PRELIMINARY OFFICIAL STATEMENT DATED MAY 12, 2004

NEW ISSUE – Not Bank Qualified **RATING: "A"**
BOOK-ENTRY ONLY **(See "Rating" Herein)**

In the opinion of Bond Counsel for the Series V Bonds, based upon an analysis of laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the University, and subject to the conditions and limitations set forth herein under the caption "TAX EXEMPTION," interest on the Series V Bonds is excludable from gross income for Federal income tax purposes and is not a specific item of tax preference for purposes of the Federal individual or corporate alternative minimum taxes. Interest on the Series V Bonds is exempt from Kentucky income tax and the Series V Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX EXEMPTION" herein.

$12,665,000*
EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES V

Dated: June 1, 2004 **Due: May 1, as shown below**

The Series V Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series V Bonds. Purchasers will not receive certificates representing their ownership interest in the Series V Bonds purchased. So long as DTC or its nominee is the registered owner of the Series V Bonds, payments of the principal of and interest due on the Series V Bonds will be made directly to DTC. The Series V Bonds bear interest from Date of Original Issue, payable semiannually, on May 1 and November 1, commencing November 1, 2004, at the rates, and shall mature serially on May 1 in each of the years 2005 through 2024, in the principal amounts, as follows:

Year	Amount*	Interest Rate	Price/ Yield	Year	Amount*	Interest Rate	Price/ Yield
2005	$480,000			2015	$615,000		
2006	485,000			2016	640,000		
2007	495,000			2017	665,000		
2008	500,000			2018	690,000		
2009	515,000			2019	715,000		
2010	525,000			2020	745,000		
2011	540,000			2021	780,000		
2012	555,000			2022	815,000		
2013	575,000			2023	850,000		
2014	595,000			2024	885,000		

The Series V Bonds are subject to redemption prior to their stated maturities as described herein.

The Series V Bonds constitute special obligations of Eastern Kentucky University and do not constitute a debt, liability or obligation of the Commonwealth of Kentucky nor a pledge of the full faith and credit of the Commonwealth. Principal of and interest on the Series V Bonds are payable solely from the revenues of the Consolidated Educational Building Project, as more fully described herein.

The Series V Bonds are issued subject to the approval of legality by Peck, Shaffer & Williams LLP, Covington, Kentucky, Bond Counsel. Delivery of the Series V Bonds is expected on or about June 3, 2004.

First Kentucky Securities Corporation
Financial Advisor

Dated: ________________, 2004

*Preliminary, subject to change.

EASTERN KENTUCKY UNIVERSITY

PRESIDENT

Joanne K. Glasser

BOARD OF REGENTS

Gary Abney
Daisy B. French
James T. Gilbert
Penny Greer
Maureen Henson
Kristina O'Brien, Student Regent
Orson Oliver
C. Fred Rice
Cynthia Rogers
Pamela Schlomann, Faculty Regent
David L. Williams, Staff Regent

OFFICERS

Joanne K. Glasser, President
C. Fred Rice, Chair of the Board
Daisy B. French, Vice Chair of the Board
Orson Oliver, Secretary
Virginia Underwood, Assistant Secretary
J. K. Johnston, Treasurer

BOND COUNSEL

Peck, Shaffer & Williams LLP
Covington, Kentucky

FINANCIAL ADVISOR

First Kentucky Securities Corporation
Frankfort, Kentucky

PAYING AGENT, REGISTRAR AND TRUSTEE

J.P. Morgan Trust Company, National Association
Lexington, Kentucky

CUSIP NUMBERS

Year	Cusip # 276569	Year	Cusip # 276569
2005		2015	
2006		2016	
2007		2017	
2008		2018	
2009		2019	
2010		2020	
2011		2021	
2012		2022	
2013		2023	
2014		2024	

REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Series V Bonds of Eastern Kentucky University identified on the cover page hereof. No person has been authorized by Eastern Kentucky University to give any information or to make any representation other than that contained in the Official Statement, and if given or made such other information or representation must not be relied upon as having been given or authorized by Eastern Kentucky University or the Financial Advisor. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Series V Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Eastern Kentucky University since the date hereof.

Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency, except Eastern Kentucky University, will pass upon the accuracy or adequacy of this Official Statement or approve the Series V Bonds for sale (see "APPROVAL OF ISSUANCE OF BONDS").

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OFFICIAL STATEMENT RELATING TO

$12,665,000*
EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES V

INTRODUCTORY STATEMENT

This Official Statement, which includes the cover page and the Exhibits appended hereto, is being distributed by Eastern Kentucky University (the "University") to furnish pertinent information to all who may become owners of its Consolidated Educational Buildings Revenue Bonds, Series V (the "Series V Bonds") authorized to be issued pursuant to the provisions of Section 162.340, 162.380, and 58.010 to 58.140, inclusive, of the Kentucky Revised Statutes, and pursuant to the terms of a Basic Resolution (the "Resolution") adopted by the Board of Regents of the University (the "Board") on September 3, 1960 and the Series V Resolution adopted by the Board on April 22, 2004.

The summaries and references to Sections of the Kentucky Revised Statutes, the Basic Resolution, and the Series V Resolution included in this Official Statement, do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each such document.

EASTERN KENTUCKY UNIVERSITY

Eastern Kentucky University is a regional, coeducational, public institution of higher education offering general and liberal arts programs, pre-professional and professional training in education and various other fields at both the undergraduate and graduate levels. Located in Richmond, Madison County, Kentucky, Eastern Kentucky University has a distinguished record of more than nine decades of educational service to the Commonwealth.

Eastern Kentucky University (the "University"), was established by the Kentucky Legislature in 1906. Originally designated the Eastern Kentucky State Normal School, the Kentucky Legislature of 1922 changed the name of the University to the Eastern Kentucky State Normal School and Teachers College, and passed an enabling act permitting the University to confer academic degrees. In 1930, the name was changed to Eastern Kentucky State Teachers College, and in 1948 to Eastern Kentucky State College. Effective July 1, 1966, pursuant to enabling legislation enacted in the 1966 Regular Session of the Kentucky General Assembly, the name of the University was changed to Eastern Kentucky University.

The Governing Body of the University is the Board of Regents of Eastern Kentucky University (the "Board"), consisting of eight members appointed by the Governor of Kentucky, one faculty member elected by the Faculty, one student member elected by students and one staff member elected by the staff. The government of the University is vested in the Board, and the Board has general supervision of lands, buildings and other properties of the University and, subject to the statutes of the Commonwealth of Kentucky, control of all expenses therefore.

Ever-mindful of the purpose of its founding, Eastern Kentucky University continues to recognize its historic function of preparing quality teachers for the elementary and secondary schools of the Commonwealth. However, a strong liberal arts curriculum leading to appropriate degrees, together with pre-professional courses in several areas and graduate programs, enable Eastern Kentucky University to serve the Commonwealth as a regional comprehensive university.

*Preliminary, subject to change

Eastern Kentucky University is accredited by the commission on Colleges of the Southern Association of Colleges and Schools to award associate, baccalaureate, master, and specialist degrees.

THE SERIES V BONDS

General

The Series V Bonds will be dated June 1, 2004, will be issued in fully registered form and in denominations of $5,000 or any integral multiples thereof, will mature as to principal and will bear interest as set forth on the cover page of this Official Statement. The Series V Bonds shall bear interest payable semiannually on May 1 and November 1, commencing November 1, 2004, at the interest rates set forth on the cover, and shall mature serially on May 1 in each of the years 2005 through 2024.

Book Entry Only System

The Series V Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by The Depository Trust Company ("DTC"), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Series V Bonds and, except as otherwise provided herein with respect to tenders by Beneficial Owners of Beneficial Ownership Interests, each as hereinafter defined, Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Series V Bonds under the Resolution and Series Resolution. For additional information about DTC and the book-entry only system see "APPENDIX E - Book Entry Only System."

Redemption Provisions

Optional Redemption. The Series V Bonds maturing on and after May 1, 2015, shall be subject to redemption by the Board prior to maturity, in whole or in part, in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any date, on or after May 1, 2014, at a redemption price equal to the principal amount of the Series V Bonds called for redemption, plus unpaid interest accrued to the date of redemption, without premium.

Selection of Bonds for Redemption. In the event that a Series V Bond subject to redemption is in a denomination larger than $5,000, a portion of such Series V Bond may be redeemed, but only in a principal amount equal to $5,000 or any integral multiple thereof, if the Series V Bond is one of the maturities or amounts or part of the maturities or amounts called for redemption. Upon surrender of any Series V Bond for redemption in part, the Trustee and Paying Agent shall (authenticate and) deliver an exchange Series V Bond or Series V Bonds in an aggregate principal amount equal to the unredeemed portion of the Series V Bond so surrendered.

Notice of Redemption. The Trustee and Paying Agent shall give notice of any redemption by sending at least one such notice by United States mail, first class, postage prepaid, not less than 30 and not more than 60 days prior to the date fixed for redemption to the registered owner of each Series V Bond to be redeemed in whole or in part, at the address shown on the bond register as of the date of mailing of such notice. The Trustee and Paying Agent may furnish one other form of such notice more than 60 days prior to the date fixed for redemption, provided at least one such notice shall be sent not less than 30 nor more than 60 days prior to such date. Such notice shall state the redemption date, the redemption price, the accrued interest payable on the redemption date, the place at which the Series V Bonds are to be surrendered for payment, and, if less than all of the Series V Bonds outstanding are to be redeemed, an identification of the Series V Bonds or portions thereof to be redeemed. Any notice mailed as described above shall be conclusively presumed to have been duly given, whether or not the holder receives such notice.

DISPOSITION OF BOND PROCEEDS

The Series V Bond proceeds will be applied as follows:

a) The amount received from the purchaser(s) representing accrued interest from June 1, 2004, to the date of delivery, will immediately be deposited into the Bond Fund, as defined herein, to be maintained at J.P. Morgan Trust Company, National Association, Lexington, Kentucky, the Trustee, Paying Agent, and Bond Registrar.

b) There will be set aside and deposited to the Debt Service Reserve Fund (defined herein) an amount, if any, required to make the amount held therein equal to the maximum aggregate principal and interest charges on the outstanding Bonds.

c) The amount of the proceeds of the Series V Bonds necessary to pay the costs of issuance of the Series V Bonds will be set aside into a "Costs of Issuance Account" to be maintained by the Trustee Bank and used to pay all expenses incident to the issuance, sale and delivery of the Series V Bonds, including the fee of the Financial Advisor, the rating fees and such other appropriate expenses as may be approved by the Board.

d) The balance of the proceeds of the Series V Bonds will be set aside and deposited to the Eastern Kentucky University Consolidated Educational Buildings, Series V Construction Account (the "Series V Construction Account"), to be held in the Treasury of the Commonwealth of Kentucky.

SECURITY FOR THE BONDS

The Series V Bonds, together with the University's outstanding Consolidated Educational Buildings Revenue Bonds and any additional parity bonds, which may hereafter be issued and outstanding under the terms of the Basic Resolution and subsequent Series Resolutions (collectively, "Bonds") will be payable from and will constitute a charge upon the revenues to be derived by the University from the operation of its Consolidated Educational Buildings Project. The fees imposed upon and collected from all students using the Consolidated Educational Buildings at the beginning of each semester of the regular academic year and each summer session, including fees imposed for part time students, night school and extension courses, are designated as the source of revenues of the Consolidated Educational Buildings Project. Such revenues are known as the Student Registration Fees and the Board covenants that the same will be fixed (and, if necessary, revised and increased from time to time) at such rates as may be required to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefore and to pay the operating costs of the Consolidated Educational Buildings Project to the extent they are not otherwise provided. All collections of the Student Registration Fees are to be set aside, as received into the Consolidated Educational Buildings Project Revenue Fund, as defined herein, and are made subject to a first lien and paramount charge for the security and source of payment of all outstanding Bonds.

As further security for the Series V Bonds and all outstanding Bonds, there is created and granted by Sections 162.350 and 162.200 of the Kentucky Revised Statutes a statutory lien upon the Consolidated Educational Buildings Project of the University on a parity with all Bonds outstanding.

The Series V Bonds are additionally secured by the Debt Service Reserve Fund established with respect to the Bonds.

By adoption of the Series Resolutions, the Board has pledged additional revenues as security for and payment of principal and interest on all outstanding Bonds. Such additional revenues are as follows:

a) Student Activity Fees (formerly Student Union Fees and Student Center Fees which have been combined) in the amount of $90 per semester, levied and collected at the time of registration; and

b) Registration Fees which are levied and collected from each student attending the campus laboratory school (a teaching school), which Fee is presently $876 per semester for each nursery and primary grade student and $444 per semester for each student in Kindergarten through Grade 12.

