
Commercial Paper Memorandum

Ratings
Moody's: P-1
S&P: A-1+
Fitch: F-1+



\$150,000,000
Board of Regents of the Texas Tech University System
Revenue Financing System
Tax Exempt and Taxable Commercial Paper Notes, Series A

J.P. Morgan

Dated: January 14, 2009

**BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM
REVENUE FINANCING SYSTEM COMMERCIAL PAPER NOTES, SERIES A**

TAX-EXEMPT AND TAXABLE COMMERCIAL PAPER

The Board of Regents of Texas Tech University System Revenue Financing System Tax Exempt and Taxable Commercial Paper Notes, Series A (the "CP") are issued under the authority of Chapter 1371, Texas Government Code, as amended, and Chapter 55, Texas Education Code, as amended (jointly, the "Act"), and pursuant to the terms of an Amended and Restated Fifth Supplemental Resolution (the "Note Resolution") adopted on August 8, 2008, by the Board of Regents of Texas Tech University System (the "Board"). The Note Resolution amended and restated the resolution adopted by the Board on February 27, 2003, authorizing a short-term borrowing program. The Note Resolution approves and authorizes the issuance of CP in an aggregate principal amount not to exceed \$150 million at any one time outstanding and provides for the issuance of both taxable and tax exempt CP. As of January 11, 2009, the total principal amount of CP outstanding under the program was \$87,164,000. The CP will be issued as interest bearing obligations in minimum denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof, with maturities not to exceed 270 days from the respective issue dates. Principal of, and interest on, the CP will be payable at the issuance agency department of Deutsche Bank Trust Company Americas, New York, New York (the "Paying Agent"). The CP may be issued in whole or part as either taxable or tax exempt notes. The CP will be issued to provide interim financing for capital improvements and acquisition of equipment for Texas Tech University System (the "System"), to pay interest on CP and to refund CP as it matures. Capitalized terms used herein and not otherwise defined shall have the meanings assigned in the Note Resolution.

TEXAS TECH UNIVERSITY SYSTEM

The Board is responsible for the governance, management and control of the System, of which Texas Tech University ("TTU"), Texas Tech University Health Sciences Center (the "Health Sciences Center") and Angelo State University ("ASU") are the only current component institutions. TTU, ASU, and the Health Sciences Center were established pursuant to the provisions of the Constitution and laws of the State of Texas (the "State") as institutions of higher education. For the 2008 Fall Semester, TTU, ASU and the Health Sciences Center had total enrollment of over 37,000 students.

The 2008-2009 expense budget for the System is \$1,322,299,483. In addition, the System benefits from endowments, subject to restrictions, of approximately \$779,810,390 as of August 31, 2008.

Texas Tech University

TTU, a coeducational, State-supported institution of higher learning, was originally created by the State Legislature in 1923. From its beginning as a regional technological and liberal arts college, TTU's purpose has changed to that of a comprehensive public university with a total headcount of approximately 28,000 students. TTU is organized into ten colleges (11 instructional schools): Agricultural Sciences and Natural Resources; Architecture; Arts and Sciences; Business Administration; Education; Engineering; Honors; Human Sciences; Mass Communication; and Visual and Performing Arts. These colleges, together with the School of Law and the Graduate School have approximately 65 academic departments offering the bachelor's degree in 117 fields and graduate degrees in 167 fields of study and 193 majors. TTU is accredited

by its regional accrediting body, the Southern Association of Colleges and Schools, and colleges and departments of TTU are accredited with their respective professional associations.

TTU's main campus is located in Lubbock, Texas, a city of over 200,000 people, situated in west Texas at the base of the Texas panhandle, approximately 320 miles west of Dallas and 320 miles southeast of Albuquerque, New Mexico. TTU has a large campus consisting of 1,839 acres in one continuous tract with 185 permanent buildings.

TTU also has off-campus sites located in Abilene, Amarillo, Fredericksburg, Marble Falls and Junction, Texas and Seville, Spain. Such off-campus sites have unique degree and certificate programs and more limited facilities than the Lubbock campus.

Health Sciences Center

In 1969, the 61st State Legislature authorized the creation of the Texas Tech University School of Medicine as a separate educational multi-campus institution with Lubbock as the administrative center and regional campuses at Amarillo, El Paso, and Odessa. The School of Medicine formally opened in 1972. In 1979, the State Legislature expanded the charter to become the Texas Tech University Health Sciences Center leading the way for establishment of the School of Nursing which formally opened in 1981, the School of Allied Health Sciences which formally opened in 1983, and the Graduate School of Biomedical Sciences which was originally part of the School of Medicine awarding its first degree in 1975. In 1985, the School of Nursing instituted graduate education and expanded its programs to the Permian Basin. In 1993, the State Legislature authorized the establishment of a Pharmacy School to be located in Amarillo, Texas. During the fall of 1995, academic and clinical programs in the School of Allied Health Sciences were expanded to Amarillo and Odessa, Texas. In 1999, a Physician Assistant Program was added in Midland, Texas. The 78th Texas Legislature authorized the Health Sciences Center to initiate curriculum design and faculty recruitment in order to convert the El Paso campus into a four year medical school to be operated under the Health Sciences Center. In February 2008, the Paul L. Foster School of Medicine at El Paso received accreditation as a four-year medical school by the Liaison Committee on Medical Education.

From its inception, the Health Sciences Center has been charged with addressing the health care needs of west Texas, with a special emphasis on rural health care delivery. The Health Sciences Center has a vast service area encompassing 108 of the State's 254 counties and covering 130,451 square miles or 48% of the State's land mass. Approximately 2.6 million people live in the Health Sciences Center's service area.

