other funds of The Regents or of the 2003 Series A Projects which will cause any 2003 Series A 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 and the 2003 Series A Projects, 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.

The Regents further covenants that it will not use or permit the use of the 2003 Series A Projects by any person for a "private business use" within the meaning of Section 141(b) of the Code, in such manner or to such extent as would result in the inclusion of interest received on the 2003 Series A Bonds in gross income for federal income tax purposes under Section 103 of the Code.

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 12.08 Terms of 2003 Series A Bonds Subject to the Indenture. Except as in this First Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this First Supplemental Indenture and to the 2003 Series A 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 First Supplemental Indenture. As supplemented by this First Supplemental Indenture, the Indenture is hereby confirmed.

SECTION 12.09 Insurer Provisions.

(A) Consent.

(1) Any provision of this First Supplemental Indenture expressly recognizing or granting rights in or to Ambac Assurance may not be amended in any manner which affects the rights of Ambac Assurance hereunder without the prior written consent of Ambac Assurance.

(2) Ambac Assurance's consent shall be required whenever any Insured Holder consent is required.

(3) Anything in this First Supplemental Indenture to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, Ambac Assurance shall be entitled to control and direct the enforcement of all rights and remedies granted to the Insured Holders or the Trustee for the benefit of the Insured Holders under this First Supplemental Indenture, including, without limitation: (i) the right to accelerate the principal of the Insured Bonds as described in this First Supplemental Indenture, and (ii) the right to annul any declaration of acceleration, and Ambac Assurance shall also be entitled to approve all waivers of Events of Default.

(4) Upon the occurrence of an Event of Default, the Trustee may, with the consent of Ambac Assurance, and shall, at the direction of Ambac Assurance or a majority of the Insured Holders with the consent of Ambac Assurance, by written notice to The Regents and Ambac Assurance, declare the principal of the Insured Bonds to be immediately due and payable, whereupon that portion of the principal of the Insured Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this First Supplemental Indenture or in the Insured Bonds to the contrary notwithstanding.

(B) Notices.

(1) While the Financial Guaranty Insurance Policy is in effect, The Regents or the Trustee, as appropriate, shall furnish to Ambac Assurance, upon request, at The Regents' expense, to the attention of the Surveillance Department, unless otherwise indicated, the following:

- (a) a copy of any financial statement, audit and/or annual report of The Regents;
- (b) such additional information as it may reasonably request;

(c) a copy of any notice to be given to the registered owners of the Insured Bonds, including, without limitation, notice of any redemption of or defeasance of Insured Bonds, and any certificate rendered pursuant to this First Supplemental Indenture relating to the security for the Insured Bonds; and

(d) To the extent that The Regents has entered into a continuing disclosure agreement with respect to the Insured Bonds, Ambac Assurance shall be included as party to be notified.

(2) While the Financial Guaranty Insurance Policy is in effect, The Regents or the Trustee, as appropriate, shall furnish to Ambac Assurance, to the attention of the General Counsel's Office, unless otherwise indicated, the following:

(a) The Trustee or The Regents, as appropriate, shall notify Ambac Assurance of any failure of The Regents to provide relevant notices and certificates; and

(b) Notwithstanding any other provision of this First Supplemental Indenture, the Trustee or The Regents, as appropriate, shall immediately notify Ambac Assurance if at any time

there are insufficient moneys to make any payments of principal and/or interest on the Insured Bonds as required and immediately upon the occurrence of any Event of Default.

(3) The Regents will permit Ambac Assurance to discuss the affairs, finances and accounts of The Regents or any information Ambac Assurance may reasonably request regarding the security for the Insured Bonds with appropriate officers of The Regents. The Trustee or The Regents, as appropriate, will permit Ambac Assurance to have access to and to make copies of all books and records relating to the Insured Bonds at any reasonable time.

(4) Upon the occurrence of an Event of Default, Ambac Assurance shall have the right to direct an accounting at The Regents' expense, and The Regents' failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from Ambac Assurance shall be deemed a default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any Insured Holder.

(C) Defeasance.

(1) The definition of "Outstanding" Insured Bonds or obligations, or any like concept, should specifically include Insured Bonds or obligations which fall into the category described below.

(2) Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Insured Bonds shall be paid by Ambac Assurance pursuant to the Financial Guaranty Insurance Policy, the Insured Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by The Regents, and the assignment and pledge under Section 5.01 hereof and all covenants, agreements and other obligations of The Regents to the Insured Holders shall continue to exist and shall run to the benefit of Ambac Assurance, and Ambac Assurance shall be subrogated to the rights of such Insured Holders.

(D) Payment Procedure.

(1) As long as the Financial Guarantee Insurance Policy shall be in full force and effect, The Regents hereby covenants to send written notice to the Trustee on the Business Day preceding an Interest Payment Date in the event The Regents determines there will be an insufficient amount in the Debt Service Fund on such Interest Payment Date to pay the principal of and interest on the Insured Bonds on such Interest Payment Date, and The Regents and the Trustee additionally agree to comply with the following provisions:

(a) At least one (1) day prior to all Interest Payment Dates the Trustee will determine, 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 Interest Payment Date and in reliance on the covenant of The Regents contained in this Section 12.09(D)(1), whether there will be sufficient funds in the funds and accounts to pay the principal of or interest on the Insured Bonds on such Interest Payment Date. If the Trustee determines that there will be insufficient funds in such funds or accounts, 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 Interest Payment Date and in reliance on the covenant of The Regents contained in this Section 12.09(D)(1), the Trustee shall so notify Ambac Assurance. Such notice shall specify the amount of the anticipated deficiency, the Insured Bonds to which such deficiency is applicable and whether such Insured Bonds will be deficient as to principal or interest, or both. If the Trustee has not so notified Ambac Assurance at least one (1) day prior to an Interest Payment Date, Ambac Assurance will make payments of principal or interest due on the Insured Bonds on or before the first (1st) day next following the date on which Ambac Assurance shall have received notice of nonpayment from the Trustee.

(b) The Trustee shall, after giving notice to Ambac Assurance as provided in (a) above, make available to Ambac Assurance and, at Ambac Assurance's direction, to The Bank of New York, in New York, New York, as insurance trustee for Ambac Assurance or any successor insurance trustee (the "Insurance Trustee"), the registration books of The Regents maintained by the Trustee, and all records relating to the funds and accounts maintained under this First Supplemental Indenture.

(c) The Trustee shall provide Ambac Assurance and the Insurance Trustee with a list of registered owners of Insured Bonds entitled to receive principal or interest payments from Ambac Assurance under the terms of the Financial Guaranty Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of Insured Bonds entitled to receive full or partial interest payments from Ambac Assurance and (ii) to pay principal upon Insured Bonds surrendered to the Insurance Trustee by the registered owners of Insured Bonds entitled to receive full or partial principal payments from Ambac Assurance.

(d) The Trustee shall, at the time it provides notice to Ambac Assurance pursuant to (a) above, notify registered owners of Insured Bonds entitled to receive the payment of principal or interest thereon from Ambac Assurance (i) as to the fact of such entitlement, (ii) that Ambac Assurance will remit to them all or a part of the interest payments next coming due upon proof of Insured Holder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from Ambac Assurance, they must surrender their Insured Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Insured Bonds to be registered in the name of Ambac Assurance) for payment to the Insurance Trustee, and not the Trustee, and (iv) that should they be entitled to receive partial payment of principal from Ambac Assurance, they must surrender their Insured Bonds for payment thereon first to the Trustee, who shall note on such Insured Bonds the portion of the principal paid by the Trustee, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Trustee has notice that any payment of principal or interest on an Insured Bond which has become due for payment and which is made to a Insured Holder by or on behalf of The Regents has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee shall, at the time Ambac Assurance is notified pursuant to (a) above,

notify all Insured Holders that in the event that any Insured Holder's payment is so recovered, such Insured Holder will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee shall furnish to Ambac Assurance its records evidencing the payments of principal of and interest on the Insured Bonds which have been made by the Trustee, and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted Ambac Assurance under this First Supplemental Indenture, Ambac Assurance shall, to the extent it makes payment of principal of or interest on Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Financial Guaranty Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note Ambac Assurance's rights as subrogee on the registration books of The Regents maintained by the Trustee; upon receipt from Ambac Assurance of proof of the payment of interest thereon to the registered owners of the Insured Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note Ambac Assurance's rights as subrogee on the registration books of The Regents maintained by the Trustee, upon surrender of the Insured Bonds by the registered owners thereof together with proof of the payment of principal thereof.

(E) Trustee-Related Provisions.

(1) The Trustee may be removed at any time, at the request of Ambac Assurance, for any breach of the Trustee's fiduciary duties arising under the Indenture.

(2) Ambac Assurance shall receive prior written notice from the Trustee of any Trustee resignation.

(3) Notwithstanding any other provision of this First Supplemental Indenture, in determining whether the rights of the Insured Holders will be adversely affected by any action taken pursuant to the terms and provisions of this First Supplemental Indenture, the Trustee shall consider the effect on the Insured Holders as if there were no Financial Guaranty Insurance Policy.