The Resolution requires the establishment (within four years following the issuance of a series of Bonds) and maintenance of a Debt Service Reserve Fund in the Bond Fund (defined herein) in an amount equal to the maximum aggregate principal, interest and bond fund charges in any future twelve month period. Upon issuance of the Series V Bonds, the total required reserve amount will be on deposit in the Debt Service Reserve Fund.

THE SERIES V PROJECT

The Series V Project consists of replacing the underground cable, conduit, switches and other infrastructure to replace and modernize the complete electrical distribution system. The estimated cost of this project is approximately $7,500,000.

Many of the educational buildings on the University's campus have accrued significant deferred maintenance needs including roofs, chillers, HVAC system overhauls, and building controls system replacements and upgrades. Approximately $3,891,000 will be dedicated to this purpose.

SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the issuance of the Series V Bonds are as follows:

Sources of Funds
Principal Amount of Series V Bonds
Net Original Issue [Premium][Discount]
Accrued Interest
Total Sources of Funds

Uses of Funds
Deposit to Construction Fund
Deposit to Debt Service Reserve Fund
Accrued Interest
Underwriter's Discount
Costs of Issuance
Total Uses of Funds

CERTAIN PROVISIONS OF THE RESOLUTION AND SERIES V RESOLUTION

On September 3, 1960, the Board adopted the Resolution (the "Resolution") and authorized the issuance of its Consolidated Educational Buildings Revenue Bonds.

The following statements are intended to provide only brief summaries of selected pertinent provisions of the Resolution and the Series A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T and U Resolutions collectively, "Series Resolutions" and together with the Resolution, (the "Resolutions"). For detailed and complete information reference is hereby made to the Series Resolutions, copies of which are on file with the University and with J.P. Morgan Trust Company, National Association, the Trustee for the outstanding Consolidated Educational Buildings Revenue Bonds. For purposes of the description in the following sections under the above styled general heading, previous bonds issued or any future bonds to be issued by the Series Resolutions will be referred to as the "Bonds." Additionally, for purpose of this description revenues of the Consolidated Educational Buildings Project will be referred to as "Revenues."

Application of Revenues

There has been created and established a special fund known as the Consolidated Educational Buildings Revenue Fund in the custody of the Treasurer of the Board, separate and apart from other funds of the University. Such Consolidated Educational Buildings Revenue Fund (the "Revenue Fund") will be maintained so long as any of the Bonds are outstanding and unpaid as a trust fund in one or more banks which will be members of the Federal Deposit Insurance Corporation and will be expended and used by the Treasurer only in the manner specified in the Resolutions. Upon delivery of any Bonds issued pursuant to the Resolutions, all Revenues derived from the Consolidated Educational Buildings Project will be deposited as collected in the Revenue Fund to be held and administered by the Treasurer of the Board and will be paid out and applied for the uses and purposes set forth below.

Bond and Interest Sinking Fund. There is created and established a special account known as the Consolidated Educational Buildings Bond and Interest Sinking Fund (the "Bond Fund") which is maintained by and in the custody of the Trustee so long as any Bonds are outstanding and unpaid. The Bond Fund will be used by the Trustee to pay interest on the Bonds as the same become due from time to time and to pay and retire the Bonds as they become due, or as otherwise provided in the Resolutions. From and after the delivery of any Bonds issued pursuant to the Resolution, and thereafter commencing on May 1 of each year, the Treasurer will transfer from the Revenue Fund, and deposit to the credit of the Bond Fund all the Revenues as and when the same are received and deposited into the Revenue Fund, until there has been so deposited and paid into the Bond Fund an amount equal to the total interest and principal becoming due on or prior to the succeeding May 1, on the Bonds then outstanding.

Debt Service Reserve Fund. A debt service reserve in the Bond Fund (the "Debt Service Reserve Fund") is required to be maintained in an amount equal to the Maximum Aggregate Principal, Interest and Bond Fund Charges on the Bonds outstanding. Initially, and as any series of Bonds are issued, the amount to be set aside into the Bond Fund will be 125% of the amount set forth above until the required amount is so accumulated and thereafter the same will be resumed and continued whenever and so long as required to restore and maintain such reserve. Aggregate Principal, Interest and Bond Fund Charges is defined as "of any particular date of computation and with respect to a particular twelve month period, an amount of money equal to the aggregate of the amount required by the provisions of the Resolution and all Series Resolutions, to be paid into the Bond Fund in such twelve month period, for account of the interest on all outstanding Bonds becoming due during such twelve month period and to accomplish the retirement of the principal of any Bonds outstanding at or prior to the maturity thereof." Moneys in the Bond Fund in excess of the Aggregate Principal, Interest and Bond Fund Charges and the prescribed reserve may be used to purchase or redeem Bonds in advance of maturity.

When all required payments into the Bond Fund have been made in any particular twelve month period ending May 1, any moneys remaining in the Revenue Fund may be used by the Board in its discretion to pay the operating costs of the Consolidated Educational Buildings Project to the extent that such costs are not otherwise provided, or may be used for the purchase or retirement of Bonds in advance of maturity, or for any other lawful purpose.

Additional Bonds

The Board covenants and agrees that it will not hereafter create or permit the creation of or issue any bonds which will have a priority over the charge on the Revenues or the payments to be made into the Bond Fund.

Additional bonds ranking on a parity with the Bonds outstanding may be issued only for the purpose of erecting and completing educational buildings and necessary appurtenances which will become and constitute a part of the Consolidated Educational Buildings Project; provided:

(a) That at the time of the issuance of the additional Bonds there is no deficiency in the amount required to be paid into the Bond Fund, and;

(b) That the average of the annual Revenues from the Consolidated Educational Buildings Project for the two fiscal years immediately preceding the issuance of the additional Bonds, as indicated in a statement by the Treasurer of the Board to be filed with the Trustee, was equal to not less than 1.25 times, the maximum Aggregate Principal, Interest and Bond Fund Charges in any succeeding twelve month period ending May 1 on the Bonds then outstanding and the additional Bonds proposed to be issued. For the purpose of computing average annual Revenues, the Treasurer shall make an adjustment in the amount of annual Revenues to reflect any increase or decrease in the Student Registration Fees being imposed at the time for the services of the Consolidated Educational Buildings Project.

The issuance of such additional Bonds shall be pursuant to the terms of an appropriate Series Resolution by the Board in accordance with the provisions of the Resolution.

Default and Remedies

The Resolution defines an event of default, which includes: failure to pay principal when due or failure to pay any installment of interest when same become due or within 30 days thereafter; the Board being rendered incapable of fulfilling its obligations under the Resolution; any building representing a part of the Consolidated Educational Buildings Project being destroyed or damaged and not being repaired or replaced and insurance proceeds not being deposited in the Bond Fund; an order or decree being entered appointing a receiver of all or part of the Consolidated Educational Buildings Project or Revenues therefrom; and failure after written notice by the Trustee (who is required to give such notice at the written request of the owners of 15% in aggregate amount of the outstanding Bonds) to perform any covenant in the Resolution or any Series Resolution, in each case within or for the specified period of grace, if any.

Upon the happening and continuance of any event of default, then and in every such case the Trustee may, and upon the written request of the owners of not less than twenty-five percent (25%) in principal amount of the Bonds then outstanding, will give notice in writing to the Board, declaring the principal of all Bonds outstanding to be due and payable immediately, and upon such declaration the same will become and be immediately due and payable, anything contained in the Resolution or any Series Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, moneys will have been accumulated in the Bond Fund sufficient to pay all arrears of interest, if any, upon the Bonds then outstanding (except the interest accrued on such Bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board under the Resolution will have been paid or a sum sufficient to pay the same will have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in the Resolution or any Series Resolution (other than a default in the payment of the principal of such Bonds then due only because of a declaration of default) shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the owners of not less than twenty-five percent (25%) in principal amount of the Bonds then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such recession or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Upon the happening and continuance of any event of default, then and in every such case the Trustee may proceed, and upon the written request of the owners of not less than fifteen percent (15%) in principal amount of the Bonds then outstanding under the Resolution will proceed to protect and enforce its rights and the rights of the bondholders under the laws of the Commonwealth of Kentucky or under the Resolution or any Series Resolution by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power therein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, will deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Resolution, the Trustee will be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Board for principal, interest, or otherwise under any of the provisions of the Resolution or any Series Resolution or the Bonds and unpaid together with any and all costs and expenses of collection and of all proceedings under the Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the bondholders , and to recover and enforce judgment or decree against the Board, but solely as provided in the Resolution and in such, for any portion of such amount remaining unpaid, with interest, costs and expenses, and to collect (solely from moneys from the Bond Fund and the Revenues of the Consolidated Educational Buildings Project pledged to the payment of the Bonds by the Resolution) in any manner provided by law, the moneys adjudged or decreed to be payable.

Anything in the Resolution to the contrary notwithstanding, the holders of a majority in principal amount of the outstanding Bonds shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee thereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Resolution, and 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.

No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for any remedy afforded by the Resolution unless such holder shall have previously given to the Trustee written notice of any event of default as in the Resolution provided, nor unless also the holders of 25% in principal amount of the outstanding Bonds shall have made written request to the Trustee and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Resolution or to institute such action, suit or proceeding in its or their name, nor unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, it being understood and intended that no one or more holders of Bonds shall have any right in any manner whatever by his or their action to enforce any right under the Resolution except in the manner provided in the Resolution.

Other Covenants of the Board

The Board covenants with the owners of the Bonds outstanding, among other things, the following:

(a) That it will establish, maintain and collect, as long as any Bonds are outstanding, such Student Registration Fees for the services of the Consolidated Educational Buildings Project as may be necessary (a) to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefore and (b) to pay the operating costs of the Consolidated Educational Buildings Project to the extent they are not otherwise provided. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in Revenues the Board further covenants and agrees to establish, maintain and collect such Student Registration Fees as will produce Revenues, in each twelve month period ending May 1, equal to at least

110% of the current Aggregate Principal, Interest and Bond Fund Charges; and will, except as herein before set forth under "Application of Revenues", pay the current operating costs of the Consolidated Educational Buildings Project from available funds other than the Revenues derived from the Consolidated Educational Buildings Project;

(b) That it will procure and maintain to the extent available, fire and extended coverage insurance on the Consolidated Educational Buildings Project in amount sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed 80% of the full insurable value of the Consolidated Educational Buildings Project. All insurance moneys (except property insurance proceeds in amounts of less than ten thousand dollars ($10,000), which shall be paid over to the Board) received by the Trustee shall be held by the Trustee as substituted security and used for the purpose of paying the reasonable costs or repairing or replacing part or all of the property damaged or destroyed or the reasonable costs of substitute facilities; provided, however, that the Board shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs, replacements or substitute facilities and said insurance moneys shall be paid out by the Trustee only when the same shall be fully sufficient to complete such repairs, replacement or substitute facilities as shown by a certificate of an architect or engineer. If insurance proceeds shall remain after the completion of the repairs, replacement or substitute facilities, or in the event of a failure to repair or replace the property damaged or destroyed, or to construct substitute facilities, the Trustee shall deposit such moneys in the Bond Fund and such moneys, to the extent of any excess over the required balance in the Bond Fund and the Debt Service Reserve Fund, shall be applied to the retirement of the Bonds;

(c) That unless provision is otherwise made by law for disposition by the Commonwealth of Kentucky of claims made against the University for bodily injury and/or death which may arise from operations of the Board, it will, if such insurance is not already in force, procure and maintain public liability insurance with limits of not less than $50,000/$100,000 to protect the Board from claims for bodily injury and/or death which may arise from the operation of the Board, including any use or occupancy of its grounds, structures, and vehicles;

(d) That it will keep accurate financial records and proper books relating to the Consolidated Educational Buildings Project; that such records and books shall be open to inspection by the Bondholder and their agents and representatives; and that not later than 90 days after the close of each fiscal year it will furnish to the Trustee; and to any bondholders who shall request the same in writing, copies of audit reports prepared by an independent certified public accountant or a firm of such accountants, who shall be satisfactory to the Trustee, or by an appropriate state auditing official, reflecting in reasonable detail the financial condition and record of operation of the University, the Consolidated Educational Buildings Project, and the pledged Revenues during the preceding fiscal year (July 1/June 30);

(e) That it will at all times maintain, preserve and keep the Consolidated Educational Buildings Project and every part thereof in good condition, repair and working order; and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of the Consolidated Educational Buildings Project shall at all times be conducted efficiently, properly and advantageously;

(f) That whenever any portion of the Consolidated Educational Buildings Project shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Board will procure and install substitutes of at least equal value, utility and efficiency, so that the value and efficiency of the Consolidated Educational Buildings Project will at all times be fully maintained; and

(g) That it will faithfully observe, do and perform all of its agreements and obligations provided for by the Bonds and the Resolutions.