In addition to the Health Sciences Center's administrative hub in Lubbock and the Regional Centers in Amarillo, Odessa and El Paso, the Health Sciences Center has expanded to Abilene, Dallas, and Marble Falls (Highland Lakes), Texas, to distribute health care education and services throughout the region. The Health Sciences Center's facilities in Lubbock include the classroom buildings, clinical facilities and a library/teleconference center. A new, multi-story Clinic Building also opened in 2007 and the International Pain Center will be opening during 2009. The Health Sciences Center's facilities in Amarillo include a School of Medicine and Allied Health Sciences Building which houses both academic and clinical space, the School of Pharmacy Building, and the Women's Health and Research Building. The Coulter Research Building will be opening during 2008. The Health Sciences Center's facilities operated in El Paso include a Health Sciences Center Building, a recently expanded Clinic Building, and a recently completed Medical Sciences Research Building and Medical Education Building. The Health Sciences Center's facilities in Odessa consist of a Health Sciences Center Building and an ambulatory clinic. In Midland, the Physician Assistant program operates in the Aaron Medical Science Building and OB/Gyn and Internal Medicine departments will soon be operating clinics out of the former Allison Cancer Center adjacent to the Midland Memorial Hospital.

ASU

ASU is a public, coeducational university located in San Angelo, Texas. ASU was created as Angelo State College in 1965 by an act of the 58th Session of the Texas Legislature in 1963. In May 1967, the first baccalaureate degrees were awarded. The name of the institution was changed to ASU in May 1969. ASU was designated as a member of the Texas State University System ("Texas State") in 1975, along with Sam Houston State University, Southwest Texas State University, and Sul Ross State University, when the 64th Legislature changed the name of the governing board to the Board of Regents, Texas State University System (the "Texas State Board").

In March 2007, House Bill 3564 sought to align ASU with the System. The bill was approved by the full House on April 24, 2007, and by the Senate in a unanimous vote on May 15, 2007. On May 23, 2007, Gov. Rick Perry signed the bill. Effective September 1, 2007, the governance, control, management, and property of ASU was transferred from the Texas State Board to the Board. In addition, certain aspects of the transfer of ASU were approved by the voters on November 6, 2007, as Proposition 1, and the Texas Constitution was amended.

THE REVENUE FINANCING SYSTEM

A Master Resolution adopted by the Board on October 21, 1993, as amended on November 8, 1996 and on August 22, 1997, created the "Revenue Financing System" to provide a financing structure for revenue supported indebtedness of TTU and the Health Sciences Center and other entities which may be included in the future, by Board action, as participants in the Revenue Financing System ("Participants"). Pursuant to a supplemental resolution adopted by the Board on October 11, 2007, ASU became a Participant in the Revenue Financing System. Currently, TTU, the Health Sciences Center, Texas Tech University System Administration and ASU are the only Participants in the Revenue Financing System. The Revenue Financing System is intended to facilitate the assembling of all of the Participants' revenue-supported debt capacity into a single financing program in order to provide a cost-effective debt program to Participants and to maximize the financing options available to the Board. The Master Resolution provides that once a university or agency becomes a Participant, the lawfully available revenues, income, receipts, rentals, rates, charges, fees, including interest or other income, and balances attributable to that entity and pledged by the Board become part of the "Pledged Revenues" under the Master Resolution; provided, however, that, if at the time an entity becomes a Participant it has outstanding obligations secured by such sources, such obligations will constitute "Prior Encumbered Obligations" under the Master Resolution and the pledge of such sources as Pledged Revenues will be subject and subordinate to such outstanding Prior Encumbered Obligations. Thereafter, the Board may issue bonds, notes, commercial paper, contracts, or other evidences of indebtedness, including credit agreements, on behalf of such institution, on a parity, as to payment and security, with the outstanding "Parity Obligations" under the Master Resolution, subject only to the outstanding Prior Encumbered Obligations, if any, with respect to such Participant. Upon becoming a Participant, an entity may no longer issue obligations having a lien on Pledged Revenues prior to the lien on the outstanding Parity Obligations. Currently, there are no Prior Encumbered Obligations outstanding and the Board does not presently anticipate adding Participants to the Revenue Financing System, which would result in the assumption of Prior Encumbered Obligations.

“Revenue Funds” means the “revenue funds” of the Board (as defined in Section 55.01 of the Texas Education Code to mean the revenues, incomes, receipts, rentals, rates, charges, fees, grants, and tuition levied or collected from any public or private source by an institution of higher education, including interest or other income from those funds) derived by the Board from the operation of each of the Participants, including specifically the Pledged General Tuition and, to the extent and subject to the provisions of the Master Resolution, the Pledged General Fee and the Pledged Tuition Fee. Revenue Funds does not include, with respect to each series or issue of Parity Obligations, any tuitions, rentals, rates, fees, or other charges attributable to any student in a category which, at the time of the adoption of the Supplement relating to such Parity Obligations, is exempt by law from paying such tuition, rentals, fees, or other charges.

“Pledged Revenues” means, subject to the provisions of the Prior Encumbered Obligations, the Revenue Funds, including all of the funds and balances now or hereafter lawfully available to the Board and derived from or attributable to any Participant of the Revenue Financing System which are lawfully available to the Board for payments on Parity Obligations; provided, however, that the following shall not be included in Pledged Revenues unless and to the extent set forth in a Supplement: (a) amounts received by TTU under Article 7, Section 17 of the Constitution of the State of Texas, including the income therefrom and any fund balances relating thereto; (b) amounts received on behalf of the Health Sciences Center under Article 7, Section 17 of the Constitution of the State of Texas, including the income therefrom and any fund balances relating thereto; (c) except to the extent so specifically appropriated, general revenue funds appropriated to the Board by the Legislature of the State of Texas; and (d) Practice Plan Funds of the Health Sciences Center, including the income therefrom and any fund balances relating thereto, to the extent said moneys are included in Pledged Practice Plan Funds.

As of December 31, 2008, the preliminary available Pledged Revenues (not including fund balances) for the fiscal year then ended were \$494,884,615; pledgeable unappropriated fund balances were \$220,780,807, and the total Pledged Revenues were \$715,665,422. See “OUTSTANDING PARITY OBLIGATIONS.”