(4) Notwithstanding any other provision of this First Supplemental Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor, following notice to Ambac Assurance, shall be appointed.

(5) Notwithstanding any other provision of the Indenture, unless Ambac Assurance is in default under the Financial Guarantee Insurance Policy, Ambac Assurance shall be deemed to be the sole Holder of the Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Insured Holders are entitled to take pursuant to the Indenture.

(F) Interested Parties.

(1) To the extent that this First Supplemental Indenture confers upon or gives or grants to Ambac any right, remedy or claim under or by reason of this First Supplemental

Indenture, Ambac is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

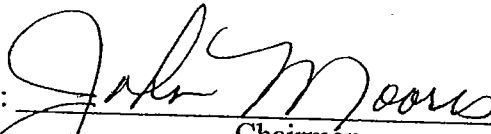
(2) Nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than The Regents, the Trustee, Ambac Assurance, and the Insured Holders, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this First Supplemental Indenture contained by and on behalf of The Regents shall be for the sole and exclusive benefit of The Regents, the Trustee, Ambac Assurance, and the Insured Holders.

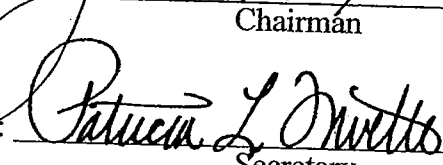
SECTION 12.10 Article and Section Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this First Supplemental Indenture.

SECTION 12.11 Execution in Several Counterparts. This First 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.

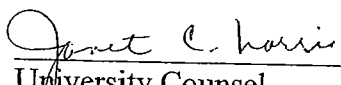
IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this First Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and BNY WESTERN TRUST COMPANY, in token of its acceptance of the trusts created hereunder, has caused this First Supplemental 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: 
Secretary

Approved as to form:


University Counsel

BNY WESTERN TRUST COMPANY,
as Trustee

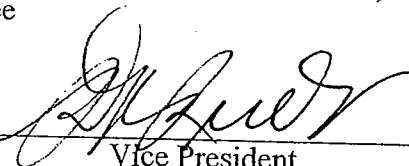
By: 
Vice President

EXHIBIT A
FORM OF 2003 SERIES A BOND

R-_____

\$_____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2003 SERIES A

<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, 2004, 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, 2004, 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 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 15th day of the month immediately preceding an interest payment date, 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 supplemented by a first supplemental indenture, dated as of September 1, 2003, 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 2003 Series A 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, 2003 Series A 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.

[For Insured Bonds Only] [Financial Guaranty Insurance Policy No. ____ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by Ambac Assurance Corporation ("Ambac Assurance"). The Policy has been delivered to The Bank of New York, New York, New York, as the Insurance Trustee under said Policy and will be held by such Insurance Trustee or any successor insurance trustee. The Policy is on file and available for inspection at the principal office of the Insurance Trustee and a copy thereof may be secured from Ambac Assurance or the Insurance Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of Ambac Assurance as more fully set forth in the Policy.]

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 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: _____
Secretary

FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION

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

BNY WESTERN TRUST COMPANY,
as Trustee

By: _____
Authorized Signatory

Date of Authentication:

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.

EXHIBIT B

2003 SERIES A PROJECTS

<u>Campus</u>	<u>Project</u>
Davis	Segundo Commons housing facility Activities and recreation center
Irvine	Arroyo Vista housing facility
Los Angeles	Wooden West addition Knudsen laboratory Dystra parking facility Sproul Hall first floor renovation Housing at 726 Hilgard Housing at 831 Briarcreek
Merced	Office building
Santa Barbara	De La Guerra dining facility Intercollegiate athletics facilities
San Francisco	Mission Bay parking project

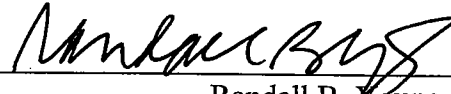
CERTIFICATE RE: SECOND SUPPLEMENTAL INDENTURE

RANDALL B. YOUNG, Assistant Treasurer-External Finance of The Regents of the University of California ("The Regents"), hereby certifies that attached hereto is a true, correct and complete copy of the Second Supplemental Indenture, dated as of October 1, 2003, by and between The Regents and BNY Western Trust Company, as trustee.

Dated: July 7, 2005.

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

By: _____



Randall B. Young
Assistant Treasurer-External Finance

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

BNY WESTERN TRUST COMPANY, as trustee

SECOND SUPPLEMENTAL INDENTURE

Dated as of October 1, 2003

\$385,835,000

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

2003 SERIES B

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EXHIBIT A FORM OF 2003 SERIES B BOND	A-1

THIS SECOND SUPPLEMENTAL INDENTURE, made and entered into as of the first day of October, 2003, 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 BNY WESTERN TRUST COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of California, having its 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 supplemented by the first supplemental indenture, dated as of September 1, 2003 (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 2003 Series B Bonds (hereinafter defined) to refund The Regents of the University of California Refunding Revenue Bonds (1989 Multiple Purpose Projects) Series C, which refinanced the acquisition and construction of certain facilities of the University of California, including, but not limited to student housing, faculty housing, parking facilities, 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 refunding, The Regents desires to issue, sell and deliver not to exceed \$385,835,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2003 Series B (the "2003 Series B Bonds"), all under and in accordance with the 2003 Indenture and this Second Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2003 Series B 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 2003 Series B 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 Second 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 Second Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS SECOND 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 2003 Series B 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 2003 Series B 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:

2003 SERIES B BONDS

SECTION 13.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 13.01 shall, for all purposes of the Indenture and this Second 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.

Ambac Assurance

“Ambac Assurance” means Ambac Assurance Corporation, a Wisconsin-domiciled stock insurance company.

Authorized Denomination

“Authorized Denomination” means \$5,000 or any integral multiple thereof with respect to 2003 Series B 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 2003 Series B Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Financial Guaranty Insurance Policy

“Financial Guaranty Insurance Policy” means the financial guaranty insurance policy issued by Ambac Assurance insuring the payment when due of the principal of and interest on the Insured Bonds as provided therein.

Interest Payment Date

“Interest Payment Date” shall have the meaning as given in Section 13.03 of this Second Supplemental Indenture.

Insured Bonds

“Insured Bonds” means the 2003 Series B Bonds maturing on May 15, 2008 through May 15, 2028, inclusive.

Insured Holder

“Insured Holder” means the Holder of an Insured Bond.

Participating Underwriter

“Participating Underwriter” means any of the original underwriters of the 2003 Series B 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 2003 Series B Bonds.

Prior Obligations

“Prior Obligations” means The Regents of the University of California Refunding Revenue Bonds (1989 Multiple Purpose Projects) Series C.

Record Date

“Record Date” shall have the meaning as given in Section 13.03 of this Second Supplemental Indenture.

Second Supplemental Indenture

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

2003 Series B Bonds

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

SECTION 13.02 Authorization of 2003 Series B Bonds.

(A) A second 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, 2003 Series B.” The aggregate principal amount of 2003 Series B Bonds which may be issued and outstanding under the Indenture shall not exceed Three Hundred Eighty-Five Million Eight Hundred Thirty-Five Thousand Dollars (\$385,835,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2003 Series B Bonds are authorized and issued to refund the Prior Obligations and to pay for Costs of Issuance of the 2003 Series B Bonds.

(C) The 2003 Series B 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 13.03 Terms of 2003 Series B Bonds.

The 2003 Series B 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, 2004, 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:

Date Maturing (May 15)	Principal Amount	Interest Rate
2004	\$ 9,800,000	2.000%
2005	14,280,000	3.000
2006	9,715,000	3.000
2006	5,000,000	4.500
2007	10,235,000	3.000
2007	5,000,000	5.000
2008	10,800,000	5.000
2008	5,000,000	3.000
2009	11,470,000	3.000
2009	5,000,000	5.000
2010	12,085,000	5.000
2010	5,000,000	3.000
2011	14,060,000	5.000
2011	3,775,000	3.250
2012	15,165,000	5.000
2012	3,495,000	3.500
2013	9,610,000	5.250
2013	9,905,000	4.000
2014	10,745,000	4.000
2014	8,250,000	5.250
2015	11,355,000	5.250
2015	8,520,000	4.000
2016	18,765,000	5.250
2016	2,040,000	4.000
2017	20,510,000	5.000
2017	1,340,000	4.125
2018	22,035,000	5.000
2018	735,000	4.250
2019	23,140,000	5.000

2020	24,290,000	5.000
2021	25,485,000	5.000
2022	23,305,000	5.000
2023	24,460,000	5.250
2028*	1,465,000	4.750

***Term Bond**

The principal of the 2003 Series B 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.

(A) The 2003 Series B Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2003 Series B Bonds shall be substantially in the form set forth in Exhibit A.

(B) The 2003 Series B 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 2003 Series B 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, 2004, in which event it shall bear interest from the date of original delivery. The 2003 Series B 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 13.04 Redemption of 2003 Series B Bonds.