CONSOLIDATED EDUCATIONAL BUILDINGS PROJECT

There are located on the campus of the University some 67 major buildings which house the activities of the University. These buildings include educational and administrative facilities, dormitories, and student center and recreation facilities. In 1960 the Board of Regents determined that the anticipated increased enrollment in the University would require the continued expansion of the physical plant of the University over the course of the next several years, particularly the expansion of facilities for educational and administrative purposes. The Board further determined that the erection of additional buildings for educational and administrative purposes would require the borrowing of money by the issuance of Bonds payable solely from the revenues of the buildings thereafter erected and the educational buildings then located on the campus of the University. For the purpose of securing Bonds issued to finance the erection from time to time of needed educational buildings the Board by Resolution adopted the Resolution, established and created a Consolidated Educational Buildings Project consisting of all educational buildings and necessary appurtenances theretofore erected and located on the property of the University in Madison County, Kentucky, and all educational buildings and necessary appurtenances thereafter erected upon such property from available funds of the Board or from the sale of Bonds, excluding all housing buildings and facilities of the University, and all buildings and facilities used exclusively for athletics, as distinguished from those which are, or may be, wholly or principally for physical education.

Pursuant to the provisions of the Resolution and the Series A Resolution, also adopted on September 3, 1960, the Board has heretofore issued $2,000,000 of its Consolidated Educational Buildings Revenue Bonds, Series A, to provide funds for the erection of a Laboratory School for teacher training and to provide funds to complete the erection of an Arts-Maintenance Building which was financed in part by an appropriation to the University by the 1960 Kentucky General Assembly. Erection of the Laboratory School and the Arts-Maintenance Building have been completed and such buildings are now a part of the Consolidated Educational Buildings Project. The Series A Bonds have matured and have been redeemed.

On April 18, 1962, the Board adopted a Series B Resolution pursuant to the provisions of the Resolution for the purpose of issuing $3,500,000 of its Consolidated Educational Buildings Revenue Bonds, Series B, to provide funds for the erection of a new Health and Physical Educational Building, a new building supplementing the existing Johnson Student Union Building (the Union Building) and a new Dairy Center Building (the Dairy Center). The Series B Bonds have been sold and the erection of the Health and Physical Educational Building, the Building supplementing the Union Building and the Dairy Center have been completed with such buildings now being a part of the Consolidated Educational Buildings Project. The Series B Bonds have matured and have been redeemed.

The Board adopted a Series C Resolution on February 20, 1963, as amended on May 29, 1963, pursuant to the provisions of the Resolution for the purpose of issuing $3,000,000 of its Consolidated Educational Buildings Revenue Bonds, Series C, to provide funds for the erection of a new classroom building to house the Departments of English and Commerce and the Graduate program. The Series C Bonds have been sold and the erection of the new classroom building has been completed with such building now a part of the Consolidated Educational Buildings Project. The Series C Bonds have matured and have been redeemed.

The Board adopted a Series D Resolution on March 25, 1964, pursuant to the provisions of the Resolution for the purpose of issuing $2,000,000 of its consolidated Educational Buildings Revenue Bonds, Series D, to provide funds for the reconstruction of the Coates Administration Building, the Roark Building and the Weaver Health Building, the reconstruction and enlargement of the heating plant, and the construction of an outdoor intramural athletic field as necessary appurtenance to the physical education program of the University. The Series D Bonds have been sold and the reconstruction, enlargement and construction set forth above have been completed with such buildings now a part of the Consolidated Educational Buildings Project. The Series D Bonds have matured and have been redeemed.

The Board adopted a Series E Resolution on June 2, 1965, in pursuant to the provisions of the Resolution for the purpose of issuing $3,100,000 of its Consolidated Educational Buildings Revenue Bonds, Series E, to provide funds for the addition to and reconstruction of the John Grant Crabbe Library and for the addition to and reconstruction of the Donovan Building. The Series E Bonds have been sold and the reconstruction and construction set forth above are complete with such buildings now a part of the Consolidated Educational Buildings Project. The Series E Bonds have matured and have been redeemed.

The Board adopted a Series F and Series G Resolution on October 21, 1967, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Revenue Bonds, $2,226,000 Series F, and $4,000,000 Series G, to provide funds for the construction of the Moore Building, the Burrier Building, and Administration Annex, and for additions to and reconstructions of the boiler plant and the underground steam and electrical distribution system. The Series F and Series G Bonds have been sold and the projects for which the bonds were issued have been completed and are now a part of the Consolidated Educational Buildings Project. The Series F and G Bonds have matured and have been redeemed.

The Board adopted Series H and Series I Resolutions on April 2, 1968, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Revenue Bonds, $1,082,000 Series H, and $3,800,000 Series I, to provide funds for the construction of the Physical Educational Building and an Agricultural Technology Center. The Series H and Series I Bonds have been sold and the projects for which the bonds were issued have been completed and are now a part of the Consolidated Educational Buildings Project. The Series H Bonds have matured and have been redeemed and a portion of the Series I Bonds remain outstanding.

The Board adopted a Series J Resolution on September 11, 1970, pursuant to the provisions of the Resolution for the purpose of issuing $9,535,000 of its Consolidated Educational Buildings Revenue Bonds, Series J, to provide funds for the construction of the Wallace Building, the University Center Building and the Service Complex. The Series J Bonds have been sold and the projects for which the bonds were issued have been completed and are now a part of the Consolidated Educational Buildings Project. The Series J Bonds have been refunded by issuance of Series J Refunding Bonds dated May 1, 1973 in the amount of $8,775,000. The Series J Bonds have matured and were paid off May 1, 2001.

The Board adopted a Series K Resolution on October 19, 1971, pursuant to the provisions of the Resolution for the purpose of issuing $5,450,000 of its Consolidated Educational Buildings Revenue Bonds, Series K, to provide funds for the construction of the Jane F. Campbell Building. The Series K Bonds have been sold and the project for which the bonds were issued has been completed and is now a part of the Consolidated Educational Buildings Project. The Series K Bonds have matured and have been redeemed.

The Board adopted a Series L Resolution on January 23, 1973, pursuant to the provisions of the Resolution for the purpose of issuing $6,500,000 of its Consolidated Educational Buildings Revenue Bonds, Series L, to provide funds for the construction of the Stratton Building. The Series L Bonds have been sold and the project for which the bonds were issued has been completed and is now a part of the Consolidated Educational Buildings Project.

The Board adopted a Series M Resolution on October 25, 1986, pursuant to the provisions of the Resolution for the purpose of issuing $9,995,000 of its Consolidated Educational Buildings Revenue Bonds, Series M, to provide funds for eight repair and renovation projects on academic buildings or appurtenant facilities located on the campus. The Series M Bonds have been sold and the projects for which the bonds were issued have been completed and are now part of the Consolidated Educational Buildings Project. The Series M Bonds were refunded by the Series R Bonds.

The Board adopted a Series N Resolution on October 21, 1989, pursuant to the provisions of the Resolution for the purpose of issuing $6,070,000 of its Consolidated Educational Buildings Revenue Bonds, Series N, to provide funds to construct the Dizney Building. The Series N Bonds have been sold and the project for which the bonds were issued has been completed and is now part of the Consolidated Educational Buildings Project refunded by Series S.

The Board adopted Series O and Series P Resolutions on April 20, 1991, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Revenue Bonds, $5,300,000 Series O to provide funds for the renovation of Roark Building and $13,050,000 Series P to provide funds for the expansion of the Law Enforcement Training Center. The Series O and Series P Bonds have been sold and the projects for which the bonds were issued has been completed and is now a part of the Consolidated Educational Buildings Project. Series O Bonds were partially refunded by Series S Bonds and Series P Bonds were partially refunded by Series T Bonds.

The Board adopted a Series Q Resolution on August 1, 1991, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Revenue Bonds, $13,275,000 Series Q to provide funds to expand the Crabbe Library. The Series Q Bonds have been sold and the project for which the bonds were issued has been completed and is now part of the Consolidated Educational Buildings Project. The Series Q Bonds were refunded by the Series U Bonds.

The Board adopted a Series R Resolution on August 3, 1995, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Refunding Revenue Bonds, $8,615,000 Series R to refund the Series M Bonds.

The Board adopted a Series S Resolution on November 1, 1997, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Refunding Revenue Bonds, $7,750,000 Series S to refund the Series N and partially refund the Series O Bonds.

The Board adopted a Series T Resolution on November 1, 1997, pursuant to the provisions of the Resolution of the purpose of issuing its Consolidated Educational Buildings Refunding Revenue Bonds, $8,895,000 Series T to partially refund the Series P Bonds.

The Board adopted a Series U Resolution on August 2, 2001, pursuant to the provisions of the Resolution for the purpose of issuing its Consolidated Educational Buildings Refunding Revenue Bonds, $8,615,000 Series U to refund the Series Q Bonds.

BOARD AND ADMINISTRATIVE OFFICERS

Governing Board

The Governing Body of the University is the Board of Regents of Eastern Kentucky University, (the "Board"), consisting of eight members appointed by the Governor of Kentucky, one faculty member elected by the faculty, one student member elected by students and one staff member elected by the staff. The government of the University is vested in the Board, and the Board has general supervision of lands, buildings and other properties of the University and, subject to the statutes of the Commonwealth of Kentucky, control of all expenses therefore.

Administrative Officers

The President is Ms. Joanne K. Glasser. Mr. James K. Johnston is Vice President for Financial Affairs and Treasurer; Dr. James Conneely is Vice President for Student Affairs; and Mr. J. Barton Meyer is Vice President for University Advancement. Their biographies follow:

Ms. Joanne K. Glasser, President

Eastern Kentucky University President Joanne K. Glasser brings to the position more than 27 years of executive-level experience within the areas of public higher education, government and legal affairs. Before becoming EKU's first female president in 2001, President Glasser served as executive vice president of Towson University in Maryland. While at Towson, she developed several award-winning advancement programs and planned and developed Towson's highly successful $17.5 million capital campaign, the first major campaign in the institution's history. She is planning a similar effort at EKU.

A native of Baltimore, MD, President Glasser holds a bachelor's degree from George Washington University, a juris doctorate degree from the University of Maryland School of Law, and a certificate from the Harvard Graduate School of Education’s Institute of Education Management. President Glasser has extensive expertise in many areas of higher education administration, including strategic planning, budgeting, fund-raising, marketing, public relations and alumni relations, among others.

Since her arrival on the Richmond campus, she has pursued a strategy of returning to the institution's historic commitment to putting students first by providing high-quality academic programs and services in a nurturing environment focused squarely on student success. Through President Glasser's dynamic and collaborative leadership, the University recently enjoyed its largest enrollment increase in 12 years.

Under President Glasser's direction a sweeping strategic plan was approved in 2003, intended to position EKU to become not only the leading comprehensive university in the Commonwealth, but a University of national distinction, where students come first.

Mr. James K. Johnston, Vice President for Financial Affairs and Treasurer

Mr. Johnston, a native of Clanton, Alabama, earned his B.S. degree in Business Administration (major in accounting) and his M.A. in Higher Education Administration from Auburn University. He joined Eastern Kentucky University as Vice President for Financial Affairs and Treasurer in November, 2000. Prior to joining the staff at Eastern Kentucky University, Mr. Johnston served as Vice Chancellor for Financial and Administrative Services at Auburn University at Montgomery from 1995 until he came to Eastern Kentucky University. From 1990-95, Mr. Johnston was the vice president for Finance at Auburn University at Montgomery. He was employed with Auburn University as Director of the Office of Bursar and Special Funds Accounting from 1985-90 and as a senior internal auditor from 1976-85. From 1973-76, Mr. Johnston was a staff auditor/CPA with Bach, James and Co. of Atlanta, GA.

James F. Conneely, Ph.D., Vice President for Student Affairs

Dr. Conneely joined Eastern Kentucky University in February 2003. He received a B.A. from St. Bonaventure University, an M.S. in Education from Alfred University, and a doctorate from Georgia State University. His current responsibilities as Vice President include overseeing the following areas: Campus Recreation and Intramurals, Career Services, Counseling Center, EKU Dining Services, First Year Programs, Greek Life, Mediation Center, Meditation Chapel, Multi-cultural Student Affairs, Office for Volunteerism, Office for Student Life, Orientation/Tutoring and Mentoring, Student Health Services, and Student Involvement and Leadership, and University Housing. Prior to Eastern Kentucky University, Dr. Conneely was employed at the University of Arkansas for 10 years serving as Assistant Vice Chancellor for Student Affairs, and Director of Residence Life and Dining Services. Dr. Conneely's most recent publications include editing a book on "Careers in University Housing" and co-authoring a chapter in the New Directions in Student Services series titled "Consumers, Adversaries, and Partners: Working with Families of Undergraduates".