PRIOR TO JULY 1, 2009, FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE BOARD, THE PARTICIPANTS AND THE REVENUE FINANCING SYSTEM FOR THE YEAR ENDED AUGUST 31, 2008, ARE AVAILABLE FROM THE NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES (“NRMSIRS”) AND THE STATE INFORMATION DEPOSITORY. EFFECTIVE JULY 1, 2009, ALL SUCH INFORMATION MUST BE FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD (THE “MSRB”), RATHER THAN THE CURRENT NRMSIRS. THE MSRB INTENDS TO MAKE THE INFORMATION AVAILABLE TO THE PUBLIC WITHOUT CHARGE THROUGH AN INTERNET PORTAL. THE BOARD WILL RESPOND TO REASONABLE REQUESTS FOR ADDITIONAL FINANCIAL INFORMATION CONCERNING THE BOARD, THE SYSTEM, TTU, ASU, THE HEALTH SCIENCES CENTER AND THE REVENUE FINANCING SYSTEM. See “MISCELLANEOUS.”

OUTSTANDING PARITY OBLIGATIONS

As of December 31, 2008, \$389,045,000 in aggregate principal amount of outstanding Parity Obligations (other than the CP) are payable from Pledged Revenues. The average annual debt service of such Parity Obligations over the remaining life of the issues (fiscal years 2009-2031) is \$25,351,738. The maximum annual debt service of such Parity Obligations is \$31,097,305 in fiscal year 2009. As stated above, as of December 31, 2008, the total Pledged Revenues available were \$715,665,422.

In addition, as of December 31, 2008, \$53,015,628 in principal amount of debt had been issued for the benefit of ASU by Texas State from time to time under its revenue financing system (the "ASU Debt"). The Board has expressly agreed to make payments to Texas State at the times and in the amounts equal to ASU's "Annual Obligation" and to pay or discharge ASU's "Direct Obligation" (as required by and defined in Texas State's Master Resolution) with respect to the ASU Debt.

On September 11, 2007, the Board adopted a resolution (the "9/11 Resolution") which created a binding obligation to make payments to Texas State on the ASU Debt in compliance with the requirements of Texas State's Master Resolution. Payments were made on September 15, 2007, March 15, 2008 and September 15, 2008.

The Board and the Texas State Board entered into an agreement, dated as of December 19, 2008 (the "Agreement"), pursuant to which the Board agreed to execute a note (the "ASU Note") in the principal amount of \$53,015,628 for the benefit of Texas State. The Agreement, together with the ASU Note, released and extinguished the System from its obligations under, and effectively terminated, the 9/11 Resolution.

Principal on the ASU Note is due and payable on March 15 in the years 2009 through 2033, and interest is due and payable on March 15 and September 15 of each year, commencing March 15, 2009, until maturity or prior redemption. The maximum annual debt service on the ASU Note is \$5,980,207 in fiscal year 2014. The ASU Note is subject to optional redemption at any time. The ASU Note has been issued under the Board's Revenue Financing System as a Parity Obligation.

The Board intends to make all payments required of it under the ASU Note from funds or balances now or hereafter lawfully available to the Board and derived from or attributable to ASU which are lawfully available to the Board for such payments.

ADDITIONAL PARITY OBLIGATIONS

The Board reserves the right to issue or incur additional Parity Obligations for any purpose authorized by law pursuant to the provisions of the Master Resolution and a supplemental resolution. The Board may incur, assume, guarantee, or otherwise become liable with respect to any Parity Obligations if the Board has determined that it will have sufficient funds to meet the financial obligations of TTU, ASU and the Health Sciences Center (and any future Participant), including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System. The Master Resolution provides that the Board will not issue or incur additional Parity Obligations unless (i) the Board determines that the Participant for whom the Parity Obligations are being issued or incurred possesses the financial capacity to satisfy its respective proportionate share of Outstanding Parity Obligations, after taking into account the then proposed additional Parity Obligations, and (ii) a Designated Financial Officer delivers to the Board a certificate stating that, to the best of his or her knowledge, the Board is in compliance with all covenants contained in the Master Resolution and any supplemental resolution and is not in default in the performance and observance of any of the terms, provisions and conditions thereof. The Master Resolution provides that "Nonrecourse Debt" and "Subordinated Debt" may be incurred by the Board without limitation. No such Nonrecourse Debt or Subordinated Debt has been issued by the Board on behalf of TTU, ASU, or the Health Sciences Center.

LIQUIDITY AGREEMENTS

Self-Liquidity

The Board has agreed to provide sufficient liquidity in the Revenue Financing System to pay the principal of all outstanding CP and interest thereon for 90 days computed at the rate of 15 percent per annum. This liquidity support is expected to be provided first from the Short/Intermediate Term Investment Fund (the "S/ITIF") then from cash assets held in eligible investment pools of the State of Texas, which are outlined in "INVESTMENT POLICY AND PROCEDURES – Investment Programs."

In addition, the Board agrees to provide or cause to be provided to the holders of the Notes notice prior to entering into a Liquidity Agreement with regard to its obligations under the Notes. In addition, no such liquidity facility will be entered into with respect to or supporting the Outstanding Notes. In the event a Liquidity Agreement is entered into with respect to the Notes, the Board agrees to provide or cause to be provided notice to the Issuing and Paying Agent and the holders of the Notes prior to substituting a new Liquidity Agreement or terminating the then existing Liquidity Agreement.

INVESTMENT POLICY AND PROCEDURES

Management of Investments

The Board is responsible for the investment of the System funds held outside the State Treasury and has provided for centralized investment management through the Office of the Vice Chancellor and Chief Financial Officer (the "CFO") for the System. Investments are managed both internally, by the Associate Vice Chancellor and Chief Investment Officer pursuant to authority given by the Board, and by unaffiliated investment managers.