(A) The 2003 Series B Bonds maturing on or before May 15, 2013 are not subject to optional redemption. The 2003 Series B Bonds maturing on or after May 15, 2014 are subject to redemption prior to their respective stated maturities, at the option of The Regents from lawfully available funds deposited in the 2003 Series B Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (C) of Section 13.06 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, 2013 at a redemption price equal to the principal amount thereof, without premium, together with interest accrued thereon to the date fixed for redemption.

(B) 2003 Series B 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 on May 15:

Year	Mandatory Sinking Account Payment
2024	\$265,000
2025	280,000
2026	295,000
2027	305,000
2028*	320,000

*Maturity.

(C) Whenever provision is made for the redemption of a portion of the 2003 Series B Bonds of a maturity date, the Trustee shall select the 2003 Series B Bonds to be redeemed by lot.

(D) Except as in this Section otherwise provided, the redemption of 2003 Series B Bonds shall be subject to the provisions of Article IV of the Indenture.

SECTION 13.05 Issuance of 2003 Series B Bonds. The Trustee, forthwith upon the execution and delivery of this Second 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 2003 Series B Bonds, and without any further action on the part of The Regents, shall authenticate 2003 Series B Bonds in the aggregate principal amount of Three Hundred Eighty-Five Million Eight Hundred Thirty-Five Thousand Dollars (\$385,835,000) and shall deliver them to or upon the Written Order of The Regents.

SECTION 13.06 Application of Proceeds; Establishment of 2003 Series B Funds.

(A) The proceeds received upon the sale of the 2003 Series B Bonds shall be applied or deposited as follows:

(1) \$401,936,163.44 shall be applied to the refunding of the Prior Obligations pursuant to the Written Order of The Regents; and

(2) \$190,179.29 shall be transferred to The Regents for deposit in the 2003 Series B Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section.

(B) 2003 Series B Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the "2003 Series B Costs of Issuance Fund." Moneys in the 2003 Series B Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2003 Series B Bonds, and at the end of six months from the date of issuance of the 2003 Series B 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) 2003 Series B Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the "2003 Series B Optional Redemption Subaccount." Moneys in the 2003 Series B Optional Redemption Subaccount shall be used for the redemption or purchase of 2003 Series B Bonds from money allocable to the 2003 Series B Bonds and required, pursuant to Section 13.04(A) of this Second Supplemental Indenture, to be deposited into such subaccount.

SECTION 13.07 Tax Covenants. The Regents will not make any use of the proceeds of the 2003 Series B Bonds or any other funds of The Regents which will cause any 2003 Series B 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 13.08 Terms of 2003 Series B Bonds Subject to the Indenture. Except as in this Second Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Second Supplemental Indenture and to the 2003 Series B 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 Second Supplemental Indenture. As supplemented by this Second Supplemental Indenture, the Indenture is hereby confirmed.

SECTION 13.09 Insurer Provisions.

(A) Consent.

(1) Any provision of this Second Supplemental Indenture expressly recognizing or granting rights in or to Ambac Assurance may not be amended in any manner which affects the rights of Ambac Assurance hereunder without the prior written consent of Ambac Assurance.

(2) Ambac Assurance's consent shall be required whenever any Insured Holder consent is required.

(3) Anything in this Second Supplemental Indenture to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, Ambac Assurance shall be entitled to control and direct the enforcement of all rights and remedies granted to the

Insured Holders or the Trustee for the benefit of the Insured Holders under this Second Supplemental Indenture, including, without limitation: (i) the right to accelerate the principal of the Insured Bonds as described in this Second Supplemental Indenture, and (ii) the right to annul any declaration of acceleration, and Ambac Assurance shall also be entitled to approve all waivers of Events of Default.

(4) Upon the occurrence of an Event of Default, the Trustee may, with the consent of Ambac Assurance, and shall, at the direction of Ambac Assurance or a majority of the Insured Holders with the consent of Ambac Assurance, by written notice to The Regents and Ambac Assurance, declare the principal of the Insured Bonds to be immediately due and payable, whereupon that portion of the principal of the Insured Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Second Supplemental Indenture or in the Insured Bonds to the contrary notwithstanding.

(B) Notices.

(1) While the Financial Guaranty Insurance Policy is in effect, The Regents or the Trustee, as appropriate, shall furnish to Ambac Assurance, upon request, at The Regents' expense, to the attention of the Surveillance Department, unless otherwise indicated, the following:

- (a) a copy of any financial statement, audit and/or annual report of The Regents;
- (b) such additional information as it may reasonably request;
- (c) a copy of any notice to be given to the registered owners of the Insured Bonds, including, without limitation, notice of any redemption of or defeasance of Insured Bonds, and any certificate rendered pursuant to this Second Supplemental Indenture relating to the security for the Insured Bonds; and
- (d) To the extent that The Regents has entered into a continuing disclosure agreement with respect to the Insured Bonds, Ambac Assurance shall be included as party to be notified.

(2) While the Financial Guaranty Insurance Policy is in effect, The Regents or the Trustee, as appropriate, shall furnish to Ambac Assurance, to the attention of the General Counsel's Office, unless otherwise indicated, the following:

- (a) The Trustee or The Regents, as appropriate, shall notify Ambac Assurance of any failure of The Regents to provide relevant notices and certificates; and
- (b) Notwithstanding any other provision of this Second Supplemental Indenture, the Trustee or The Regents, as appropriate, shall immediately notify Ambac Assurance if at any time there are insufficient moneys to make any payments of principal and/or interest on the Insured Bonds as required and immediately upon the occurrence of any Event of Default.

(3) The Regents will permit Ambac Assurance to discuss the affairs, finances and accounts of The Regents or any information Ambac Assurance may reasonably request regarding

the security for the Insured Bonds with appropriate officers of The Regents. The Trustee or The Regents, as appropriate, will permit Ambac Assurance to have access to and to make copies of all books and records relating to the Insured Bonds at any reasonable time.

(4) Upon the occurrence of an Event of Default, Ambac Assurance shall have the right to direct an accounting at The Regents' expense, and The Regents' failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from Ambac Assurance shall be deemed a default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any Insured Holder.

(C) Defeasance.

(1) The definition of "Outstanding" Insured Bonds or obligations, or any like concept, should specifically include Insured Bonds or obligations which fall into the category described below.

(2) Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Insured Bonds shall be paid by Ambac Assurance pursuant to the Financial Guaranty Insurance Policy, the Insured Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by The Regents, and the assignment and pledge under Section 5.01 hereof and all covenants, agreements and other obligations of The Regents to the Insured Holders shall continue to exist and shall run to the benefit of Ambac Assurance, and Ambac Assurance shall be subrogated to the rights of such Insured Holders.

(D) Payment Procedure.

(1) As long as the Financial Guarantee Insurance Policy shall be in full force and effect, The Regents hereby covenants to send written notice to the Trustee on the Business Day preceding an Interest Payment Date in the event The Regents determines there will be an insufficient amount in the Debt Service Fund on such Interest Payment Date to pay the principal of and interest on the Insured Bonds on such Interest Payment Date, and The Regents and the Trustee additionally agree to comply with the following provisions:

(a) At least one (1) day prior to all Interest Payment Dates the Trustee will determine, 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 Interest Payment Date and in reliance on the covenant of The Regents contained in this Section 13.09(D)(1), whether there will be sufficient funds in the funds and accounts to pay the principal of or interest on the Insured Bonds on such Interest Payment Date. If the Trustee determines that there will be insufficient funds in such funds or accounts, 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 Interest Payment Date and in reliance on the covenant of The Regents contained in this Section 13.09(D)(1), the Trustee shall so notify Ambac Assurance. Such notice shall specify the amount of the anticipated deficiency, the Insured Bonds to which such deficiency is applicable and whether such Insured Bonds will be

deficient as to principal or interest, or both. If the Trustee has not so notified Ambac Assurance at least one (1) day prior to an Interest Payment Date, Ambac Assurance will make payments of principal or interest due on the Insured Bonds on or before the first (1st) day next following the date on which Ambac Assurance shall have received notice of nonpayment from the Trustee.

(b) The Trustee shall, after giving notice to Ambac Assurance as provided in (a) above, make available to Ambac Assurance and, at Ambac Assurance's direction, to The Bank of New York, in New York, New York, as insurance trustee for Ambac Assurance or any successor insurance trustee (the "Insurance Trustee"), the registration books of The Regents maintained by the Trustee, and all records relating to the funds and accounts maintained under this Second Supplemental Indenture.

(c) The Trustee shall provide Ambac Assurance and the Insurance Trustee with a list of registered owners of Insured Bonds entitled to receive principal or interest payments from Ambac Assurance under the terms of the Financial Guaranty Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of Insured Bonds entitled to receive full or partial interest payments from Ambac Assurance and (ii) to pay principal upon Insured Bonds surrendered to the Insurance Trustee by the registered owners of Insured Bonds entitled to receive full or partial principal payments from Ambac Assurance.