Mr. J. Barton Meyer, Vice President for University Advancement

Mr. Meyer joined Eastern Kentucky University in January 2004. He earned a Bachelor of Arts degree from Ohio Northern University in 1972 and a Master of Science in Education from the University of Dayton in 1981. Mr. Meyer has worked at five educational institutions since 1976. In 1996, Mr. Meyer received the Circle of Excellence Award for Overall Fund Raising Performance from the Council for the Advancement and Support of Education (CASE).

Prior to accepting his current assignment, he had been Assistant to the Dean and Director of Advancement at the Gatton College of Business and Economics, University of Kentucky. Before joining UK, Mr. Meyer had spent ten years as the Vice President for Development at Transylvania University. He has made numerous presentations at CASE conferences and served on the CASE Kentucky board of directors. Mr. Meyer had also served as treasurer for the Central Kentucky Planned Giving Council.

FUTURE DEBT

The State may authorize other projects at the University to be funded from proceeds of additional bonds issued by the University. In future years, the University expects to request approval to issue additional debt of the University. Projects planned for the 2004-06 biennium include construction of new intramural fields with estimated costs of $2,300,000 and renovation of existing residence halls with estimated costs of $7,500,000.

TAX EXEMPTION

General

In the opinion of Bond Counsel for the Series V Bonds, based upon an analysis of existing laws, regulations, rulings and court decisions, interest on the Series V Bonds is excludable from gross income for Federal income tax purposes and interest on the Series V Bonds is not a specific item of tax preference under Section 57 of the Internal Revenue Code of 1986 (the "Code") for purposes of the Federal individual or corporate alternative minimum taxes. Furthermore, Bond Counsel for the Series V Bonds is of the opinion that interest on the Series V Bonds is exempt from income taxation by the Commonwealth and the Series V Bonds are exempt from ad valorem taxation by the Commonwealth and any of its political subdivisions.

A copy of the opinion of Bond Counsel for the Series V Bonds is set forth in Appendix D, attached hereto.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Series V Bonds. The University has covenanted to comply with certain restrictions designed to ensure that interest on the Series V Bonds will not be includable in gross income for Federal income tax purposes. Failure to comply with these covenants could result in interest on the Series V Bonds being includable in gross income for Federal income tax purposes and such inclusion could be required retroactively to the date of issuance of the Series V Bonds. The opinion of Bond Counsel assumes compliance with these covenants. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series V Bonds may adversely affect the tax status of the interest on the Series V Bonds.

Certain requirements and procedures contained or referred to in the Basic Resolution and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series V Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Series V Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Peck, Shaffer & Williams LLP.

Although Bond Counsel for the Series V Bonds has rendered an opinion that interest on the Series V Bonds is excludable from gross income for Federal income tax purposes and that interest on the Series V Bonds is excludable from gross income for Kentucky income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series V Bonds may otherwise affect a Bondholder's Federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinions regarding any tax consequences other than what is set forth in its opinion and each Bondholder or potential Bondholder is urged to consult with tax counsel with respect to the effects of purchasing, holding or disposing the Series V Bonds on the tax liabilities of the individual or entity.

For example, corporations are required to include all tax-exempt interest in determining "adjusted current earnings" under Section 56(c) of the Code, which may increase the amount of any alternative minimum tax owed. Similarly, tax-exempt interest may also increase the amount of any environmental tax owed under Section 59 of the Code, which is based on the alternative minimum taxable income of any corporation subject to that tax. Ownership or disposition of the Series V Bonds may result in other collateral Federal, state or local tax consequence for certain taxpayers, including, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code, increasing the federal tax liability of certain insurance companies, under Section 832 of the Code, increasing the federal tax liability and affecting the status of certain S Corporations subject to Sections 1362 and 1375 of the Code, and increasing the federal tax liability of certain individual recipients of social security or Railroad Retirement benefits, under Section 86 of the Code. Ownership of any Series V Bonds may also result in the limitation of interest and certain other deductions for financial institutions and certain other taxpayers, pursuant to Section 265 of the Code. Finally, residence of the holder of Series V Bonds in a state other than Kentucky or being subject to tax in a state other than Kentucky, may result in income or other tax liabilities being imposed by such states or their political subdivisions based on the interest or other income from the Series V Bonds.

The University has not designated the Series V Bonds as "qualified tax-exempt obligations" under Section 265 of the Code.

Original Issue Premium

"Acquisition Premium" is the excess of the cost of a bond over the stated redemption price of such bond at maturity or, for bonds that have one or more earlier call dates, the amount payable at the next earliest call date. The Series V Bonds having a yield that is lower than the interest rate (as shown on the cover page hereof), are being initially offered and sold to the public at an Acquisition Premium (the "Premium Bonds"). For federal income tax purposes, the amount of Acquisition Premium on each bond the interest on which is excludable from gross income for federal income tax purposes ("tax-exempt bonds") must be amortized and will reduce the bondholder's adjusted basis in that bond. However, no amount of amortized Acquisition Premium on tax-exempt bonds may be deducted in determining bondholder's taxable income for federal income tax purposes. The amount of any Acquisition Premium paid on the Premium Bonds, or on any of the Series V Bonds, that must be amortized during any period will be based on the "constant yield" method, using the original bondholder's basis in such bonds and compounding semiannually. This amount is amortized ratably over that semiannual period on a daily basis.

Holders of any Series V Bonds, including any Premium Bonds, purchased at an Acquisition Premium should consult their own tax advisors as to the actual effect of such Acquisition Premium with respect to their own tax situation and as to the treatment of Acquisition Premium for state tax purposes.

Original Issue Discount

The Series V Bonds having a yield that is higher than the interest rate (as shown on the cover page hereof) are being offered and sold to the public at an original issue discount ("OID") from the amounts payable at maturity thereon (the "Discount Bonds"). OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the "issue price" of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on each bond will accrue over the term of the bond, and for the Discount Bonds, the amount of accretion will be based on a single rate of interest, compounded semiannually (the "yield to maturity"). The amount of OID that accrues during each semi-annual period will do so ratably over that period on a daily basis. With respect to an initial purchaser of a Discount Bond at its issue price, the portion of OID that accrues during the period that such purchaser owns the Discount Bond is added to such purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that Discount Bond and thus, in practical effect, is treated as stated interest, which is excludable from gross income for federal income tax purposes.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.

CONTINUING DISCLOSURE

In accordance with Securities and Exchange Commission Rule 15c2-12 (the "Rule"), the University (the "Obligated Person") will agree, pursuant to a Continuing Disclosure Agreement dated as of June 1, 2004 (the "Disclosure Agreement"), to be delivered on the date of delivery of the Series V Bonds, to cause the following information to be provided:

(a) to each nationally recognized municipal securities information repository ("NRMSIR") and, if one is established for the Commonwealth, to its state information depository ("SID"), certain annual financial information and operating data, including audited financial statements prepared in accordance with generally accepted accounting principles, generally consistent with the information contained in Appendices A and C; such information shall be provided on or before 180 days following the fiscal year ending on the preceding June 30, commencing with the fiscal year ending June 30, 2004;

(b) to each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB") and to the SID, notice of the occurrence of certain events, if material, with respect to the Series V Bonds, which events are as follows; and

(1) Principal and interest payment delinquencies;
(2) Non-payment related defaults;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties;
(4) Unscheduled draws on credit enhancements reflecting financial difficulties;
(5) Substitution of credit or liquidity providers, or their failure to perform;
(6) Adverse tax opinions or events affecting the tax-exempt status of security;
(7) Modifications to rights of security holders;
(8) Bond calls, except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of the event;

(9) Defeasances;
(10) Release, substitution or sale of property securing repayment of the securities;
(11) Rating changes;
(12) The cure, in the manner provided under the Resolutions, of any payment or nonpayment related default under the Resolutions; and
(13) The issuance of any additional Consolidated Educational Buildings Revenue Bonds or other indebtedness on a parity with the Bonds.

(c) to each NRMSIR or to the MSRB and to the SID, notice of a failure (of which the Obligated Persons have knowledge) of an Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Agreement.

The Disclosure Agreement provides holder of the Series V Bonds, including beneficial owners of the Series V Bonds, with certain enforcement rights in the event of a failure by the University to comply with the terms thereof; however, default under the Disclosure Agreement does not constitute an event of default under the Resolutions. The Disclosure Agreement may also be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein. Holders of the Series V Bonds are advised that the Disclosure Agreement, the form of which is obtainable from the Financial Advisor, should be read in its entirety for more complete information regarding its contents.

Financial information regarding the University may be obtained from the Vice President for Financial Affairs and Treasurer, Eastern Kentucky University, 103 Coates Building, 521 Lancaster Avenue, Richmond, Kentucky 40475-3102.

PENDING LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series V Bonds, or in any way contesting or affecting the validity of the Series V Bonds or any proceedings of the University taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Series V Bonds or the due existence or powers of the University.

APPROVAL OF LEGALITY

Legal matters incident to the authorization, issuance, sale and delivery of the Series V Bonds are subject to the approval of Peck, Shaffer & Williams LLP, Covington, Kentucky, Bond Counsel to the University. The approving legal opinion of Bond Counsel will be printed on the Series V Bonds and will contain a statement of tax exemption as represented herein. Bond Counsel has reviewed the information herein pertaining to the Series V Bonds under the headings "The Series V Bonds", "Security for the Bonds", "Certain Provisions of the Basic Resolution" and "Tax Exemption", and is of the opinion that such information is a fair summary of the principal provisions of the instruments and information therein described. Said firm has not otherwise participated in the preparation of the Official Statement or the Appendices attached hereto and has not verified the accuracy or completeness of the information contained under any heading other than those stated above, nor of any financial information, enrollment numbers, projections, or computations relating thereto, and therefore, can make no representation with respect to such information. A certification as to the matters set forth under "Pending Litigation" will be delivered by the University with the Series V Bonds.

FINANCIAL ADVISOR

First Kentucky Securities Corporation, Frankfort, Kentucky, has acted as Financial Advisor to the University in connection with the issuance of the Series V Bonds and will receive a fee, payable from Bond proceeds, for its services.

APPROVAL OF ISSUANCE OF SERIES V BONDS

Pursuant to Chapter 42 of the Kentucky Revised Statutes, issuance of the Series V Bonds must be approved by the Kentucky Finance and Administration Cabinet, Office of Financial Management.

FINANCIAL STATEMENTS

The financial statements of the University as of June 30, 2003 are attached as Appendix C.

CERTIFICATE CONCERNING OFFICIAL STATEMENT

Concurrently with the delivery of the Series V Bonds, the Treasurer of the Board of Regents will certify that, to the best of his knowledge, the Official Statement did not, as of the date of delivery of the Series V Bonds, contain any untrue statements of a material fact or omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading in any material respect.

COMPLETENESS OF OFFICIAL STATEMENT

The Board of Regents has approved and caused this Official Statement to be executed and delivered by its Chairman. This Official Statement is deemed final by the Board for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1) as of the date hereof.

The financial information supplied by the Board of Regents and reported herein is represented by the Board to be correct. Only accounts required by Federal and State laws, rules and regulations to be audited annually by independent certified public accountants have been so audited and the financial information extracted from their annual audits and presented herein is incomplete to the degree that accounts not required to be so audited have not been included in the annual audits contained in Appendix C.

RATING

As noted on the cover page of this Official Statement, Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P") has assigned its municipal bond rating of "A" to the Series V Bonds. Such rating reflects only the view of said organization. Any explanation of the significance of such rating may only be obtained from S&P at the following address: Standard & Poor's Rating Services at 55 Water Street, New York, New York 10041-0003, (212) 438-2124. There is no assurance that the rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series V Bonds.

MISCELLANEOUS

All quotations from, and summaries and explanations of, the Kentucky Revised Statutes and the Basic Resolution, contained herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. The Appendices attached hereto are a part of this Official Statement. Copies, in reasonable quantity, of the Basic Resolution may be obtained from First Kentucky Securities Corporation, 305 Ann Street, Suite 400, Frankfort, Kentucky 40602, Attention: Mr. R. Strand Kramer, Jr., phone: (502) 875-4611.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. Except when otherwise indicated, the information set forth herein has been obtained from the University and has not been verified as to accuracy or completeness by, and is not to be construed as a representation of, the Financial Advisor or Bond Counsel. This Official Statement is not to be construed as a contract or agreement between the University and the purchasers or owners of any of the Series V Bonds.