The Board has a standing Finance and Administration Committee (the "Finance Committee") that, among other responsibilities, oversees various investment functions of the System. The Board additionally provides for the appointment of an advisory committee (the "Investment Advisory Committee") which currently consists of three members of the Board, a member of the Board of the Texas Tech Foundation, Inc. (the "Foundation Board"), and five persons appointed, after consultation with the Board and the Foundation Board, by the Chancellor, who have no financial interest in any organization providing investment services to the System and serve four-year staggered terms. The Investment Advisory Committee meets at least quarterly with investment counsel, investment managers, and officers and staff of the System for the purpose of reviewing and consulting with these parties and from time to time advising the Board on asset allocation, investment policies and investment results.

Investment Programs and Policies

To facilitate the investment of the System funds, the Board has created two separate investment pools designated as the S/ITIF and the Long-Term Investment Fund (the "LTIF"), which are governed by Regent's Rules Chapter 09, "Investments, Endowments, and Income Producing Lands" (the "Board Policy"). Additionally, the System also has (i) certain funds that are held in the State Treasury and invested by the Comptroller of Public Accounts of the State (the "Comptroller"), (ii) certain investments designated as "gifted securities" that are donor restricted gifts, the form of which cannot be changed, and (iii) bond proceeds, that are invested prior to use for authorized purposes.

Set forth below is a description of investments by general category for the System as of August 31, 2008:

Long Term Investment Fund	49%
Short/Intermediate Term Investment Fund	45%
Gifted Securities	1%
Carr Foundation	3%
ASU	3%

Authorized Investments

All available funds held by the System are authorized to be invested in accordance with State law and with the written investment policy of the Board. Investments are to be made with the judgment and care that persons of ordinary prudence, discretion and intelligence exercise in the management of their own affairs in regard to the investment of their funds considering probable income as well as probable safety of their capital.

The Short/Intermediate Term Investment Fund

The S/ITIF is a short/intermediate term pooled investment fund created by the Board for the collective investment of institutional funds of the System. Except for certain eligible endowment funds (and certain eligible institutional funds treated as endowments), all institutional funds of the System are invested in the S/ITIF. The S/ITIF is operated as an internal investment pool with no use of unaffiliated investment managers.

The market value of the S/ITIF as of August 31, 2008 was \$622,227,000. The asset allocation of the fund as of August 31, 2008 is as follows:

Repurchase Agreements	6.94%
U.S. Agency Notes	21.91%
Collateralized Mortgage Obligations	4.44%
TexPool ¹	61.17%
Fixed Income Index Fund	5.47%
MBSs	0.07%

¹ The S/ITIF utilizes TexPool, a local government investment pool currently managed by the Comptroller, as a cash management tool. See “---Management of Funds held in the State Treasury” below.

Management of Funds Held in the State Treasury

The Texas Education Code requires that the System and its component institutions deposit into the State Treasury all funds except those derived from auxiliary enterprises and non-instructional services, agency funds, designated, and restricted funds, endowment and other gift funds, student loan funds and funds retained under Chapter 145 of the Texas Education Code for paying research overhead expenses. All such funds held in the State Treasury are administered by the Comptroller. The Comptroller invests money in the State Treasury in authorized investments consistent with applicable law and the Texas State Treasury Investment Policy, dated August 1993. The Comptroller pools funds within the State Treasury for investment purposes and allocates investment earnings on pooled funds proportionately among the various State agencies whose funds are so pooled. Currently, most pooled funds are invested in the following instruments: repurchase agreements; reverse repurchase agreements; obligations of the United States and its agencies and instrumentalities; commercial paper having the highest credit rating; and fully-collateralized deposits in

authorized State depositories. Less than 1.0% of the State Treasury pool is invested in derivative investments. All State Treasury investments are marked to market daily using an external financial service.

The Comptroller, acting primarily through a special purpose trust company, also holds approximately 20 separate accounts outside of the State Treasury. The largest such account is a local government investment pool, known as TexPool, which was established in 1989 as an investment alternative for local governments in the State.

Endowments

Although not pledged to the payment of debt obligations, the Board controls or is benefited by endowments valued on August 31, 2008 at approximately \$779,810,390. As of August 31, 2008, endowment funds under the direct control of the Board had a market value of \$701,880,560 and consisted of securities and investments, land, and other real estate holdings and mineral rights. Such securities and investments are valued at marked-to-market, and the land and other real estate holdings and mineral rights are valued at their book value as of the date of acquisition of such property. Each component of an endowment is subject to various restrictions as to application and use.

RATE COVENANT

In the Master Resolution, the Board has covenanted that, in each fiscal year, it shall establish, charge and use its reasonable efforts to collect at each Participant the Pledged Revenues which, if collected, would be sufficient to meet all financial obligations of the Board relating to the Revenue Financing System, including deposits or payments due on or with respect to Outstanding Parity Obligations for such fiscal year.

THE CP DOES NOT CONSTITUTE GENERAL OBLIGATIONS OF THE BOARD, TTU, THE HEALTH SCIENCES CENTER, ASU, THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF. THE BOARD HAS NO TAXING POWER AND NEITHER THE CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE CP.

BOOK-ENTRY-ONLY SYSTEM

The following language has been provided by The Depository Trust Company (“DTC”), New York, New York for inclusion in disclosure documents for obligations, which use DTC’s book-entry-only system.

DTC will act as securities depository for the CP. The CP will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully registered certificate will be issued for each maturity of the CP in the aggregate principal amount of each such maturity 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 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument (from over 100 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, is the holding company of DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. 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 and www.dtc.org.

Purchases of the CP under the DTC system must be made by or through Direct Participants, which will receive a credit for the CP on DTC's records. The ownership interest of each actual purchaser of CP ("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, 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 Owners entered into the transaction. Transfers of ownership interests in the CP are to be accomplished by entries made on the books of the DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the CP, except in the event that use of the book-entry system for the CP is discontinued.