(d) The Trustee shall, at the time it provides notice to Ambac Assurance pursuant to (a) above, notify registered owners of Insured Bonds entitled to receive the payment of principal or interest thereon from Ambac Assurance (i) as to the fact of such entitlement, (ii) that Ambac Assurance will remit to them all or a part of the interest payments next coming due upon proof of Insured Holder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from Ambac Assurance, they must surrender their Insured Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Insured Bonds to be registered in the name of Ambac Assurance) for payment to the Insurance Trustee, and not the Trustee, and (iv) that should they be entitled to receive partial payment of principal from Ambac Assurance, they must surrender their Insured Bonds for payment thereon first to the Trustee, who shall note on such Insured Bonds the portion of the principal paid by the Trustee, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Trustee has notice that any payment of principal of or interest on an Insured Bond which has become due for payment and which is made to a Insured Holder by or on behalf of The Regents has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee shall, at the time Ambac Assurance is notified pursuant to (a) above, notify all Insured Holders that in the event that any Insured Holder's payment is so recovered, such Insured Holder will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee shall furnish to Ambac Assurance its records evidencing the payments of principal of and interest on the Insured Bonds

which have been made by the Trustee, and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted Ambac Assurance under this Second Supplemental Indenture, Ambac Assurance shall, to the extent it makes payment of principal of or interest on Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Financial Guaranty Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note Ambac Assurance's rights as subrogee on the registration books of The Regents maintained by the Trustee, upon receipt from Ambac Assurance of proof of the payment of interest thereon to the registered owners of the Insured Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note Ambac Assurance's rights as subrogee on the registration books of The Regents maintained by the Trustee, upon surrender of the Insured Bonds by the registered owners thereof together with proof of the payment of principal thereof.

(E) Trustee-Related Provisions.

(1) The Trustee may be removed at any time, at the request of Ambac Assurance, for any breach of the Trustee's fiduciary duties arising under the Indenture.

(2) Ambac Assurance shall receive prior written notice from the Trustee of any Trustee resignation.

(3) Notwithstanding any other provision of this Second Supplemental Indenture, in determining whether the rights of the Insured Holders will be adversely affected by any action taken pursuant to the terms and provisions of this Second Supplemental Indenture, the Trustee shall consider the effect on the Insured Holders as if there were no Financial Guaranty Insurance Policy.

(4) Notwithstanding any other provision of this Second Supplemental Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor, following notice to Ambac Assurance, shall be appointed.

(F) Interested Parties.

(1) To the extent that this Second Supplemental Indenture confers upon or gives or grants to Ambac any right, remedy or claim under or by reason of this Second Supplemental Indenture, Ambac is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

(2) Nothing in this Second Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than The Regents, the Trustee, Ambac Assurance, and the Insured Holders, any right, remedy or claim under or by reason of this Second Supplemental Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Second Supplemental Indenture contained by and on behalf of The Regents shall be for the sole and exclusive benefit of The Regents, the Trustee, Ambac Assurance, and the Insured Holders.

SECTION 13.10 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 Second Supplemental Indenture.

SECTION 13.11 Execution in Several Counterparts. This Second 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 Second Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and BNY WESTERN TRUST COMPANY, in token of its acceptance of the trusts created hereunder, has caused this Second 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: John Moores
Chairman

By: Patricia L. Inette
Secretary

Approved as to form:

James D. Alaw.
University Counsel

BNY WESTERN TRUST COMPANY,
as Trustee

By: [Signature]
Vice President

EXHIBIT A
FORM OF 2003 SERIES B BOND

R-_____

\$_____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2003 SERIES B

<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, 2004, 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, 2004, 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 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 second supplemental indenture, dated as of October 1, 2003, 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 2003 Series B 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, 2003 Series B 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 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: _____
Secretary

FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION

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

BNY WESTERN TRUST COMPANY,
as Trustee

By: _____
Authorized Signatory

Date of Authentication:

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 Insured Bonds Only]

STATEMENT OF INSURANCE

Financial Guaranty Insurance Policy No.____ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by Ambac Assurance Corporation ("Ambac Assurance"). The Policy has been delivered to The Bank of New York, New York, New York, as the Insurance Trustee under said Policy and will be held by such Insurance Trustee or any successor insurance trustee. The Policy is on file and available for inspection at the principal office of the Insurance Trustee and a copy thereof may be secured from Ambac Assurance or the Insurance Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of Ambac Assurance as more fully set forth in the Policy.

CERTIFICATE RE: THIRD SUPPLEMENTAL INDENTURE

RANDALL B. YOUNG, Assistant Treasurer-External Finance of The Regents of the University of California ("The Regents"), hereby certifies that attached hereto is a true, correct and complete copy of the Third Supplemental Indenture, dated as of January 1, 2005, by and between The Regents and The Bank of New York Trust Company, N.A. (as successor in interest to BNY Western Trust Company), as trustee.

Dated: July 7, 2005.

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

By: _____



Randall B. Young
Assistant Treasurer-External Finance

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

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

THIRD SUPPLEMENTAL INDENTURE

Dated as of January 1, 2005

\$252,270,000

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

2005 SERIES C

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THIS THIRD SUPPLEMENTAL INDENTURE, made and entered into as of the first day of January, 2005, 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 2005 Series C Bonds (hereinafter defined) to finance or refinance 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 \$252,270,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2005 Series C (the "2005 Series C Bonds"), all under and in accordance with the 2003 Indenture and this Third Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2005 Series C 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 2005 Series C 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 Third 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 Third Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS THIRD 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 2005 Series C 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 2005 Series C 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 XIV

2005 SERIES C BONDS

SECTION 14.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 14.01 shall, for all purposes of the Indenture and this Third 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 2005 Series C 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 2005 Series C Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Interest Payment Date

"Interest Payment Date" shall have the meaning as given in Section 14.03 of this Third Supplemental Indenture.

Participating Underwriter

"Participating Underwriter" means any of the original underwriters of the 2005 Series C 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 2005 Series C Bonds.

Record Date

"Record Date" shall have the meaning as given in Section 14.03 of this Third Supplemental Indenture.

Third Supplemental Indenture

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

2005 Series C Bonds

“2005 Series C Bonds” means The Regents of the University of California General Revenue Bonds, 2005 Series C, authorized under and secured by the 2003 Indenture and this Third Supplemental Indenture.

2005 Series C Projects

“2005 Series C Projects” means the real property and improvements thereon financed or refinanced with the 2005 Series C Bonds, a preliminary list of which is attached hereto as Exhibit B.

SECTION 14.02 Authorization of 2005 Series C Bonds.

(A) A third 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, 2005 Series C.” The aggregate principal amount of 2005 Series C Bonds which may be issued and outstanding under the Indenture shall not exceed Two Hundred Fifty-Two Million Two Hundred Seventy Thousand Dollars (\$252,270,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2005 Series C Bonds are authorized and issued to finance the 2005 Series C Projects and to pay for Costs of Issuance of the 2005 Series C Bonds.

(C) The 2005 Series C 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 14.03 Terms of 2005 Series C Bonds.

The 2005 Series C 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 November 15, 2005, 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</u> <u>May 15</u>	<u>Principal Amount</u>	<u>Rate</u>
2008	\$ 3,965,000	4.75%
2009	4,150,000	4.75
2010	4,350,000	4.75

2011	4,555,000	4.75
2012	4,770,000	4.75
2013	5,000,000	4.75
2014	5,235,000	4.75
2015	5,485,000	4.75
2016	5,745,000	4.75
2017	6,015,000	4.75
2018	6,305,000	4.75
2019	6,605,000	4.75
2020	6,915,000	4.75
2021	7,245,000	4.75
2022	7,590,000	4.75
2023	7,950,000	4.75
2024	8,325,000	4.75
2025	8,725,000	4.75
2026	9,135,000	4.75
2027	9,570,000	4.75
2028	10,025,000	4.75
2029	10,500,000	4.75
2030	11,000,000	4.75
2031	11,525,000	4.75
2033	24,715,000	4.75
2037	56,870,000	4.75

The principal of the 2005 Series C 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.

(A) The 2005 Series C Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2005 Series C Bonds shall be substantially in the form set forth in Exhibit A.

(B) The 2005 Series C 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 2005 Series C 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 November 1, 2005, in which event it shall bear interest from the date of original delivery. The 2005 Series C 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 14.04 Redemption of 2005 Series C Bonds.

(A) The 2005 Series C Bonds maturing on or before May 15, 2013 are not subject to optional redemption. The 2005 Series C Bonds maturing on or after May 15, 2014 are subject to redemption prior to their respective stated maturities, at the option of The Regents from lawfully available funds deposited in the 2005 Series C Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (D) of Section 14.06 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, 2013 at the following redemption prices (expressed as percentages of the principal amount of 2005 Series C Bonds called for redemption) together with interest accrued thereon to the date fixed for redemption:

Redemption Period (Dates Inclusive)	Redemption Price
May 15, 2013 to May 14, 2014	101%
May 15, 2014 and thereafter	100%

(B) The 2005 Series C Bonds maturing on May 15, 2033, 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:

Year	Mandatory Sinking Account Payment
2032	\$12,070,000
2033*	12,645,000

* Final Maturity

(C) The 2005 Series C Bonds maturing on May 15, 2037, 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, 2034 according to the following schedule:

Year	Mandatory Sinking Account Payment
2034	\$13,245,000
2035	13,875,000
2036	14,530,000
2037*	15,220,000

* Final Maturity

(D) Whenever provision is made for the redemption of a portion of the 2005 Series C Bonds of a maturity date, the Trustee shall select the 2005 Series C Bonds to be redeemed by lot.