EASTERN KENTUCKY UNIVERSITY

By: /s/

Chairman, Board of Regents

Attest:

EASTERN KENTUCKY UNIVERSITY

By:/s/

Secretary

APPENDIX A

EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS
SERIES V

The University and the Consolidated Educational Building Project

OPERATIONS

Enrollment

The following schedule indicates the Fall Semester head count and full-time equivalent enrollment at the University for each of the academic years 1997-98 through 2003-04. The full-time enrollment calculation is made in accordance with the method used by the Kentucky Council on Postsecondary Education.

Academic Year	Undergraduate	Graduate	Total Head Count	Full-Time* Equivalent
1997-98	13,424	2,001	15,425	11,721
1998-99	13,478	1,924	15,402	11,742
1999-00	13,032	1,918	14,950	11,329
2000-01	12,676	1,752	14,428	10,824
2001-02	12,804	1,893	14,697	10,909
2002-03	12,867	2,194	15,061	11,197
2003-04	13,567	2,384	15,951	11,802

* Full-time and part-time enrollment equated to full-time enrollment
Source: Eastern Kentucky University

Approximately 9% of the students enrolled in the University are non-residents of Kentucky and it is anticipated that the percentage of non-resident enrollments will remain at this level in future years.

In reviewing enrollment projections, consideration has been given to planning for adequate academic and housing accommodations for future enrollments. The programs will be developed so that academic and housing facilities will not be limiting factors on the enrollment growth projected. The enrollment projection for the University is set forth in the following tabulations:

Academic Year	**Estimated Fall Semester Student Enrollment (Head Count)**
2004-05	15,400
2005-06	15,550
2006-07	15,800
2007-08	16,000
2008-09	16,250

Admissions Information - Fall Semester
Undergraduate Admissions

	1999	2000	2001	2002	2003
Number of Applications	7,885	9,059	9,062	9,303	10,207
Number Approved for Enrollment	7,491	6,854	7,119	7,477	7,872
Number Enrolled	3,901	3,987	4,577	4,683	5,023
Average ACT Scores	19.3	19.0	20.2	20.0	20.4

Comparative Report of Student Financial Aid

A summary of the University's student financial aid is presented for the most recent three year period:

	2001-02	2002-03	2003-04
Institutional Scholarships & Grants	$4,139,873	$6,832,089	$8,139,248
Federal Grants			
Pell	9,952,581	11,531,825	12,629,337
Supplemental Educational **Grant**	728,898	604,312	444,407
College Work Study	926,745	1,059,713	898,173
Financial Aid from Outside Agencies			
State Grants	5,547,970	6,807,159	8,398,595
Agency Scholarships	1,129,414	1,159,677	335,016
Loans			
Perkins Student Loans	1,028,512	1,011,957	1,762,281
Guaranteed Student Loans from Outside Sources	22,430,843	23,107,078	26,397,475
Total	$45,884,836	$52,113,810	$59,004,532

Total Financial Aid

1998-99	45,135,022
1999-00	40,278,266
2000-01	45,884,836
2001-02	52,113,810
2002-03	59,004,532

Grants & Contracts

1998-99	26,290,641
1999-00	31,287,986
2000-01	37,347,148
2001-02	38,936,794
2002-03	41,202,954

Five-Year History of Private Donations (or Contributions)

Fiscal Year	Number of Donors Participating	Total Voluntary Support
1998-99	16,099	$6,053,538
1999-00	12,971	5,307,684
2000-01	9,532	6,599,472
2001-02	9,233	2,486,577
2002-03	6,713	4,384,696

Student Registration Fees

The Board of Regents with the approval of the Kentucky Council on Postsecondary Education has established a schedule of Student Registration Fees (which include extended program fees) to be imposed, charged and collected for services of the Consolidated Educational Buildings Project from all students attending the University. The schedules of fees, effective for the periods, August 15, 2001, August 15, 2002 and August 15, 2003 are as follows:

	Schedule of Fees 2001-02	Schedule of Fees 2002-03	Schedule of Fees 2003-04
Registration Fee Per Semester Full Time			
Undergraduate			
Resident	$1,168	$1,464	$1,599
Non-Resident	3,502	4,020	4,395
Targeted Out of State Counties	1,927	2,292	2,511
Graduate			
Resident	1,283	1,584	1,725
Non-Resident	3,849	4,383	4,776
Targeted Out of State Counties	2,117	2,493	2,715
Registration Fee Per Hour Summer Term/Part-Time			
Undergraduate			
Resident	119	122	133
Non-Resident	305	335	366
Targeted Out of State Counties	166	191	209
Graduate			
Resident	150	176	192
Non-Resident	444	487	531
Targeted Out of State Counties	242	277	302

EASTERN KENTUCKY UNIVERSITY
STATE APPROPRIATIONS

The General Assembly of the Commonwealth of Kentucky, based on an initial request from the Governor, approves a biennial budget which includes appropriations for all the Commonwealth's public universities. The following are the state appropriations for Eastern Kentucky University for the past ten years:

1994-95	54,385,600
1995-96	55,555,150
1996-97	57,991,400
1997-98	63,833,800
1998-99	63,825,700
1999-00	65,726,700
2000-01	67,392,100
2001-02	69,520,090
2002-03	73,451,800
2003-04	71,668,300

The amount of funds so appropriated has been based in part on the debt service on the University's outstanding Consolidated Educational Buildings Revenue Bonds. The University presently intends, but is not obligated, to continue to seek to have funds appropriated by the General Assembly to partially support the operations of the University. THE GENERAL ASSEMBLY IS NOT NOW

OBLIGATED, NOR WILL THERE BE IN THE FUTURE, AN OBLIGATION TO MAKE APPROPRIATIONS TO THE UNIVERSITY. IN ADDITION, THERE CAN BE NO ASSURANCE THAT IN THE PERFORMANCE OF HIS OR HER OBLIGATION TO BALANCE THE STATE BUDGET ANNUALLY, THE GOVERNOR WILL NOT REDUCE OR ELIMINATE ANY APPROPRIATIONS WHICH ARE MADE. THE BONDS ARE SECURED BY AND PAYABLE SOLELY FROM THE REVENUES FROM THE CONSOLIDATED EDUCATIONAL BUILDINGS PROJECT, AND NOT BY ANY APPROPRIATIONS.

The General Assembly is required by the Kentucky Constitution to adopt measures providing for the state's revenues and appropriations for each fiscal year. The Governor is required by law to submit a biennial State Budget (the "State Budget") to the General Assembly of the Commonwealth during the legislative session held in each even numbered year. State Budgets have generally been adopted by the General Assembly during those legislative sessions, which end in mid-April, to be effective for a two-year period commencing on the following July 1. Governor Fletcher submitted a proposed State Budget, for the two-year period that begins July 1, 2004, during the regularly scheduled legislative session that began in January 2004. The regular legislative session of the General Assembly adjourned on April 13, 2004 without adoption of a State Budget.

The General Assembly could still adopt a State Budget prior to the start of the new fiscal year on July 1, 2004; however, there is no requirement that the Governor call a Special Session to consider the budget prior to the beginning of the new fiscal year. In the event such legislative action is not taken, the Governor may authorize expenditures by executive order. Kentucky courts have previously held that the executive branch has certain authority to expend funds where a legislative budget appropriation is inadequate. The nature and extent of a governor's power to authorize expenditures by executive order in lieu of an enacted State Budget has not been addressed by the Kentucky judicial system.

The 2003-2004 biennium (which commenced on July 1, 2002), began without a legislatively enacted budget for the Executive Branch of government. The state operated under an Executive Spending Plan implemented by an Executive Order of the Governor. A suit was filed by the State Treasurer in 2002 seeking a determination of the validity of the Executive Order that established the Executive Spending Plan (the "Litigation"). In the General Assembly's 2003 Regular Session, which concluded on March 25, 2003, the legislature enacted House Bill 269, which included a budget for the Executive Branch of government for the 2003-2004 biennium. The General Assembly also passed legislation that effectively ratified all amounts previously spent under the Executive Spending Plan. With the passage of these measures, all parties agreed to dismissal of the Litigation as moot.

If a budget in not adopted by July 1, 2004 and the Governor again authorizes expenditures by executive order, similar litigation seeking a judicial determination on these issues is likely to be filed. It cannot be predicted with certainty whether or in what form any such litigation may be filed, or the outcome of such litigation.

In the event any officials of the Commonwealth are prevented, by judicial determination or otherwise, from expending funds in the absence of a legislative budget appropriation, including all or a portion of expenditures authorized pursuant to executive order, there is a significant risk of disruption of state governmental functions. This disruption may adversely impact the ability of the University to continue operations. If the University is unable to continue operations, sufficient funds may not be available to pay the debt service on the Series V Bonds.

FISCAL YEAR 2004 BUDGET

The 2003-04 fiscal year unrestricted fund budget for Eastern Kentucky University is $144,242,923 an increase of $7,617,102 compared to fiscal year 2002-03. The budget increased primarily as a result of increases in tuition/fees.

SUMMARY OF REVENUES OF THE CONSOLIDATED EDUCATIONAL BUILDINGS PROJECT

Fiscal Year	Total Registration Fees Collected	Student Activity Fee Net Revenues	Laboratory School Fees	Total*
1993-94	$26,922,905	$2,712,707	$390,066	$30,025,678
1994-95	28,045,211	2,525,267	391,369	30,961,847
1995-96	28,791,450	2,369,020	434,006	31,594,476
1996-97	28,758,733	2,714,505	439,716	31,939,954
1997-98	29,705,544	2,700,162	447,686	32,853,392
1998-99	31,426,133	2,824,396	503,396	34,753,925
1999-00	31,929,095	2,694,497	493,393	35,116,985
2000-01	32,445,585	2,568,876	580,299	35,594,760
2001-02	37,539,420	2,562,300	639,940	40,741,660
2002-03	41,948,535	2,577,230	745,224	45,270,989

*Total is net of various class fees and non-credit tuition also collected by the University.

COVERAGE OF DEBT SERVICE REQUIREMENTS

This calculation of coverage of estimated debt service requirements as set forth below is based on the schedule of annual estimated debt service for the Consolidated Educational Buildings Revenue Bonds as shown herein. Recent General Accounting Standards Board ("GASB") rulings require that student tuition and fee revenues and certain other revenues from students be reported net of scholarship allowances. The gross Revenues shown below include those allowances in accordance with the calculation of Revenues under the Basic Resolution. The net Revenues shown below are calculated in accordance with GASB requirements.

	Gross	Net
Calculation for Parity Bonds		
2001-02 Adjusted Revenues	$43,577,378	$25,760,243
2002-03 Adjusted Revenues	47,462,110	29,808,342
Total	$91,039,488	$55,568,585
Average Annual Revenues	$45,519,744	$27,784,293
Maximum Annual Debt Service Requirement	6,239,096 *	6,239,096 *
Times Maximum Debt Service Covered	7.30 x	4.45 x

*Occurs in 2006.

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APPENDIX B

Eastern Kentucky University
Consolidated Educational Buildings Revenue Bonds
Series V

Estimated Total Annual Debt Service Requirements

EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS

ESTIMATED TOTAL ANNUAL DEBT SERVICE REQUIREMENTS

Year Ending June 30	Existing Debt Service [1]	Series V Bonds Principal	Series V Bonds Interest	Series V Bonds Total	Total Debt Service
2005	$5,298,879	$480,000	$450,443	$930,443	$6,229,322
2006	5,310,374	485,000	443,722	928,722	6,239,096
2007	4,786,349	495,000	435,963	930,963	5,717,312
2008	3,205,917	500,000	426,805	926,805	4,132,722
2009	3,218,268	515,000	415,805	930,805	4,149,073
2010	3,240,463	525,000	402,930	927,930	4,168,393
2011	2,709,337	540,000	388,492	928,492	3,637,829
2012	0	555,000	372,293	927,293	927,293
2013	0	575,000	354,532	929,532	929,532
2014	0	595,000	334,695	929,695	929,695
2015	0	615,000	313,275	928,275	928,275
2016	0	640,000	290,212	930,212	930,212
2017	0	665,000	265,573	930,573	930,573
2018	0	690,000	239,305	929,305	929,305
2019	0	715,000	211,360	926,360	926,360
2020	0	745,000	181,688	926,688	926,688
2021	0	780,000	150,025	930,025	930,025
2022	0	815,000	116,095	931,095	931,095
2023	0	850,000	79,827	929,827	929,827
2024	0	885,000	41,153	926,153	926,153
TOTAL	$27,769,587	$12,665,000	$5,914,193	$18,579,193	$46,348,780

Source: Eastern Kentucky University and Financial Advisor

APPENDIX C

EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS
SERIES V

Financial Statements as of June 30, 2003

The audited financial statements of the University are located at the following web site:

www.financialaffairs.eku.edu/financialreport2003/financialreport30june2003.pdf

(in order to access link, right click and select “Open Weblink in Browser”)

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APPENDIX D

EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS
SERIES V

Form of Bond Counsel Opinion

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[Date of Delivery]

Eastern Kentucky University
Richmond, Kentucky

Re: $________ Eastern Kentucky University Consolidated Educational Buildings Revenue Bonds, Series V, dated June 1, 2004

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Board of Regents of Eastern Kentucky University, a public body corporate and educational institution and agency of the Commonwealth of Kentucky (the "Issuer") of $________ of Eastern Kentucky University Consolidated Educational Buildings Revenue Bonds, Series V, dated June 1, 2004 (the "Bonds") pursuant to Sections 162.340 to 162.380, inclusive, of the Kentucky Revised Statutes, as amended (the "Act"), and a Basic Resolution dated as of September 3, 1960 (the "Resolution") and the Series V Resolution, dated as of April 22, 2004 (the "Series V Resolution"). We have examined the law and the transcript of proceedings pursuant to which the Bonds have been authorized and issued, and such other matters as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the opinion of Katherine M. Coleman, as General Counsel to the Issuer, representations of the Issuer contained in the Basic Resolution and Series V Resolution and in the transcript of proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Issuer is a duly created and validly existing public body corporate and educational institution and agency of the Commonwealth of Kentucky, with full power to execute and deliver the Basic Resolution and Series V Resolution and perform the agreements on its part contained therein and issue the Bonds.