To facilitate subsequent transfers, all CP deposited by the DTC Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of the CP with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the CP; DTC's records reflect only the identity of the Direct Participants to whose accounts such CP are credited, which may or may not be the Beneficial Owners. The DTC Participants will remain responsible for keeping account of the 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.

Redemption notices will be sent to Cede & Co. If less than all of the CP within a series 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. will consent or vote with respect to the CP. Under its usual procedures, DTC mails an Omnibus Proxy to the Board 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 the CP are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the CP will be made to DTC. DTC's practice is to credit Direct Participants' accounts on payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payment date. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the

case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such DTC Participant and not of DTC, the Dealer, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Board, 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 securities depository with respect to a series of the CP at any time by giving reasonable notice to the Board. Under such circumstances, in the event that a successor securities depository is not obtained, certificates of the applicable series are required to be printed and delivered.

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

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

ABSENCE OF LITIGATION

None of the Board, TTU, ASU, or the Health Sciences Center is a party to any litigation or other proceeding pending or, to the knowledge of such parties, threatened, in any court, agency, or other administrative body (either State or federal) which, if decided adversely to such parties, would have a material adverse effect on Pledged Revenues, and no litigation of any nature has been filed or, to their knowledge, threatened that would affect the provisions made for the use of Pledged Revenues to secure or pay the principal of or interest on the Parity Obligations, including the CP, or in any manner questioning the validity of the CP.

BOND COUNSEL OPINION

In the opinion of Bond Counsel, a copy of which is attached hereto as Appendix A-1, except as otherwise stated therein, interest on the CP which is issued as tax exempt notes is excludable from the gross income of the owners for federal income tax purposes under statutes, regulations, published rulings, and court decisions existing on the date of such opinion. Attached hereto as Appendix A-2 is the form of opinion with respect to the CP which is issued as taxable notes.

RATINGS

The CP and the other outstanding Parity Obligations of the Board are presently rated as follows:

	<u>CP</u>	<u>Bonds</u>
Moody’s Investors Service	P-1	Aa3
Standard & Poor’s Rating Group	A-1+	AA
Fitch Ratings, Inc.	F-1+	AA

An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations, and the Board makes no representation as to

the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by any or all of such rating companies if, in the judgment of any or all companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the CP.

MISCELLANEOUS

Periodic public reports relating to the financial condition of the Board, TTU, ASU, the Health Sciences Center and the Revenue Financing System and the balances, revenues, and disbursements of the various funds of the Board are prepared by the Board from time to time. Copies of such reports and additional information concerning the Board and its financial affairs may be obtained upon request from the Board by contacting the Chief Financial Officer of the System located at 317 Administration Building Mailstop 42016 Lubbock, TX 79409 Telephone (806) 742-9000 Fax (806) 742-2195

Prior to July 1, 2009, additional financial information and operating data relating to the Board, TTU, ASU, the Health Sciences Center and the Revenue Financing System is available from the NRMSIRs and the State information depository. The addresses for the NRMSIRs are as follows: 100 Business Park Drive Skillman, NJ 08558 Phone: (609) 279-3225 Fax: (609) 279-5962 DPC-Data Inc., One Executive Drive, Fort Lee, NJ 07024, telephone (201) 346-0701; Standard & Poor's J.J. Kenny Repository, 55 Water Street, 45th Floor, New York, NY 10041, telephone (212) 438-1000 and Muller Data, Attention: Municipal Disclosure, 395 Hudson Street, 3rd Floor, New York, NY 10014, telephone: (212) 807-3800. The address for the State information depository is Municipal Advisory Council of Texas, 600 West 8th Street, P.O. Box 2177, Austin, TX 78768-2177, telephone (512) 476-6947. Effective July 1, 2009, all such information must be filed with the MSRB, rather than the current NRMSIRs. The MSRB intends to make the information available to the public without charge through an internet portal.

NO DEALER, BROKER, SALESMAN, OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS COMMERCIAL PAPER MEMORANDUM OR THE MOST RECENT OFFICIAL STATEMENT WITH RESPECT TO THE REVENUE FINANCING SYSTEM OF THE BOARD IN CONNECTION WITH THE OFFERING DESCRIBED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS COMMERCIAL PAPER MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE CP OFFERED HEREBY, NOR SHALL THERE BE ANY OFFER OR SOLICITATION OF SUCH OFFER OR SALE OF CP IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION, OR SALE. NEITHER THE DELIVERY OF THIS COMMERCIAL PAPER MEMORANDUM NOR THE SALE OF ANY OF THE CP IMPLIES THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. THE INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM THE BOARD'S OFFICIAL STATEMENT, PUBLISHED SOURCES, AND OTHER DATA FURNISHED BY THE BOARD. J.P. MORGAN SECURITIES INC. MAKES NO REPRESENTATION AS TO EITHER THE ACCURACY OR COMPLETENESS OF THE INFORMATION HEREIN. ADDITIONAL COPIES OF THIS COMMERCIAL PAPER MEMORANDUM MAY BE REQUESTED FROM YOUR J.P. MORGAN SECURITIES INC. REPRESENTATIVE OR FROM J.P. SECURITIES INC. SHORT-TERM UNDERWRITING DESK AT (212) 834-7224.

The date of this Commercial Paper Memorandum is January 14, 2009.

APPENDIX A-1

FULBRIGHT & JAWORSKI L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP
2200 ROSS AVENUE, SUITE 2800
DALLAS, TEXAS 75201-2784
WWW.FULBRIGHT.COM

TELEPHONE: (214) 855-8000

FACSIMILE: (214) 855-8200

_____, 2009

BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM REVENUE FINANCING
SYSTEM TAX EXEMPT COMMERCIAL PAPER NOTES, SERIES A

We have acted as bond counsel in connection with the issuance by the Board of Regents of the Texas Tech University System (the "Issuer") of its Revenue Financing System, Tax Exempt Commercial Paper Notes, Series A (the "Notes") in the aggregate principal amount not to exceed \$150,000,000 issued on this date under that Amended and Restated Fifth Supplemental Resolution, adopted by the Board of Regents (the "Board") on August 8, 2008, supplementing the Board's Master Resolution Establishing the Revenue Financing System (collectively, the "Resolution"), authorizing the System to issue, sell, and deliver the Notes. Terms used herein and not otherwise defined shall have the meaning given in the Resolution.