(E) Except as in this Section otherwise provided, the redemption of 2005 Series C Bonds shall be subject to the provisions of Article IV of the Indenture.

SECTION 14.05 Issuance of 2005 Series C Bonds. The Trustee, forthwith upon the execution and delivery of this Third 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 2005 Series C Bonds, and without any further action on the part of The Regents, shall authenticate 2005 Series C Bonds in the aggregate principal amount of Two Hundred Fifty-Two Million Two Hundred Seventy Thousand Dollars (\$252,270,000) and shall deliver them to or upon the Written Order of The Regents.

SECTION 14.06 Application of Proceeds; Establishment of 2005 Series C Funds.

(A) The proceeds received upon the sale of the 2005 Series C Bonds shall be applied or deposited as follows:

(1) \$255,323,861.41 shall be transferred to The Regents for deposit in the 2005 Series C Construction Account established pursuant to subparagraph (C) of this Section. In addition, The Regents shall deposit \$2,500,000, representing the good faith deposit, in the 2005 Series C Construction Account; and

(2) \$219,247.00 shall be transferred to The Regents for deposit in the 2005 Series C Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section.

(B) 2005 Series C Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the "2005 Series C Costs of Issuance Fund." Moneys in the 2005 Series C Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2005 Series C Bonds, and at the end of six months from the date of issuance of the 2005 Series C 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) 2005 Series C Construction Account. The Regents shall establish and maintain a separate account designated as the "2005 Series C Construction Account." Moneys in the 2005 Series C Construction Account shall be used and withdrawn by The Regents to pay the cost of the acquisition, construction, improvement and/or renovation of the 2005 Series C Projects, including reimbursements of any sums advanced by The Regents for such purposes and refunding borrowings of The Regents incurred for such purposes, and to pay interest on the 2005 Series C Bonds in such amounts and on such dates as determined by The Regents.

(D) 2005 Series C Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the "2005 Series C Optional Redemption Subaccount."

Moneys in the 2005 Series C Optional Redemption Subaccount shall be used for the redemption or purchase of 2005 Series C Bonds from money allocable to the 2005 Series C Bonds and required, pursuant to Section 14.04(A) of this Third Supplemental Indenture, to be deposited into such subaccount.

SECTION 14.07 Tax Covenants. The Regents will not make any use of the proceeds of the 2005 Series C Bonds or any other funds of The Regents which will cause any 2005 Series C 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 14.08 Terms of 2005 Series C Bonds Subject to the Indenture. Except as in this Third Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Third Supplemental Indenture and to the 2005 Series C 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 Third Supplemental Indenture. As supplemented by this Third Supplemental Indenture, the Indenture is hereby confirmed.


SECTION 14.09 [Reserved].

SECTION 14.10 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 Third Supplemental Indenture.

SECTION 14.11 Execution in Several Counterparts. This Third 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.

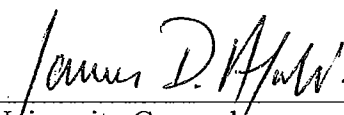
IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this Third Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and THE BANK OF NEW YORK TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Third 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

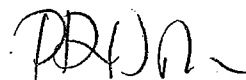
By: 
Chairman

By: 
Secretary

Approved as to form:


University Counsel

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

By: 
Asst. Vice President

IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this Third Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and THE BANK OF NEW YORK TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Third 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: _____
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 2005 SERIES C BOND

R-_____

\$_____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2005 SERIES C

<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 November 1, 2005, 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 November 15, 2005, and semiannually thereafter on each May 15 and November 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 Third Supplemental Indenture, dated as of January 1, 2005, 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 2005 Series C 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, 2005 Series C 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 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: _____
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:

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.

EXHIBIT B

LIST OF 2005 SERIES C PROJECTS

Davis, Mathematical Sciences Building

Irvine, California Institute for Telecommunications and Information Technology

Los Angeles, Health Sciences Seismic Replacement Building 1

Los Angeles, Physics and Astronomy Building

San Diego, Cancer Center Facility

San Diego, Campus Multipurpose Building

San Diego, California Institute for Telecommunications and Information Technology

San Diego, Pharmaceutical Sciences Building

San Diego, Miramar Warehouse

San Francisco, California Institute for Bioengineering, Biotechnology and Quantitative Biomedical Research

Santa Barbara, Recreation Center Expansion

Santa Barbara, Marine Science Research Building

CERTIFICATE RE: FOURTH SUPPLEMENTAL INDENTURE

RANDALL B. YOUNG, Assistant Treasurer-External Finance of The Regents of the University of California ("The Regents"), hereby certifies that attached hereto is a true, correct and complete copy of the Fourth Supplemental Indenture, dated as of January 1, 2005, by and between The Regents and The Bank of New York Trust Company, N.A. (as successor in interest to BNY Western Trust Company), as trustee.

Dated: July 7, 2005.

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

By: _____



Randall B. Young

Assistant Treasurer-External Finance

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

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

FOURTH SUPPLEMENTAL INDENTURE

Dated as of January 1, 2005

\$31,160,000

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

2005 SERIES D

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THIS FOURTH SUPPLEMENTAL INDENTURE, made and entered into as of the first day of January, 2005, 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 2005 Series D Bonds (hereinafter defined) to finance or refinance 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 \$31,160,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2005 Series D (the "2005 Series D Bonds"), all under and in accordance with the 2003 Indenture and this Fourth Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2005 Series D 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 2005 Series D 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 Fourth 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 Fourth Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS FOURTH 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 2005 Series D 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 2005 Series D 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 XV

2005 SERIES D BONDS

SECTION 15.01 **Definitions.** Unless the context otherwise requires, the terms defined in this Section 15.01 shall, for all purposes of the Indenture and this Fourth 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 2005 Series D 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 2005 Series D Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Interest Payment Date

“Interest Payment Date” shall have the meaning as given in Section 14.03 of this Fourth Supplemental Indenture.

Participating Underwriter

“Participating Underwriter” means any of the original underwriters of the 2005 Series D 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 2005 Series D Bonds.

Record Date

“Record Date” shall have the meaning as given in Section 15.03 of this Fourth Supplemental Indenture.

Fourth Supplemental Indenture

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

2005 Series D Bonds

“2005 Series D Bonds” means The Regents of the University of California General Revenue Bonds, 2005 Series D, authorized under and secured by the 2003 Indenture and this Fourth Supplemental Indenture.

2005 Series D Projects

“2005 Series D Projects” means the real property and improvements thereon financed or refinanced with the 2005 Series D Bonds, a preliminary list of which is attached hereto as Exhibit B.

SECTION 15.02 Authorization of 2005 Series D Bonds.

(A) A fourth 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, 2005 Series D.” The aggregate principal amount of 2005 Series D Bonds which may be issued and outstanding under the Indenture shall not exceed Thirty-One Million One Hundred Sixty Thousand Dollars (\$31,160,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2005 Series D Bonds are authorized and issued to finance the 2005 Series D Projects and to pay for Costs of Issuance of the 2005 Series D Bonds.

(C) The 2005 Series D 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 15.03 Terms of 2005 Series D Bonds.

The 2005 Series D 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 November 15, 2005, 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</u> <u>May 15</u>	<u>Principal Amount</u>	<u>Rate</u>
2008	\$1,605,000	3.00%
2009	1,655,000	3.00
2010	1,700,000	3.50
2011	1,760,000	3.50

2012	1,825,000	3.50
2013	1,885,000	3.50
2014	1,960,000	3.50
2015	2,035,000	4.00
2016	2,120,000	4.00
2017	2,205,000	4.00
2018	2,290,000	4.00
2019	2,385,000	4.00
2020	2,480,000	4.00
2021	2,575,000	4.125
2022	2,680,000	4.25

The principal of the 2005 Series D 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.

(A) The 2005 Series D Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2005 Series D Bonds shall be substantially in the form set forth in Exhibit A.

(B) The 2005 Series D 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 2005 Series D 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 November 1, 2005, in which event it shall bear interest from the date of original delivery. The 2005 Series D 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 15.04 Redemption of 2005 Series D Bonds.

(A) The 2005 Series D Bonds maturing on or before May 15, 2013 are not subject to optional redemption. The 2005 Series D Bonds maturing on or after May 15, 2014 are subject to redemption prior to their respective stated maturities, at the option of The Regents from lawfully available funds deposited in the 2005 Series D Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (D) of Section 15.06 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, 2013 at the following redemption prices (expressed as percentages of the principal amount of 2005 Series D Bonds called for redemption) together with interest accrued thereon to the date fixed for redemption:

Redemption Period (Dates Inclusive)	Redemption Price
May 15, 2013 to May 14, 2014	101%
May 15, 2014 and thereafter	100%

(B) Whenever provision is made for the redemption of a portion of the 2005 Series D Bonds of a maturity date, the Trustee shall select the 2005 Series D Bonds to be redeemed by lot.