2. The Basic Resolution and Series V Resolution have been duly adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable upon the Issuer.

3. The Bonds have been duly authorized, executed and delivered by the Issuer and constitute valid and binding special obligations of the Issuer payable solely from the sources provided therefore in the Basic Resolution and Series V Resolution.

4. The Bonds and any additional parity bonds heretofore and hereafter issued and outstanding under the terms of the resolution are and will be payable from and constitute a paramount charge upon the defined Revenues (gross amount of rentals and other user fees and charges for use and occupancy of the student housing facilities) derived by the Issuer from the operation of its Consolidated Educational Building Project, which consists of all the housing facilities of the Issuer now in existence and hereafter acquired. As further security for the Bonds and any parity bonds heretofore or hereafter issued pursuant to the Resolution, there is created and granted by Sections 162.200 and 162.350 of the Kentucky Revised Statutes, as amended, a statutory mortgage lien upon the Consolidated Educational Building Project of the Issuer.

5. Under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, interest, including original issue discount, on the Bonds is excludible from gross income for Federal income tax purposes, pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). Furthermore, interest on the Bonds will not be treated as a specific item of tax preference, under Section 57(a)(5) of the Code, in computing the alternative minimum tax for individuals and corporations. In rendering the opinions in this paragraph, we have assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. We express no other opinion as to the federal tax consequences of purchasing, holding or disposing of the Bonds.

6. Interest on the Bonds is exempt from income taxation and the Bonds are exempt from ad valorem taxation by the Commonwealth and any of its political subdivisions.

7. The Issuer has not designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Code.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting creditors' rights, and to the exercise of judicial discretion in accordance with general equitable principles.

Very truly yours,

APPENDIX E

Book Entry Only System

The Series V Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by The Depository Trust Company ("DTC"), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Series V Bonds and, except as otherwise provided herein with respect to tenders by Beneficial Owners of Beneficial Ownership Interests, each as hereinafter defined, Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Series V Bonds under the Resolution and Series Resolution.

The following information about the book-entry only system applicable to the Series V Bonds has been supplied by DTC. Neither the University nor the Trustee makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Series V Bonds. The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series V Bond certificate will be issued for in the aggregate principal amount of the Series V Bonds and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series V Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series V Bonds on DTC's records. The ownership interest of each actual purchaser of each Series V Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series V Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series V Bonds, except in the event that use of the book-entry system for the Series V Bonds is discontinued.

To facilitate subsequent transfers, all Series V Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series V Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series V Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series V Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series V Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series V Bond documents. For example, Beneficial Owners of Series V Bonds may wish to ascertain that the nominee holding the Series V Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series V Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series V Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series V Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series V Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series V Bonds held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC or its nominee, the Trustee or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series V Bonds at any time by giving reasonable notice to the University or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series V Bond certificates are required to be printed and delivered.

The University may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series V Bond certificates will be printed and delivered.

NEITHER THE UNIVERSITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A HOLDER WITH RESPECT TO: (1) THE SERIES V BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PURCHASE PRICE OF TENDERED SERIES V BONDS OR THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES V BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES V BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Series V Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender Series V Bonds or other communications to or by DTC which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Series V Bonds.

The University cannot and does not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of debt service on the Series V Bonds made to DTC or its nominee as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement.

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University takes no responsibility for the accuracy thereof.

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APPENDIX F

Form of Continuing Disclosure Agreement

CONTINUING DISCLOSURE AGREEMENT

Relating to:

$___________
EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES V

Dated as of: _____, 2004

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THIS CONTINUING DISCLOSURE AGREEMENT (the "Agreement") is made and entered into as of ________, 2004, between J.P. Morgan Trust Company, National Association, as disclosure agent (the "Disclosure Agent") and Eastern Kentucky University (the "Issuer").

RECITALS

WHEREAS, the Issuer has issued or will issue its $__________ Consolidated Educational Buildings Revenue Bonds, Series V in the original aggregate principal amount of $________ (the "Bonds") pursuant to a Series Resolution adopted on April 22, 2004, adopted pursuant to a Resolution adopted on September 3, 1960 (collectively, the "Resolution") with J.P. Morgan Trust Company, National Association, serving as trustee for the purpose of paying the costs of its Series V Project, as defined in the Resolution, as a part of its Consolidated Educational Buildings Project (the "Project"); and

WHEREAS, the Bonds have been offered and sold pursuant to a Preliminary Official Statement, dated May 12, 2004, and a final Official Statement, dated ______, 2004 (the "Offering Document"); and ______________ has agreed to purchase the Bonds based on its competitive bid pursuant to the Issuer's Notice of Bond Sale) as to the Bonds (the "Original Purchaser"); and

WHEREAS, the Disclosure Agent and the Issuer, wish to provide for the disclosure of certain information concerning the Bonds, the Project and other matters on an ongoing basis as set forth herein for the benefit of Bondholders (as hereinafter defined) in accordance with the provisions of Securities and Exchange Commission Rule 15c2-12, as amended from time to time (the "Rule");

NOW, THEREFORE, in consideration of the mutual promises and agreements made herein and in the Resolution, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the parties hereto agree as follows:

Section 1. Definitions; Scope of this Agreement.

(A) All terms capitalized but not otherwise defined herein shall have the meanings assigned to those terms in the Resolution, as amended and supplemented from time to time. Notwithstanding the foregoing, the term "Disclosure Agent" shall originally mean the Trustee, or any successor trustee under the Resolution; any such successor disclosure agent shall automatically succeed to the rights and duties of the Disclosure Agent hereunder, without any amendment hereto. The following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean a copy of the annual audited financial information prepared for the Issuer which shall include, a balance sheet, a statement of revenue and expenditure and a statement of changes in fund balances. All such financial information shall be prepared using generally accepted accounting principles, provided, however, that the Issuer may change the accounting principles used for preparation of such financial information so long as the Issuer includes as information provided to the public, a statement to the effect that different accounting principles are being used, stating the reason for such change and how to compare the financial information provided by the differing financial accounting principles.

"*Beneficial Owner*" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"*Bondholders*" shall mean any holder of the Bonds and any Beneficial Owner thereof.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Material Event" shall mean any of the events listed in items (i) through (xiii) below the occurrence of which the Issuer obtains knowledge, and which the Issuer determines would constitute material information for Bondholders, provided, that the occurrence of an event described in clauses (i), (iii), (iv), (v), (viii), (ix) and (xi) shall always be deemed to be material. The following events with respect to the Bonds, if material, shall constitute Material Events:

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions or events affecting the tax-exempt status of the security;

(vii) Modifications to rights of security holders;

(viii) Bond calls, except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event;

(ix) Defeasances;

(x) Release, substitution or sale of property securing repayment of the securities;

(xi) Rating changes;

(xii) The cure, in the manner provided under the Resolution, of any payment or nonpayment related default under the Resolution; and

(xiii) The issuance of any Additional Bonds or other indebtedness on a parity with the Bonds.

The SEC requires the listing of (i) through (xiii) although some of such events may not be applicable to the Bonds.

"NRMSIR" shall mean any nationally recognized municipal securities information repository, as such term is used in the Release.

"Operating Data" shall mean an update of the Operating Data contained in Appendix A of the Offering Document.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Release" shall mean Securities and Exchange Commission Release No. 34-34961.

"SEC" shall mean the Securities and Exchange Commission.

"SID" shall mean the state information depository ("SID"), as such term is used in the Release, if and when a SID is created for the State.

"State" shall mean the Commonwealth of Kentucky.

"Turn Around Period" shall mean (i) five (5) business days, with respect to Annual Financial Information and Operating Data delivered by the Issuer to the Disclosure Agent; (ii) two (2) business days with respect to Material Event occurrences disclosed by the Issuer to the Disclosure Agent; or (iii) two (2) business days with respect to the failure, on the part of the Issuer, to deliver Annual Financial Information and Operating Data to the Disclosure Agent which period commences upon notification by the Issuer of such failure, or upon the Disclosure Agent's actual knowledge of such failure.

(B) This Agreement applies to the Bonds and any Additional Bonds issued under the Resolution.

(C) The Disclosure Agent shall have no obligation to make disclosure about the Bonds or the Project except as expressly provided herein; provided that nothing herein shall limit the duties or obligations of the Disclosure Agent, as Trustee, under the Resolution. The fact that the Disclosure Agent or any affiliate thereof may have any fiduciary or banking relationship with the Issuer, apart from the relationship created by the Resolution, shall not be construed to mean that the Disclosure Agent has actual knowledge of any event or condition except in its capacity as Trustee under the Resolution or except as may be provided by written notice from the Issuer.

Section 2. Disclosure of Information.

(A) General Provisions. This Agreement governs the Issuer's direction to the Disclosure Agent, with respect to information to be made public. In its actions under this Agreement, the Disclosure Agent is acting not as Trustee but as the Issuer's agent; provided that the Disclosure Agent shall be entitled to the same protection in so acting under this Agreement as it has in acting as Trustee under the Resolution.

(B) Information Provided to the Public. Except to the extent this Agreement is modified or otherwise altered in accordance with Section 3 hereof, the Issuer shall make or cause to be made public the information set forth in subsections (1), (2) and (3) below:

(1) Annual Financial Information and Operating Data. Annual Financial Information and Operating Data at least annually not later than 180 days following the end of each fiscal year, beginning with the fiscal year ending June 30, 2004 and continuing with each fiscal year thereafter, for which the information is provided, taking into account the Turn Around Period, and, in addition, all information with respect to the Bonds required to be disseminated by the Trustee pursuant to the Resolution.

(2) Material Events Notices. Notice of the occurrence of a Material Event.

(3) Failure to Provide Annual Financial Information. Notice of the failure of Issuer to provide the Annual Financial Information and Operating Data by the date required herein.

(C) Information Provided by Disclosure Agent to Public.

(1) The Issuer directs the Disclosure Agent on its behalf to make public in accordance with subsection (D) of this Section 2 and within the time frame set forth in clause (3) below, and the Disclosure Agent agrees to act as the Issuer's agent in so making public, the following:

(a) the Annual Financial Information and Operating Data;

(b) Material Event occurrences;

(c) the notices of failure to provide information which the Issuer has agreed to make public pursuant to subsection (B)(3) of this Section 2;

(d) such other information as the Issuer shall determine to make public through the Disclosure Agent and shall provide to the Disclosure Agent in the form required by subsection (C)(2) of this Section 2. If the Issuer chooses to include any information in any Annual Financial Information report or in any notice of occurrence of a Material Event, in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information report or notice of occurrence of a Material Event; and

(2) The information which the Issuer has agreed to make public shall be in the following form:

(a) as to all notices, reports and financial statements to be provided to the Disclosure Agent by the Issuer, in the form required by the Resolution or other applicable document or agreement; and

(b) as to all other notices or reports, in such form as the Disclosure Agent shall deem suitable for the purpose of which such notice or report is given.

(3) The Disclosure Agent shall make public the Annual Financial Information, the Operating Data, the Material Event occurrences and the failure to provide the Annual Financial Information and Operating Data within the applicable Turn Around Period. Notwithstanding the foregoing, Annual Financial Information, Operating Data and Material Events shall be made public on the same day as notice thereof is given to the Bondholders of outstanding Bonds, if required in the Resolution, and shall not be made public before the date of such notice. If on any such date, information required to be provided by the Issuer to the Disclosure Agent has not been provided on a timely basis, the Disclosure Agent shall make such information public as soon thereafter as it is provided to the Disclosure Agent.