In rendering the opinions herein we have examined and relied upon a transcript of certain certified proceedings pertaining to the issuance of the Notes, including the Resolution; certain certifications and representations and other material facts within the knowledge of officers of the Issuer related to the expected use and investment of proceeds of the sale of the Notes and certain other funds of the Issuer, which are within its sole knowledge and control; and such other material and such matters of law as we deem relevant to the matters discussed below. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements contained in such certificates.

Based upon such examination, we are of the opinion, that, under applicable law of the United States of America and the State of Texas in force and effect on the date hereof:

1. The Notes issued under the Resolution are valid and legally binding obligations of the Issuer payable from the sources, and enforceable in accordance with the terms and conditions, described therein, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity.

2. The Notes together with the other Parity Obligations (as defined in the Resolution), are payable from and equally secured by the Pledge Revenues (as defined in the Resolution); provided, however, that the lien on and pledge of the Pledged Revenues is junior and subordinate to the lien and pledge securing the payment of any Prior Encumbered Obligations, all as further defined and described in the Resolution. The Notes do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the Board, except with respect to the Pledged Revenues as described in the Resolution, and the holders thereof shall never have the right to demand payment of the Notes from any sources or properties of the Board except as described in the Resolution.

3. Pursuant to the Internal Revenue Code of 1986, as amended and in force on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, assuming continuing compliance with the provisions of the Resolution relating to sections 141 through 150 of the Code, interest on the Notes excludable from the gross income, as defined in section 61 of the Code, of the owners thereof for federal income tax purposes pursuant to section 103 of the Code, and such interest will not be included for federal income tax purposes in computing the alternative minimum taxable income of the owners thereof who are individuals.

We call to your attention that interest on all tax-exempt obligations, such as the Notes, owned by a corporation (other than an "S" corporation or a qualified mutual fund, real estate mortgage investment conduit (REMIC), financial asset securitization investment trust (FASIT), real estate investment trust (REIT)) is includable in its adjusted current earnings for purposes of calculating its alternative minimum taxable income. A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by section 55 of the Code is computed.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Notes. Ownership of tax-exempt obligations such as the Notes may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, "S" corporations with "subchapter C" earnings and profits, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any change in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service or any court; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

APPENDIX A-2

FULBRIGHT & JAWORSKI L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP
2200 ROSS AVENUE, SUITE 2800
DALLAS, TEXAS 75201-2784
WWW.FULBRIGHT.COM

TELEPHONE: (214) 855-8000

FACSIMILE: (214) 855-8200

_____, 2009

BOARD OF REGENTS OF TEXAS TECH UNIVERSITY SYSTEM REVENUE FINANCING
SYSTEM TAXABLE COMMERCIAL PAPER NOTES, SERIES A

We have acted as bond counsel in connection with the issuance by the Board of Regents of the Texas Tech University System (the "Issuer") of its Revenue Financing System Taxable Commercial Paper Notes, Series A (the "Notes") in the aggregate principal amount not to exceed \$150,000,000 issued on this date under that Amended and Restated Fifth Supplemental Resolution, adopted by the Board of Regents (the "Board") on August 8, 2008, supplementing the Board's Master Resolution Establishing the Revenue Financing System (collectively, the "Resolution"), authorizing the System to issue, sell, and deliver the Notes. Terms herein and not otherwise defined shall have the meaning given in the Resolution.

In rendering the opinions herein we have examined and relied upon a transcript of certain certified proceedings pertaining to the issuance of the Notes, including the Resolution; and such other material and such matters of law as we deem relevant to the matters discussed below. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements contained in such certificates.

Based upon such examination, we are of the opinion, that, under applicable law of the United States of America and the State of Texas in force and effect on the date hereof:

1. The Notes issued under the Resolution are valid and legally binding obligations of the Issuer payable from the sources, and enforceable in accordance with the terms and conditions, described therein, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity.

2. The Notes, together with the other Parity Obligations (as defined in the Resolution), are payable from and equally secured by the Pledge Revenues (as defined in the Resolution); provided, however, that the lien on and pledge of the Pledged Revenues is junior and subordinate to the lien and pledge securing the payment of any Prior Encumbered Obligations, all as further defined and described in the Resolution. The Notes do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the Board, except with respect to the Pledged Revenues as described in the Resolution, and the holders thereof shall never have the right to demand payment of the Notes from any sources or properties of the Board except as described in the Resolution.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any change in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on any court; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

GENERAL CERTIFICATE

THE STATE OF TEXAS :
TEXAS TECH UNIVERSITY SYSTEM :

The undersigned, Vice Chancellor and Chief Financial Officer of the Texas Tech University System (the "System"), hereby certifies as follows:

1. That this certificate is executed for and on behalf of the Board, for the benefit of the Attorney General of the State of Texas, and for the benefit of the purchasers of the Board of Regents of Texas Tech University Revenue Financing System Commercial Paper Notes, Series A, authorized to be outstanding at any one time in the principal amount of \$150,000,000 (the "Notes") authorized by the Master Resolution adopted by the Board on October 21, 1993, as amended, and the amended and restated fifth supplemental resolution to the Master Resolution, adopted by the Board on August 8, 2008 (the "Fifth Supplemental Resolution" and, collectively with the Master Resolution, the "Resolution").