(C) Except as in this Section otherwise provided, the redemption of 2005 Series D Bonds shall be subject to the provisions of Article IV of the Indenture.

SECTION 15.05 Issuance of 2005 Series D Bonds. The Trustee, forthwith upon the execution and delivery of this Fourth 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 2005 Series D Bonds, and without any further action on the part of The Regents, shall authenticate 2005 Series D Bonds in the aggregate principal amount of Thirty-One Million One Hundred Sixty Thousand Dollars (\$31,160,000) and shall deliver them to or upon the Written Order of The Regents.

SECTION 15.06 Application of Proceeds; Establishment of 2005 Series D Funds.

(A) The proceeds received upon the sale of the 2005 Series D Bonds shall be applied or deposited as follows:

(1) \$30,824,552.31 shall be transferred to The Regents for deposit in the 2005 Series D Construction Account established pursuant to subparagraph (C) of this Section. In addition, The Regents shall deposit \$310,000, representing the good faith deposit, in the 2005 Series D Construction Account; and

(2) \$27,646.00 shall be transferred to The Regents for deposit in the 2005 Series D Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section.

(B) 2005 Series D Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the "2005 Series D Costs of Issuance Fund." Moneys in the 2005 Series D Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2005 Series D Bonds, and at the end of six months from the date of issuance of the 2005 Series D 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) 2005 Series D Construction Account. The Regents shall establish and maintain a separate account designated as the "2005 Series D Construction Account." Moneys in the 2005 Series D Construction Account shall be used and withdrawn by The Regents to pay the cost of the acquisition, construction, improvement and/or renovation of the 2005 Series D

Projects, including reimbursements of any sums advanced by The Regents for such purposes and refunding borrowings of The Regents incurred for such purposes, and to pay interest on the 2005 Series D Bonds in such amounts and on such dates as determined by The Regents.

(D) 2005 Series D Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the "2005 Series D Optional Redemption Subaccount." Moneys in the 2005 Series D Optional Redemption Subaccount shall be used for the redemption or purchase of 2005 Series D Bonds from money allocable to the 2005 Series D Bonds and required, pursuant to Section 15.04(A) of this Fourth Supplemental Indenture, to be deposited into such subaccount.

SECTION 15.07 **Tax Covenants.** The Regents will not make any use of the proceeds of the 2005 Series D Bonds or any other funds of The Regents which will cause any 2005 Series D 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 15.08 **Terms of 2005 Series D Bonds Subject to the Indenture.** Except as in this Fourth Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Fourth Supplemental Indenture and to the 2005 Series D 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 Fourth Supplemental Indenture. As supplemented by this Fourth Supplemental Indenture, the Indenture is hereby confirmed.


SECTION 15.09 **[Reserved].**

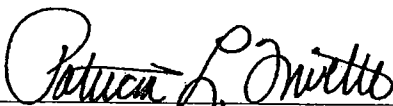
SECTION 15.10 **Article and Section Headings.** The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Fourth Supplemental Indenture.

SECTION 15.11 Execution in Several Counterparts. This Fourth 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.

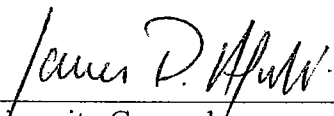
IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this Fourth Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and THE BANK OF NEW YORK TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Fourth 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: 
Secretary

Approved as to form:


University Counsel

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

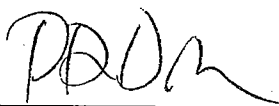
By: 
Asst. Vice President

EXHIBIT A
FORM OF 2005 SERIES D BOND

R-_____

\$ _____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2005 SERIES D

<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 November 1, 2005, 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 November 15, 2005, and semiannually thereafter on each May 15 and November 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 Fourth Supplemental Indenture, dated as of January 1, 2005, 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 2005 Series D 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, 2005 Series D 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 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: _____
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:

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.

EXHIBIT B

LIST OF 2005 SERIES D PROJECTS

Berkeley, Deferred Maintenance and Facilities Renewal Program

Los Angeles, Deferred Maintenance and Facilities Renewal Program

San Diego, Central Utility Plant Improvements

San Francisco, Deferred Maintenance and Facilities Renewal Program

Santa Barbara, Electrical Infrastructure Renewal - Phase 1

Santa Barbara, Campus Building Improvements

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

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

FIFTH SUPPLEMENTAL INDENTURE

Dated as of June 1, 2005

\$111,610,000

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

2005 SERIES E

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THIS FIFTH SUPPLEMENTAL INDENTURE, made and entered into as of the first day of June, 2005, 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 national banking association organized and existing under and by virtue of the laws of the United States of America, having its 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 a portion of the proceeds of the sale of the 2005 Series E Bonds (hereinafter defined) to refund the Prior Obligations (hereinafter defined), which financed the acquisition and construction of certain facilities of the University of California, including, but not limited to energy projects, telecommunications projects, facilities renewal projects and certain seismic retrofitting improvements;

WHEREAS, in order to obtain funds for such refunding, The Regents desires to issue, sell and deliver not to exceed \$111,610,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2005 Series E (the "2005 Series E Bonds"), all under and in accordance with the 2003 Indenture and this Fifth Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2005 Series E 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 2005 Series E 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 Fifth 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 Fifth Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS FIFTH 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 2005 Series E 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 2005 Series E 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 XVI

2005 SERIES E BONDS

SECTION 16.01 **Definitions.** Unless the context otherwise requires, the terms defined in this Section 16.01 shall, for all purposes of the Indenture and this Fifth 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 2005 Series E 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 2005 Series E Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Fifth Supplemental Indenture

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

Insured Bonds

“Insured Bonds” means the 2005 Series E Bonds maturing on May 15, 2009 through May 15, 2016, inclusive.

Insurer

“Insurer” means MBIA Insurance Corporation, a stock insurance company incorporated under the laws of the State of New York.

Interest Payment Date

"Interest Payment Date" shall have the meaning as given in Section 16.03 of this Fifth Supplemental Indenture.

Participating Underwriter

"Participating Underwriter" means any of the original underwriters of the 2005 Series E 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 2005 Series E Bonds.

Policy

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

Prior Obligations

"Prior Obligations" means the obligations heretofore issued by The Regents as identified on Exhibit B attached hereto.

Record Date

"Record Date" shall have the meaning as given in Section 16.03 of this Fifth Supplemental Indenture.

2005 Series E Bonds

"2005 Series E Bonds" means The Regents of the University of California General Revenue Bonds, 2005 Series E, authorized under and secured by the 2003 Indenture and this Fifth Supplemental Indenture.

SECTION 16.02 Authorization of 2005 Series E Bonds.

(A) A fifth 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, 2005 Series E." The aggregate principal amount of 2005 Series E Bonds which may be issued and outstanding under the Indenture shall not exceed One Hundred Eleven Million Six Hundred Ten Thousand Dollars (\$111,610,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2005 Series E Bonds are authorized and issued to refund the Prior Obligations and to pay for Costs of Issuance of the 2005 Series E Bonds.

(C) The 2005 Series E 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 16.03 Terms of 2005 Series E Bonds.

The 2005 Series E Bonds shall bear interest at the rates per annum, payable semiannually on November 15 and May 15 in each year (each, an "Interest Payment Date"), commencing November 15, 2005, 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>Interest Rate</u>
2006	\$4,415,000	3.00%
2007	3,870,000	3.00
2008	8,225,000	3.00
2009	14,940,000	4.00
2010	15,610,000	5.00
2011	13,980,000	5.00
2012	12,405,000	5.00
2013	13,020,000	5.00
2014	13,670,000	5.00
2015	8,465,000	5.00
2016	3,010,000	3.50

The principal of the 2005 Series E 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.

(A) The 2005 Series E Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2005 Series E Bonds shall be substantially in the form set forth in Exhibit A.

(B) The 2005 Series E 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 2005 Series E 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 November 15, 2005, in which event it shall bear interest from the date of original delivery. The 2005 Series E 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 16.04 Redemption of 2005 Series E Bonds.

(A) The 2005 Series E Bonds maturing on or before May 15, 2015 are not subject to optional redemption. The 2005 Series E Bonds maturing on May 15, 2016 are subject to redemption prior to their maturity, at the option of The Regents from lawfully available funds deposited in the 2005 Series E Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (D) of Section 16.06 herein, as a whole or in part (by lot within such maturity) on any date, on or after May 15, 2015 at a redemption price equal to the principal amount thereof, without premium, together with interest accrued thereon to the date fixed for redemption.

(B) Whenever provision is made for the redemption of a portion of the 2005 Series E Bonds of a maturity date, the Trustee shall select the 2005 Series E Bonds to be redeemed by lot.