(D) Means of Making Information Public.

(1) Information shall be deemed to be made public by the Issuer or the Disclosure Agent under this Section if it is transmitted to one or more of the following as provided in subsection (D)(2) of this Section 2:

(a) to the Bondholders of outstanding Bonds, by the method prescribed by the Resolution;

(b) to each NRMSIR, by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Issuer or the Disclosure Agent is authorized to transmit information to a NRMSIR by whatever means are mutually acceptable to the Disclosure Agent or the Issuer, as applicable, and the NRMSIR;

(c) to the SID (if a SID is established for the State), by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Issuer or the Disclosure Agent is authorized to transmit information to a SID by whatever means are mutually acceptable to the Disclosure Agent or the Issuer, as applicable, and the SID;

(d) to the MSRB, by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Issuer or the Disclosure Agent is authorized to transmit information to a MSRB by whatever means are mutually acceptable to the Disclosure Agent or the Issuer, as applicable, and the MSRB; and/or

(e) to the SEC, by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Issuer or the Disclosure Agent is authorized to transmit information to a SEC by whatever means are mutually acceptable to the Disclosure Agent or the Issuer, as applicable, and the SEC.

(2) Information shall be transmitted to the following:

(a) all Annual Financial Information and Operating Data shall be made available to each NRMSIR and to the SID (if a SID is established for the State);

(b) notice of all Material Event occurrences and all notices of the failure to provide Annual Financial Information or Operating Data within the time specified in Section 2(B)(1) hereof shall be made available to each NRMSIR or the MSRB and to the SID (if a SID is established for the State); and

(c) all information described in clauses (a) and (b) shall be made available to any Bondholder upon request, but need not be transmitted to the Bondholders who do not so request.

(d) to the extent any Annual Financial Information or Operating Data is included in a document filed with each NRMSIR and SID (if a SID is established for the State) or the SEC, the Issuer shall have been deemed to have provided that information if a statement specifically referencing the filed document is filed with each NRMSIR and SID (if a SID is established for the State) as part of the Issuer's obligation to file Annual Financial Information and Operating Data pursuant to this Agreement. Additionally, if the referenced document is a final official statement (as that term is defined in Rule 15c2-12(f)(3)), it must be available from the MSRB.

Nothing in this subsection shall be construed to relieve the Disclosure Agent, as Trustee, of its obligation to provide notices to the holders of all Bonds if such notice is required by the Resolution.

With respect to requests for periodic or occurrence information from Bondholders, the Disclosure Agent may require payment by requesting of holders a reasonable charge for duplication and transmission of the information and for the Disclosure Agent's administrative expenses incurred in providing the information.

Nothing in this Agreement shall be construed to require the Disclosure Agent to interpret or provide an opinion concerning the information made public. If the Disclosure Agent receives a request for an interpretation or opinion, the Disclosure Agent may refer such request to the Issuer for response.

(E) Disclosure Agent Compensation. The Issuer shall pay or reimburse the Disclosure Agent for its fees and expenses for the Disclosure Agent's services rendered in accordance with this Agreement as provided in the Resolution.

(F) Indemnification of Disclosure Agent. In addition to any and all rights of the Disclosure Agent to reimbursement, indemnification and other rights pursuant to the Resolution or under law or equity, the Issuer shall indemnify and hold harmless the Disclosure Agent and its respective officers, directors, employees and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorney fees) which such indemnified party may incur by reason of or in connection with the Disclosure Agent's performance under this Agreement; provided that the Issuer shall not be required to indemnify the Disclosure Agent for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Disclosure Agent in such disclosure of information hereunder. The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Agent and payment of the Bonds.

Section 3. Amendment or Waiver.

Notwithstanding any other provision of this Agreement, the Issuer and the Disclosure Agent may amend this Agreement (and the Disclosure Agent shall agree to any reasonable amendment requested by the Issuer) and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel or counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Agent to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule as well as any change in circumstance.

Section 4. Miscellaneous.

(A) Representations. Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Agreement by the officer of such party whose signature appears on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform this Agreement under its organizational documents and any corporate resolutions now in effect, (iii) that the execution and delivery of this

Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Agreement, or its due authorization, execution and delivery of this Agreement, or otherwise contesting or questioning the issuance of the Bonds.

(B) Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State; provided that, to the extent that the SEC, the MSRB or any other federal or state agency or regulatory body with jurisdiction over the Bonds shall have promulgated any rule or regulation governing the subject matter hereof, this Agreement shall be interpreted and construed in a manner consistent therewith.

(C) Severability. If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(D) Counterparts. This Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

(E) Termination. This Agreement may be terminated by any party to this Agreement upon thirty days' written notice of termination delivered to the other party or parties to this Agreement; provided the termination of this Agreement is not effective until (i) the Issuer, or its successor, enters into a new continuing disclosure agreement with a disclosure agent who agrees to continue to provide, to each NRMSIR, SID and/or MSRB and the Bondholders of the Bonds, all information required to be communicated pursuant to the rules promulgated by the SEC or the MSRB, (ii) nationally recognized bond counsel or counsel expert in federal securities laws provides an opinion that the new continuing disclosure agreement is in compliance with all State and Federal Securities laws and (iii) notice of the termination of this Agreement is provided to each NRMSIR, the appropriate SID, if any, and/or MSRB.

This Agreement shall terminate when all of the Bonds are or are deemed to be no longer outstanding by reason of redemption or legal defeasance or at maturity.

(F) Defaults: Remedies. A party shall be in default of its obligations hereunder if it fails to carry out or perform its obligations hereunder.

If an event of default occurs and continues beyond a period of thirty (30) days following notice of default given in writing to such defaulting party by any other party hereto or by a beneficiary hereof as identified in Section 4(G), the non-defaulting party or any such beneficiary may (and, at the request of the Participating Underwriter or the holders of at least 25% aggregate principal amount of Outstanding Bonds, the non-defaulting party shall), enforce the obligations of the defaulting party under this Agreement; provided, however, the sole remedy available in any proceeding to enforce this Agreement shall be an action in mandamus, for specific performance or similar remedy to compel performance.

(G) Beneficiaries. This Agreement is entered into by the parties hereof and shall inure solely to the benefit of the Issuer, the Trustee, the Disclosure Agent, the Participating Underwriter and Bondholders, and shall create no rights in any other person or entity.

Section 5. Additional Disclosure Obligations.

The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933, the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, may apply to the Issuer, and that under some circumstances compliance with this Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the Issuer under such laws.

Section 6. Notices.

Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the Issuer:	Mr. J. K. (Ken) Johnston Vice President for Financial Affairs and Treasurer Eastern Kentucky University CPO 31A, 103 Coats Building 521 Lancaster Avenue Richmond, Kentucky 40475-3102 Telephone/Fax: (859) 622-5012/2196
To the Disclosure Agent:	J.P. Morgan Trust Company, National Association 201 East Main Street Lexington, Kentucky 40507 Attention: Corporate Trust Department Telephone/Fax: (859) 252-1562/1563

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

IN WITNESS WHEREOF, the Disclosure Agent and the Issuer have each caused their duly authorized officers to execute this Agreement, as of the day and year first above written.

EASTERN KENTUCKY UNIVERSITY, Issuer

By: ______________________________
Treasurer

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION, Disclosure Agent

By: ______________________________

Title: ______________________________

27833\3

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

Re: Eastern Kentucky University Consolidated Educational Buildings Revenue Bonds, Series V, dated June 1, 2004, in the principal amount of $12,665,000*

The President of Eastern Kentucky University, Richmond, Kentucky will until 10:00 A.M. E.D.T., May 19, 2004, in the office of the President of the University in Richmond, Kentucky, receive competitive, sealed bids for the purchase of the above-identified Bonds (the "Series V Bonds"). To be considered, a bid for the purchase of said Bonds must be submitted on an Official Bid Form and must be delivered to such office no later than the date and hour indicated. Electronic bids may also be received via PARITY, as described below. Proposals for the purchase of the Bonds will be considered by the Treasurer of the Board and a decision regarding the acceptance will be made by the Treasurer on that date.

DESCRIPTION AND MATURITIES OF BONDS

The Series V Bonds bear interest from June 1, 2004, payable semiannually, on May 1 and November 1, commencing November 1, 2004, will be in the denomination of $5,000 or any multiple thereof within the same maturity, are numbered R-1 and upward, and will mature and/or be subject to mandatory redemption on May 1 on each of the respective years, as follows:

Year	Amount*	Year	Amount*
2005	$480,000	2015	$615,000
2006	485,000	2016	640,000
2007	495,000	2017	665,000
2008	500,000	2018	690,000
2009	515,000	2019	715,000
2010	525,000	2020	745,000
2011	540,000	2021	780,000
2012	555,000	2022	815,000
2013	575,000	2023	850,000
2014	595,000	2024	885,000

*The principal maturities are subject to change as provided in the Series V Resolution pursuant to which the Series V Bonds will be issued.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series V Bonds. The Series V Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Series V Bond certificate will be issued for each maturity of the Series V Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

Purchases of the Series V Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the "Direct Participants"), which will receive a credit for the Series V Bonds on DTC's records. The ownership interest of each actual purchaser of each Series V Bond (a "Beneficial Owner") is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial

*Preliminary, subject to change.

relationship with a Direct Participant (the "Indirect Participants"). Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series V Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series V Bonds, except in the event that use of the book-entry system for the Series V Bonds is discontinued.

The Series V Bonds shall be lettered and numbered from R-1 upward, or such numbering shall be made in such other appropriate manner as may be determined by J.P. Morgan Trust Company, National Association, Lexington, Kentucky, the Trustee, Bond Registrar, Transfer Agent, Payee Bank and Depository Bank.

The person in whose name any Series V Bond is registered on the Record Date (April 15 or October 15) with respect to an interest payment date shall be entitled to receive the interest payable on such interest payment date.

The Series V Bonds maturing on and after May 1, 2015, shall be subject to redemption by the Board prior to maturity, in whole or in part, in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any date, on or after May 1, 2014, at a redemption price equal to the principal amount of the Series V Bonds called for redemption, plus unpaid interest accrued to the date of redemption, without premium.

AUTHORITY AND PURPOSE OF BONDS

These Series V Bonds are being issued pursuant to the authority of Sections 162.340 through 162.380, inclusive, of the Kentucky Revised Statutes, are being issued on a parity as to security and source of payment with Series L, Series R (Refunding), Series S (Refunding), Series T (Refunding) and Series U (Refunding) Bonds (which, together with the Series V Bonds are referred to as the "Bonds") heretofore issued pursuant to a Resolution of the Board of Regents (the "Board") of Eastern Kentucky State College (now known as Eastern Kentucky University) adopted on September 3, 1960, establishing the Consolidated Educational Buildings Project for the University (the "Resolution"), and a Series V Resolution adopted on April 22, 2004 for the purpose of (i) paying the budgeted costs of modernizing the complete electrical distribution system and improving and repairing several educational buildings, (ii) making the required deposit in the debt service reserve fund, and (iii) paying the costs of issuance of the Series V Bonds.

SECURITY

The Bonds, and any additional parity bonds hereafter issued and outstanding under the terms of the Resolution, are and will be payable from and constitute a paramount charge upon the defined Revenues (student registration fees) derived by the University from the operation of its Consolidated Educational Buildings Project. The Consolidated Educational Buildings Project may be described generally as all of the educational buildings and appurtenant facilities of the University.

As further security for the Bonds there is created and granted by Sections 162.350 and 162.200 of the Kentucky Revised Statutes a statutory mortgage lien upon the Consolidated Educational Buildings Project of the University.

BIDDING CONDITIONS AND RESTRICTIONS

The public offering of the Series V Bonds is made up on the following specific conditions and provisions:

A. A minimum price is required for the entire issue of not less than $12,411,700 (98% of par), plus accrued interest from the date of the Bonds (June 1, 2004) to the date of delivery, payable in Federal Funds.

B. The successful bidder will be required to deposit, with J.P. Morgan Trust Company, National Association, Lexington, Kentucky, by federal wire transfer, ABA No. 021000021, the amount of 2% of the par amount of Bonds awarded, representing the good faith deposit, by the close of business on the day following the sale. The amount of the good faith deposit, without interest, will be deducted from the purchase price at the time of delivery of the Series V Bonds.

C. The determination of the best bid will be made on the basis of the lowest net interest cost calculated by computing the total interest payable on the Series V Bonds from June 1, 2004, through the Final Maturity Date, plus discount or less premium, as set forth in the Official Bid Form, for exactly $12,665,000 of Series V Bonds under the terms and conditions therein specified. Upon determination of the lowest net interest cost, the Board shall immediately proceed to adjust such principal amounts of the Series V Bonds to determine the maturities of its final bond issue. The successful bidder will be required to accept the final bond issue as so computed, whether the principal amount has been increased or decreased by up to $1,260,000, and to pay the percentage purchase price based upon the aggregate amount of the final bond issue.