2. That the terms used herein have the same meanings as those used and defined in the Resolution.

3. That set forth in Exhibit "A" attached hereto is a debt service schedule showing the debt service to be paid from Pledged Revenues.

4. That the Pledged Revenues are not in any manner encumbered or pledged to the payment of any debt or obligation of the Board, other than with respect to the Outstanding Parity Obligations, as defined in the Resolution, and no default or event of default has occurred or is existing with respect to the Resolution, the Outstanding Parity Obligations or the Notes. To the extent that designated tuition (the former building use fee previously authorized in Section 55.16, Texas Education Code, that was redesignated by S.B. 1907, enacted by the 75th Legislature, Regular Session, as tuition) is being charged at levels in excess of \$46 per semester hour, 20% of the amount of the excess shall be set aside to provide financial assistance to students, consistent with the provisions of Subchapter B, Chapter 56, Texas Education Code. On the date of adoption of the Fifth Supplemental Resolution, the estimated maximum amount per semester hour of the Revenue Funds charged on a per semester hour basis and included in the Pledged Revenues (based on current enrollment and conditions at each of the Participants in the Financing System) during any future semester necessary to provide for the payment, when due, of the principal of and interest on the Parity Obligations while they are outstanding (taking into consideration the other Pledged Revenues and the fact that the Board's Revenue Financing Commercial Paper Note programs are designed for the Notes to be continually reissued until they are eventually retired by being (i) paid off with legally available funds, (ii) refunded with long term obligations or (iii) refunded with advances under a Credit Agreement, if any), together with the aggregate amount of all such Revenue Funds charged on a per semester hour basis and included in the Pledged Revenues which were levied for the current semester to pay the principal of and interest on all Outstanding Parity Obligations and Prior Encumbered Obligations, do not exceed the amount permitted by Title 3, Texas Education Code. Exhibit "A" sets forth the

calculation of the Pledged Revenues available to secure the payment of the Outstanding Parity Obligations and the Notes. There are no outstanding Prior Encumbered Obligations.

5. That for the 2008-2009 Fiscal Year and each Fiscal Year thereafter, it is estimated that the Pledged Revenues will be available in amounts in excess of \$400,000,000, and that such amounts will be on hand at the times required for the payment of interest on and principal of the Notes coming due during each such Fiscal Year. Exhibit "A" attached hereto contains a schedule showing the Pledged Revenues available for debt service for the prior three years.

6. That the Board is the duly established governing body of the System existing by virtue of and operating under the Constitution and laws of the State of Texas. The Board, acting separately and independently on behalf of the Texas Tech University ("TTU"), Texas Tech University Health Sciences Center (the "Health Sciences Center") and Angelo State University ("ASU"), governs said institutions as a university system, as such term is defined in Section 61.003, Texas Education Code.

7. That the Board is in compliance with all covenants contained in the Resolution and any Supplement, and is not in default in the performance and observance of any of the terms, provisions and conditions set forth in the Resolution or any Supplement. Furthermore, the Board will have sufficient funds to meet the financial obligations of TTU, the Health Sciences Center and ASU, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the Financing System, and that TTU possesses the financial capability to satisfy its Direct Obligation after taking into account the issuance of the Notes. No state general revenue appropriations will be utilized for repayment of the Notes.

8. That the Resolution has not been amended, altered or rescinded since its date of adoption and is in full force and effect.

9. That attached hereto as Exhibit "B" is a true and correct copy of the letter issued by the Texas Bond Review Board acknowledging receipt of the notice from the Board of its intent to issue the Notes as exempt state securities.

10. That the ratings originally issued for the Notes of P-1, A-1+, and F-1+ by Moody's, S&P and Fitch, respectively, have not been withdrawn or reduced from the dates the original ratings were issued.

11. That in connection with the execution of the Notes, the Notes previously have been signed by the then duly acting Chief Financial Officer of the System and the Secretary of the Board, and no litigation of any nature has been filed or is now pending to restrain or enjoin the issuance or delivery of the Notes, or that would affect the provision made for their payment or security, or in any manner questioning the proceedings or authority concerning the issuance of the Notes, and that so far as the undersigned knows and believes no such litigation is threatened.

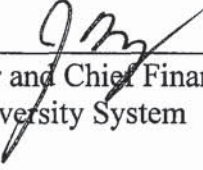
12. That all notice and consent requirements in connection with the adoption and giving effect to the Resolution have been given as required by the original fifth supplemental resolution.

13. That Notes shall not be issued for funding building and facility construction and renovation requiring the approval of the Texas Higher Education Coordinating Board until such approval of the Texas Higher Education Coordinating Board has been obtained.

The Board hereby authorizes the Office of the Attorney General to date this certificate the date of delivery of its approving opinion, and agrees to notify the Office of the Attorney General of any changes with respect to this certificate or any Note documents to which it is a party that are made between the date of such opinion and the date of closing.

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EXECUTED this JAN 15 2009.



Vice Chancellor and Chief Financial Officer,
Texas Tech University System

(SEAL)