(C) Except as in this Section otherwise provided, the redemption of 2005 Series E Bonds shall be subject to the provisions of Article IV of the Indenture.

SECTION 16.05 Issuance of 2005 Series E Bonds. The Trustee, forthwith upon the execution and delivery of this Fifth 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 2005 Series E Bonds, and without any further action on the part of The Regents, shall authenticate 2005 Series E Bonds in the aggregate principal amount of One Hundred Eleven Million Six Hundred Ten Thousand Dollars (\$111,610,000) and shall deliver them to or upon the Written Order of The Regents.

SECTION 16.06 Application of Proceeds; Establishment of 2005 Series E Funds.

(A) The proceeds received upon the sale of the 2005 Series E Bonds shall be applied or deposited as follows:

(1) \$119,480,223.68 shall be applied to the refunding of the Prior Obligations pursuant to the Written Order of The Regents;

(2) \$62,141.00 shall be transferred to The Regents for deposit in the 2005 Series E Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section; and

(3) \$131,544.84 shall be transferred to The Regents for deposit in the 2005 Series E Capitalized Interest Fund established by The Regents pursuant to subparagraph (C) of this Section.

(B) 2005 Series E Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the “2005 Series E Costs of Issuance Fund.” Moneys in the 2005 Series E Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2005 Series E Bonds, and at the end of six months from the date of issuance of the 2005 Series E 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) 2005 Series E Capitalized Interest Fund. The Regents shall establish and maintain a fund designated as the “2005 Series E Capitalized Interest Fund.” Moneys in the 2005 Series E Capitalized Interest Fund shall be transferred to the Trustee and applied to pay interest on the 2005 Series E Bonds on November 15, 2005.

(D) 2005 Series E Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the “2005 Series E Optional Redemption Subaccount.” Moneys in the 2005 Series E Optional Redemption Subaccount shall be used for the redemption or purchase of 2005 Series E Bonds from money allocable to the 2005 Series E Bonds and required, pursuant to Section 16.04(A) of this Fifth Supplemental Indenture, to be deposited into such subaccount.

SECTION 16.07 Tax Covenants. The Regents will not make any use of the proceeds of the 2005 Series E Bonds or any other funds of The Regents which will cause any 2005 Series E 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 16.08 Terms of 2005 Series E Bonds Subject to the Indenture. Except as in this Fifth Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Fifth Supplemental Indenture and to the 2005 Series E 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 Fifth Supplemental Indenture. As supplemented by this Fifth Supplemental Indenture, the Indenture is hereby confirmed.

SECTION 16.09 Insurer Provisions.

As long as the Policy shall be in full force and effect, The Regents hereby covenants to send written notice to the Trustee on or before the second Business Day prior to the payment date on the Insured 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 Insured 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 Insured 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 Insured 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 Insured Bonds due on the second following or following, as the case may be, Business Day, the Trustee shall immediately notify the Insurer 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 the Insurer or its designee.

(C) In addition, if the Trustee has notice that any Holder of Insured Bonds has been required to disgorge payments of principal or interest on the Insured 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 Insured Bondholder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the Insurer 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 Insured Bonds as follows:

(1) If and to the extent there is a deficiency in amounts required to pay interest on the Insured Bonds, the Trustee shall (a) execute and deliver to U.S. Bank Trust National Association, or its successors under the Policy (the "Insurance Paying Agent/Trustee"), in form satisfactory to the Insurance Paying Agent/Trustee, an instrument appointing the Insurer as agent for such Holders in any legal proceeding related to the payment of such interest and an assignment to the Insurer of the claims for interest to which such deficiency relates and which are paid by the Insurer, (b) receive as designee of the respective Holders (and not as Trustee) in accordance with the tenor of the 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 Insured 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 the Insurer as agent for such Holder in any legal proceeding relating to the payment of such principal and an assignment to the Insurer of any of the Insured Bond 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 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 Insured Bonds disbursed by the Trustee from proceeds of the Policy shall not be considered to discharge the obligation of The Regents with respect to such Insured Bonds, and the Insurer shall become the owner of such unpaid Insured Bond 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 16.10 **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 Fifth Supplemental Indenture.

SECTION 16.11 **Execution in Several Counterparts.** This Fifth 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 Fifth Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and THE BANK OF NEW YORK TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Fifth 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: 
Secretary

Approved as to form:


University Counsel

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

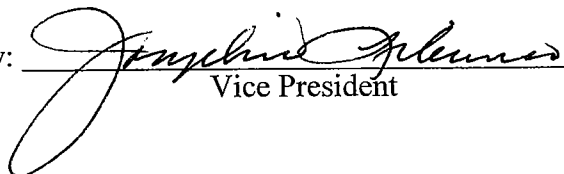
By: 
Vice President

EXHIBIT A
FORM OF 2005 SERIES E BOND

R-_____

\$_____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2005 SERIES E

<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 November 15, 2005, 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 November 15, 2005, and semiannually thereafter on each May 15 and November 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 Fifth Supplemental Indenture, dated as of June 1, 2005, 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 2005 Series E 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, 2005 Series E 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 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: _____
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:

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 2005 Series E Bonds maturing on May 15, 2009 through May 15, 2016, inclusive, 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:

\$95,100,000

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2005 SERIES E
(Insured Maturities due May 15, 2009 through May 15, 2016)

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

EXHIBIT B
PRIOR OBLIGATIONS

<u>Name of Issue</u>	<u>Principal Amount To Be Refunded</u>
The Regents of the University of California 1996 Series A Certificates of Participation (Various Capital Projects)	\$10,200,000
The Regents of the University of California 1996 Series B Certificates of Participation (Various Capital Projects)	12,400,000
The Regents of the University of California Revenue Bonds (Multiple Purpose Projects), Series G	35,450,000
The Regents of the University of California Revenue Bonds (Multiple Purpose Projects), Series I	14,845,000
The Regents of the University of California Revenue Bonds (Multiple Purpose Projects), Series J	35,510,000
The Regents of the University of California 1999 Certificates of Participation, Series B	6,395,000

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

and

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

SIXTH SUPPLEMENTAL INDENTURE

Dated as of June 1, 2005

\$446,815,000

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

2005 SERIES F

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THIS SIXTH SUPPLEMENTAL INDENTURE, made and entered into as of the first day of June, 2005, 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 national banking association organized and existing under and by virtue of the laws of the United States of America, having its 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 a portion of the proceeds of the sale of the 2005 Series F Bonds (hereinafter defined) to refund the Prior Obligations (hereinafter defined), which financed or refinanced the acquisition and construction of certain facilities of the University of California, including, but not limited to student housing, faculty housing, parking facilities, 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 refunding, The Regents desires to issue, sell and deliver not to exceed \$446,815,000 aggregate principal amount of The Regents of the University of California General Revenue Bonds, 2005 Series F (the "2005 Series F Bonds"), all under and in accordance with the 2003 Indenture and this Sixth Supplemental Indenture (collectively, the "Indenture");

WHEREAS, the 2005 Series F 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 2005 Series F 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 Sixth 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 Sixth Supplemental Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS SIXTH 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 2005 Series F 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 2005 Series F 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 XVII

2005 SERIES F BONDS

SECTION 17.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 17.01 shall, for all purposes of the Indenture and this Sixth 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 2005 Series F 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 2005 Series F Bond, including, without limitation, any Persons holding bonds through nominees or depositories.

Insurance Policy

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Insured Bonds when due.

Insured Bonds

“Insured Bonds” means the 2005 Series F Bonds maturing on May 15, 2009 through May 15, 2027, inclusive, and the 2005 Series F Bonds maturing on May 15, 2030 and May 15, 2035.

Insurer

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

Interest Payment Date

“Interest Payment Date” shall have the meaning as given in Section 17.03 of this Sixth Supplemental Indenture.

Participating Underwriter

“Participating Underwriter” means any of the original underwriters of the 2005 Series F 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 2005 Series F Bonds.

Prior Obligations

“Prior Obligations” means the obligations heretofore issued by The Regents as identified on Exhibit B attached hereto.

Record Date

“Record Date” shall have the meaning as given in Section 17.03 of this Sixth Supplemental Indenture.

Sixth Supplemental Indenture

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

2005 Series F Bonds

“2005 Series F Bonds” means The Regents of the University of California General Revenue Bonds, 2005 Series F, authorized under and secured by the 2003 Indenture and this Sixth Supplemental Indenture.

SECTION 17.02 Authorization of 2005 Series F Bonds.

(A) A sixth 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, 2005 Series F.” The aggregate principal amount of 2005 Series F Bonds which may be issued and outstanding under the Indenture shall not exceed Four Hundred Forty-Six Million Eight Hundred Fifteen Thousand Dollars (\$446,815,000), exclusive of Bonds executed and authenticated as provided in Section 2.08 of the Indenture.

(B) The 2005 Series F Bonds are authorized and issued to refund the Prior Obligations and to pay for Costs of Issuance of the 2005 Series F Bonds.

(C) The 2005 Series F 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 17.03 Terms of 2005 Series F Bonds.