D. Bidders must state an interest rate or rates in multiples of 1/8, 1/10 or 1/20 of 1%, or both.

E. There is no limit on the number of different rates which may be specified in any bid.

F. All Bonds of the same maturity shall bear the same and a single interest rate from the date thereof to maturity.

G. Interest rates must be on an ascending scale, in that the interest rate for Bonds of any maturity may not be less than the interest rate stipulated for any preceding maturity.

H. Bidders may require that a portion of the Series V Bonds be term bonds maturing on one or more dates (the "Term Bonds"); provided, however, that such Term Bonds will be subject to mandatory redemption by lot at a redemption price of 100% of the principal amount thereof plus accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth in the maturity schedule above.

I. The right to reject bids for any reason deemed advisable by the Treasurer of the Board and the right to waive any possible informalities, irregularities, or defects in any bid which, in the judgment of the Board, with the advice of the Financial Advisor, shall be minor or immaterial, is expressly reserved.

J. Bids must be made on forms which, together with a Preliminary Official Statement, may be obtained at the office of the Treasurer of the University or from the Financial Advisor, First Kentucky Securities Corporation, 305 Ann Street, Suite 400, Frankfort, Kentucky 40602 or P.O. Box 554, Frankfort, Kentucky 40602, Attention Mr. R. Strand Kramer, Jr. (502) 875-4611. Bids must be enclosed in sealed envelopes marked "Bid for Eastern Kentucky University Consolidated Educational Buildings Revenue Bonds, Series V, dated June 1, 2004," and bids must be received by the Treasurer prior to the date and hour set for the sale. It is also possible to submit a bid by the delivery (including by facsimile) of a signed bid form to the Financial Advisor or University officials prior to the sale and completing the bid by telephone prior to the deadline for submitting bids. Bids may alternatively be submitted electronically via PARITY. For further information about PARITY, potential bidders may contact the Financial Advisor or Dalcomp at 40 West 23rd Street, 5th Floor, New York, NY 10010, tel: (212) 404-8102.

K. The purchasers of the Bonds shall pay the CUSIP Service Bureau charge for the assignment of CUSIP numbers, which numbers will be printed on the Bonds at no expense or cost to the purchasers. Neither the failure to print a CUSIP number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and pay for the Bonds.

L. Delivery will be made at the Depository Trust Company, New York, New York, at no additional cost or expense to the purchasers. The Board will pay for the printing of the Bonds, which will contain the opinion of Bond Counsel. Delivery is expected on June 3, 2004.

M. Upon wrongful refusal of the purchasers to take delivery of and pay for the Bonds in Federal Funds when tendered for delivery, the good faith deposit shall be forfeited by such purchasers, and such amount shall be deemed liquidated damages for such default; provided, however, if the Bonds are not ready for delivery and payment within forty-five (45) days from the date of sale herein provided for, said purchasers shall be relieved of any liability to accept the Bonds hereunder. However, it is contemplated that the Bonds will be delivered on a date during such period as may be designated by representatives of the Board, and the purchasers will be required to accept delivery of and pay for the Bonds on any designated date within such 45 day period upon notice being given at least five (5) business day prior to the designated delivery date.

N. If the successful bidder desires to obtain insurance guaranteeing the payment of the principal and/or interest on the Bonds, the University agrees that it will cooperate with the successful bidder in obtaining such insurance, but all of the expenses and charges in connection therewith shall be borne by such bidder and the University shall not be liable to any extent therefor. The University has applied for a rating on the Series V Bonds from Standard & Poor's Ratings Services and will pay the fees associated therewith.

O. The successful bidder shall promptly advise the Financial Advisor to the Board of (i) the reoffering price for each maturity of the Series V Bonds, and (ii) the principal amount sold to the public of each principal maturity of the Series V Bonds on the reoffering date.

P. Bidders are advised that First Kentucky Securities Corporation, Frankfort, Kentucky, has been employed as Financial Advisor in connection with the issuance of these Series V Bonds. Their fee for services rendered with respect to the sale of the Series V Bonds is contingent upon the issuance and delivery of the Series V Bonds. They may submit a bid for the purchase of the Series V Bonds at the time of the advertised public sale of the Series V Bonds, either individually or as members of a syndicate organized to submit a bid for the purchase of the Series V Bonds.

The Board has agreed in the Series V Resolution to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12, as amended and interpreted from time to time (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), (i) on or prior to 180 days after the end of each fiscal year, certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained in the Official Statement, and (ii) timely notice of the occurrence of certain material events with respect to the Series V Bonds.

The purchaser's obligation to purchase the Series V Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Series V Bonds, in form and substance reasonably satisfactory to the purchaser, evidence that the Board has made the limited continuing disclosure undertaking set forth above for the benefit of the holders of the Series V Bonds.

The Board shall provide to the successful purchaser a final Official Statement in accordance with the Rule. Arrangements have been made with the printer, upon submission of completion text, to print a reasonable quantity of final Official Statements in sufficient time to meet the delivery requirements of the successful bidder under SEC or Municipal Securities Rulemaking Board Delivery Requirements, which Official Statements will be provided at the expense of the Board.

The Board will furnish to the purchasers the customary No Litigation Certificate and the final, approving Legal Opinion of Peck, Shaffer & Williams LLP, Covington, Kentucky, without expense to the purchasers.

Concurrently with the delivery of the Series V Bonds, the Treasurer of the Board will certify that, to the best of his knowledge, the Official Statement did not, as of its date, and does not, as of the date of delivery of the Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading in any material respect.

TAX EXEMPTION

In the opinion of Bond Counsel for the Series V Bonds, based upon an analysis of existing laws, regulations, rulings and court decisions, interest on the Series V Bonds is excludable from gross income for Federal income tax purposes and interest on the Series V

Bonds is not a specific item of tax preference under Section 57 of the Internal Revenue Code of 1986 (the "Code") for purposes of the Federal individual or corporate alternative minimum taxes.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Series V Bonds. The University has covenanted to comply with certain restrictions designed to ensure that interest on the Series V Bonds will not be includable in gross income for Federal income tax purposes. Failure to comply with these covenants could result in interest on the Series V Bonds being includable in gross income for Federal income tax purposes and such inclusion could be required retroactively to the date of issuance of the Series V Bonds. The opinion of Bond Counsel assumes compliance with these covenants. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series V Bonds may adversely affect the tax status of the interest on the Series V Bonds.

Certain requirements and procedures contained or referred to in the Indenture and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series V Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Series V Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Peck, Shaffer & Williams LLP.

Although Bond Counsel for the Series V Bonds has rendered an opinion that interest on the Series V Bonds is excludable from gross income for Federal income tax purposes and that interest on all Series V Bonds is excludable from gross income for Kentucky income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series V Bonds may otherwise affect a Bondholder's Federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any tax consequences other than what is set forth in its opinion and each Bondholder or potential Bondholder is urged to consult with tax counsel with respect to the effects of purchasing, holding or disposing the Series V Bonds on the tax liabilities of the individual or entity.

For example, corporations are required to include all tax-exempt interest in determining "adjusted current earnings" under Section 56(c) of the Code, which may increase the amount of any alternative minimum tax owed. Similarly, tax-exempt interest may also increase the amount of any environmental tax owed under Section 59 of the Code, which is based on the alternative minimum taxable income of any corporation subject to that tax. Ownership or disposition of the Series V Bonds may result in other collateral Federal, state or local tax consequence for certain taxpayers, including, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code, increasing the federal tax liability of certain insurance companies, under Section 832 of the Code, increasing the federal tax liability and affecting the status of certain S Corporations subject to Sections 1362 and 1375 of the Code, and increasing the federal tax liability of certain individual recipients of social security or Railroad Retirement benefits, under Section 86 of the Code. Ownership of any Series V Bonds may also result in the limitation of interest and certain other deductions for financial institutions and certain other taxpayers, pursuant to Section 265 of the Code. Finally, residence of the holder of Series V Bonds in a state other than Kentucky or being subject to tax in a state other than Kentucky, may result in income or other tax liabilities being imposed by such states or their political subdivisions based on the interest or other income from the Series V Bonds.

The University has NOT designated the Series V Bonds as "qualified tax-exempt obligations" under Section 265 of the Code.

If, prior to the delivery of the Series V Bonds, any event shall occur which alters the tax-exempt status of the Series V Bonds, the purchaser shall have the privilege of voiding the purchase contract by giving immediate written notice to the Board, whereupon the amount of the good faith deposit of the purchaser will be returned to the purchaser, and all respective obligations of the parties will be terminated.

/s/ Orson Oliver
Secretary, Board of Regents,
Eastern Kentucky University

27897.3

OFFICIAL BID FORM

$12,665,000*
EASTERN KENTUCKY UNIVERSITY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS
SERIES V
DATED JUNE 1, 2004

Subject to the terms and conditions set forth in the Official Terms and Conditions of Sale of Bonds, providing for the sale of $12,665,000* of Eastern Kentucky University Consolidated Educational Buildings Revenue Bonds, Series V, dated June 1, 2004 (the "Bonds"), and in accordance with the notice of sale of the Bonds as advertised, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase the Bonds.

We hereby bid for said $12,665,000* principal amount of Bonds the sum of $__________________ (not less than $12,411,700), plus accrued interest from June 1, 2004, to the date of delivery, at the following annual interest rates:

SCHEDULE OF PRINCIPAL AMOUNTS AND INTEREST RATES

Maturity May 1	Principal Amount*	Serial Bond Rate	Term[1] Bond Rate	Maturity May 1	Principal Amount*	Serial Bond Rate	Term* Bond Rate
2005	$480,000	_________	________	2015	$615,000	_________	________
2006	485,000	_________	________	2016	640,000	_________	________
2007	495,000	_________	________	2017	665,000	_________	________
2008	500,000	_________	________	2018	690,000	________	________
2009	515,000	_________	________	2019	715,000	________	________
2010	525,000	_________	________	2020	745,000	________	________
2011	540,000	_________	________	2021	780,000	________	________
2012	555,000	_________	________	2022	815,000	________	________
2013	575,000	_________	________	2023	850,000	________	________
2014	595,000	_________	________	2024	885,000	________	________

[1]Bidders may elect to structure the maturities to include term bonds with mandatory sinking fund redemptions. To bid Term Bonds, put interest rate in Term Bond Rate column.

We understand that this bid may be accepted for as much as $13,925,000 of Bonds and for as little as $11,405,000 of Bonds, at the same price per $1,000 of Bonds as the price bid per $1,000 of Bonds by the undersigned with the variation in such amount being adjusted as determined by the Board of Regents at the time of acceptance of the best bid.

We understand that the Board of Regents will furnish the final, approving legal opinion of Peck, Shaffer & Williams LLP, Covington, Kentucky. We agree that if we are the successful bidder, immediately available funds in the amount of 2% of the par amount of Bonds awarded, payable to the Eastern Kentucky University will be deposited in J.P. Morgan Trust Company, National Association, Lexington, Kentucky, by federal wire transfer, ABA No. 021000021, prior to the end of the business day on May 20, 2004, in accordance with the Notice of Bond Sale and the Official Terms, with the understanding that the amount thereof, without interest, will be deducted from the purchase price of the Bonds when tendered to us for delivery. If we are the successful bidder, we agree to accept and make payment for the Bonds in accordance with the terms of sale.

*Preliminary, subject to change.

Respectfully submitted,

____

By ________________________________

Title ______________________________

Total interest cost from June 1, 2004, to final maturity	$_________________________________
Less premium bid or plus discount, if any	$_________________________________
Net interest cost	$_________________________________
Net interest cost (%)	_____________________________

The above computations of net interest cost and of average interest rate or cost, submitted for information only and are not part of this Bid.

ACCEPTANCE OF BID WITH ADJUSTMENT OF MATURITY AMOUNTS

Accepted by the Treasurer of Eastern Kentucky University, with the change in maturities of Bonds being as follows:

Maturity May 1	Principal Amount	Maturity May 1	Principal Amount
2005	____________	2015	____________
2006	____________	2016	____________
2007	____________	2017	____________
2008	____________	2018	____________
2009	____________	2019	____________
2010	____________	2020	____________
2011	____________	2021	____________
2012	____________	2022	____________
2013	____________	2023	____________
2014	____________	2024	____________

Accepted this ___ day of May, 2004.

BOARD OF REGENTS OF EASTERN KENTUCKY UNIVERSITY

By: ____
Authorized Officer

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