EXHIBIT A

Fiscal Year Ending 8/31	Annual Debt Service on Outstanding Parity Obligations ⁽¹⁾⁽²⁾	Less the Refunded Bonds and Refunded Angelo State Parity Debt		The Bonds ⁽³⁾		Total Annual Debt Service on Parity Obligations
		\$	\$	Principal	Interest ⁽⁴⁾	
2009	\$ 44,642,917	\$ 1,970,241	-	\$ 4,065,782	\$ 46,738,458	
2010	44,278,400	9,049,256	11,530,000	7,371,800	54,130,944	
2011	42,021,047	7,710,125	10,535,000	7,040,825	51,886,747	
2012	41,322,848	7,605,681	10,745,000	6,721,625	51,183,792	
2013	40,990,992	7,375,425	10,845,000	6,397,775	50,858,342	
2014	40,430,806	7,257,269	11,045,000	6,069,425	50,287,962	
2015	40,191,956	6,351,513	10,665,000	5,637,125	50,142,569	
2016	37,067,501	4,454,744	9,365,000	5,136,375	47,114,132	
2017	36,787,231	4,447,013	9,830,000	4,656,500	46,826,718	
2018	35,823,795	546,650	6,795,000	4,240,875	46,313,020	
2019	33,537,889		6,430,000	3,910,250	43,878,139	
2020	33,530,330		6,765,000	3,580,375	43,875,705	
2021	33,531,065		7,115,000	3,233,375	43,879,440	
2022	27,236,124		7,485,000	2,868,375	37,589,499	
2023	25,991,440		7,850,000	2,485,000	36,326,440	
2024	18,698,925		8,265,000	2,082,125	29,046,050	
2025	18,705,685		8,685,000	1,658,375	29,049,060	
2026	18,696,435		9,140,000	1,212,750	29,049,185	
2027	11,650,470		9,600,000	744,250	21,994,720	
2028	9,938,130		10,085,000	252,125	20,275,255	
2029	9,928,460				9,928,460	
2030	6,527,138				6,527,138	
2031	6,517,165				6,517,165	
2032	1,179,750				1,179,750	
2033	1,181,250				1,181,250	
	\$ 660,407,749	\$ 56,767,916	\$ 172,775,000	\$ 79,365,107	\$ 855,779,940	

(1) Does not include debt service on the Outstanding Commercial Paper Notes; preliminary, subject to change.

(2) Includes debt service on the Refunded Bonds and the Angelo State Parity Debt.

(3) Preliminary; subject to change.

(4) Includes accrued interest calculated using an assumed interest rate of 4.37%.

Fiscal Year Ending 8/31	Annual Debt Service on Outstanding Parity Obligations ⁽¹⁾⁽²⁾	Less the Refunded Bonds and Refunded Angelo State Parity Debt		The Bonds ⁽³⁾		Commercial Paper ⁽⁵⁾		Total Annual Debt Service on Parity Obligations
		Parity Debt	Angelo State	Principal	Interest ⁽⁴⁾	Principal	Interest	
2009	\$ 44,642,917	\$ 1,970,241	\$ -	\$ -	\$ 4,065,782	\$ 1,485,000	\$ 12,125,000	\$ 58,863,458
2010	44,278,400	9,049,256	11,530,000	7,371,800	7,371,800	1,725,000	22,388,625	78,004,569
2011	42,021,047	7,710,125	10,535,000	7,040,825	7,040,825	2,005,000	22,147,875	75,759,622
2012	41,322,848	7,605,681	10,745,000	6,721,625	6,721,625	2,330,000	21,868,125	75,056,917
2013	40,990,992	7,375,425	10,845,000	6,397,775	6,397,775	2,710,000	21,543,000	74,731,342
2014	40,430,806	7,257,269	11,045,000	6,069,425	6,069,425	3,150,000	21,165,000	74,162,962
2015	40,191,956	6,351,513	10,665,000	5,637,125	5,637,125	3,660,000	20,725,500	74,018,069
2016	37,067,501	4,454,744	9,365,000	5,136,375	5,136,375	4,250,000	20,214,750	70,988,882
2017	36,787,231	4,447,013	9,830,000	4,656,500	4,656,500	4,940,000	19,621,500	70,698,218
2018	35,823,795	546,650	6,795,000	4,240,875	4,240,875	5,740,000	18,932,250	70,185,270
2019	33,537,889		6,430,000	3,910,250	3,910,250	6,675,000	18,131,250	67,749,389
2020	33,530,330		6,765,000	3,580,375	3,580,375	7,755,000	17,200,125	67,750,830
2021	33,531,065		7,115,000	3,233,375	3,233,375	9,015,000	16,117,875	67,752,315
2022	27,236,124		7,485,000	2,868,375	2,868,375	10,475,000	14,860,125	61,464,624
2023	25,991,440		7,850,000	2,485,000	2,485,000	12,175,000	13,398,375	60,199,815
2024	18,698,925		8,265,000	2,082,125	2,082,125	14,150,000	11,699,625	52,920,675
2025	18,705,685		8,685,000	1,658,375	1,658,375	16,440,000	9,725,250	52,924,310
2026	18,696,435		9,140,000	1,212,750	1,212,750	19,110,000	7,431,000	52,920,185
2027	11,650,470		9,600,000	744,250	744,250	22,210,000	4,764,750	45,869,470
2028	9,938,130		10,085,000	252,125	252,125		1,665,750	44,151,005
2029	9,928,460							9,928,460
2030	6,527,138							6,527,138
2031	6,517,165							6,517,165
2032	1,179,750							1,179,750
2033	1,181,250							1,181,250
	\$ 660,407,749	\$ 56,767,916	\$ 172,775,000	\$ 79,365,107	\$ 150,000,000	\$ 315,725,750	\$ 1,321,505,690	

(1) Does not include debt service on the Outstanding Commercial Paper Notes; preliminary, subject to change.

(2) Includes debt service on the Refunded Bonds and the Angelo State Parity Debt.

(3) Preliminary; subject to change.

(4) Includes accrued interest calculated using an assumed interest rate of 4.37%.

(5) For purposes of illustration only; interest calculated at maximum rate of 15%.

Texas Tech University System Actual Pledged Revenues

	2003	2004	2005	2006	2007	2008
Available Pledged Revenues Not Including Fund Balances Pledgeable Unappropriated Funds and Reserve Balances	\$ 299,106,319	\$ 322,166,932	\$ 352,957,321	\$ 366,810,609	\$ 415,240,935	\$ 494,884,615
Total Pledged Revenues	\$ 105,685,345	\$ 127,830,064	\$ 138,468,032	\$ 136,847,319	\$ 169,417,039	\$ 220,780,807
	\$ 404,791,664	\$ 449,996,996	\$ 491,425,353	\$ 503,657,928	\$ 584,657,974	\$ 715,665,422

EXHIBIT B