The 2005 Series F 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 November 15, 2005, 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:

Date Maturing (May 15)	Principal Amount	Interest Rate
2006	\$ 2,850,000	3.00%
2007	595,000	3.00
2008	8,325,000	3.00
2009	12,010,000	4.00
2010	12,465,000	5.00
2011	13,070,000	5.00
2012	13,725,000	5.00
2013	14,415,000	5.00
2014	15,095,000	5.00
2015	15,855,000	5.00
2016	16,620,000	5.00
2017	17,430,000	5.00
2018	18,310,000	5.00
2019	19,205,000	5.00
2020	20,130,000	4.75
2021	21,090,000	5.00
2022	22,105,000	4.75
2023	23,140,000	4.75
2024	24,200,000	4.75
2025	25,340,000	4.75
2026	26,505,000	4.75
2027	27,735,000	4.75
2030*	46,130,000	4.375
2035*	30,470,000	4.75

*Term Bond

The principal of the 2005 Series F 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.

(A) The 2005 Series F Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. The 2005 Series F Bonds shall be substantially in the form set forth in Exhibit A.

(B) The 2005 Series F 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 2005 Series F 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 November 15, 2005, in which event it shall bear interest from the date of original delivery. The 2005 Series F 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 17.04 Redemption of 2005 Series F Bonds.

(A) The 2005 Series F Bonds maturing on or before May 15, 2013 are not subject to optional redemption. The 2005 Series F Bonds maturing on or after May 15, 2014 are subject to redemption prior to their respective stated maturities, at the option of The Regents from lawfully available funds deposited in the 2005 Series F Optional Redemption Subaccount of the Optional Redemption Account, established by The Regents pursuant to subparagraph (D) of Section 17.06 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, 2013 at the following redemption prices (expressed as percentages of the principal amount of 2005 Series F Bonds called for redemption) together with interest accrued thereon to the date fixed for redemption:

Redemption Period (Dates Inclusive)	Redemption Price
May 15, 2013 to May 14, 2014	101%
May 15, 2014 and thereafter	100%

(B) 2005 Series F Bonds maturing on May 15, 2030, are subject to redemption prior to maturity in part, by lot, at the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, from mandatory sinking account payments in the following amounts, commencing on May 15, 2028 according to the following schedule:

Year	Mandatory Sinking Account Payment
2028	\$29,020,000
2029	11,790,000
2030*	5,320,000

*Maturity.

(C) 2005 Series F 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 fixed for redemption, without premium, from mandatory sinking account payments in the following amounts, commencing on May 15, 2031 according to the following schedule:

Year	Mandatory Sinking Account Payment
2031	\$5,545,000
2032	5,800,000
2033	6,075,000
2034	6,375,000
2035*	6,675,000

*Maturity.

(D) Whenever provision is made for the redemption of a portion of the 2005 Series F Bonds of a maturity date, the Trustee shall select the 2005 Series F Bonds to be redeemed by lot.

(E) Except as in this Section otherwise provided, the redemption of 2005 Series F Bonds shall be subject to the provisions of Article IV of the Indenture.

SECTION 17.05 Issuance of 2005 Series F Bonds. The Trustee, forthwith upon the execution and delivery of this Sixth 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 2005 Series F Bonds, and without any further action on the part of The Regents, shall authenticate 2005 Series F Bonds in the aggregate principal amount of Four Hundred Forty-Six Million Eight Hundred Fifteen Thousand Dollars (\$446,815,000) and shall deliver them to or upon the Written Order of The Regents.

SECTION 17.06 Application of Proceeds; Establishment of 2005 Series F Funds.

(A) The proceeds received upon the sale of the 2005 Series F Bonds shall be applied or deposited as follows:

(1) \$466,688,162.96 shall be applied to the refunding of the Prior Obligations pursuant to the Written Order of The Regents;

(2) \$248,772.75 shall be transferred to The Regents for deposit in the 2005 Series F Costs of Issuance Fund established by The Regents pursuant to subparagraph (B) of this Section; and

(3) \$504,962.88 shall be transferred to The Regents for deposit in the 2005 Series F Capitalized Interest Fund established by The Regents pursuant to subparagraph (C) of this Section.

(B) 2005 Series F Costs of Issuance Fund. The Regents shall establish and maintain a fund designated as the "2005 Series F Costs of Issuance Fund." Moneys in the 2005 Series F Costs of Issuance Fund shall be used to pay Costs of Issuance with respect to the 2005 Series F Bonds, and at the end of six months from the date of issuance of the 2005 Series F 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) 2005 Series F Capitalized Interest Fund. The Regents shall establish and maintain a fund designated as the "2005 Series F Capitalized Interest Fund." Moneys in the 2005 Series F Capitalized Interest Fund shall be transferred to the Trustee and applied to pay interest on the 2005 Series F Bonds on November 15, 2005.

(D) 2005 Series F Optional Redemption Subaccount. The Trustee shall establish and maintain a subaccount designated as the "2005 Series F Optional Redemption Subaccount." Moneys in the 2005 Series F Optional Redemption Subaccount shall be used for the redemption or purchase of 2005 Series F Bonds from money allocable to the 2005 Series F Bonds and required, pursuant to Section 17.04(A) of this Sixth Supplemental Indenture, to be deposited into such subaccount.

SECTION 17.07 Tax Covenants. The Regents will not make any use of the proceeds of the 2005 Series F Bonds or any other funds of The Regents which will cause any 2005 Series F 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 17.08 Terms of 2005 Series F Bonds Subject to the Indenture.

Except as in this Sixth Supplemental Indenture expressly provided, every term and condition contained in the Indenture shall apply to this Sixth Supplemental Indenture and to the 2005 Series F 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 Sixth Supplemental Indenture. As supplemented by this Sixth Supplemental Indenture, the Indenture is hereby confirmed.

SECTION 17.09 Insurer Provisions. As long as the Insurance 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 Insured 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 Insured 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 Insured 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 Insured Bonds due on such Payment Date, the Trustee shall give notice to the Insurer 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 Insured 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 Insured Bonds due on such Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer'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 Insured Bonds and the amount required to pay principal of the Insured Bonds, confirmed in writing to the Insurer and the Insurer'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 Insurance 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 Insured Bonds a new Insured Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Insured Bond surrendered. The Trustee shall designate any portion of payment of principal on Insured Bonds paid by the Insurer, 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 Insured Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Bond to the Insurer, 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 Insured Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Bond or the subrogation rights of the Insurer.

(C) The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal paid in respect of any Insured Bond. The Insurer 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 Insurance Policy the Trustee shall establish a separate special purpose trust account for the benefit of Holders of Insured Bonds referred to herein as the "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 Insurance Policy in trust on behalf of Holders of Insured Bonds and shall deposit any such amount in the 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 Insured Bonds in the same manner as principal and interest payments are to be made with respect to the Insured Bonds under the sections hereof regarding payment of Insured 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 Insurance Policy are applied to claims for payment of principal of or interest on the Insured Bonds, interest on such principal of and interest on such Insured 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 Insured 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 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 Policy Payments Account following a Bond payment date shall promptly be remitted to the Insurer.

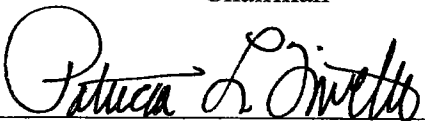
SECTION 17.10 Article and Section Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Sixth Supplemental Indenture.

SECTION 17.11 Execution in Several Counterparts. This Sixth 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.

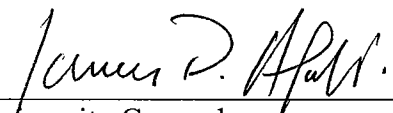
IN WITNESS WHEREOF, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA has caused this Sixth Supplemental Indenture to be signed in its corporate name by its Chairman and its Secretary, and THE BANK OF NEW YORK TRUST COMPANY, N.A., in token of its acceptance of the trusts created hereunder, has caused this Sixth 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: 
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 2005 SERIES F BOND

R-_____

\$_____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
GENERAL REVENUE BONDS, 2005 SERIES F

<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 November 15, 2005, 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 November 15, 2005, and semiannually thereafter on each May 15 and November 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 Sixth Supplemental Indenture, dated as of June 1, 2005, 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 2005 Series F 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, 2005 Series F 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 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: _____
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:

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 Bonds maturing on May 15, 2009 through May 15, 2027, inclusive,
and on May 15, 2030 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 2009 through 2027, inclusive, and on May 15, 2030 and May 15, 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.

EXHIBIT B
PRIOR OBLIGATIONS

<u>Name of Issue</u>	<u>Principal Amount To Be Refunded</u>
The Regents of the University of California Revenue Bonds (Multiple Purpose Projects), Series F	\$258,940,000
The Regents of the University of California Revenue Bonds (Multiple Purpose Projects), Series H	94,410,000
The Regents of the University of California Research Facilities Revenue Bonds, 1998 Series D	42,745,000
The Regents of the University of California 1999 Certificates of Participation, Series A	51,740,000