

**COMMERCIAL PAPER MEMORANDUM
DATED JUL 1, 2008**

**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM
REVENUE FINANCING SYSTEM
COMMERCIAL PAPER NOTES
SERIES A
Consisting of a
Tax-Exempt Sub-series and a
Taxable Sub-series**

The Board of Regents of The University of North Texas System Revenue Financing System Commercial Paper Notes (the "Notes") are authorized to be issued in the aggregate principal amount not to exceed \$100 million. The Notes may be issued in two sub-series, a tax-exempt sub-series (the "Tax-Exempt Sub-series") and a taxable sub-series (the "Taxable Sub-series"). In no event may Taxable Sub-series notes be outstanding at any one time in an aggregate principal amount in excess of \$25,000,000. Tax-Exempt Sub-series notes may be outstanding in an aggregate principal amount not to exceed the lesser of \$100,000,000 or the difference between \$100,000,000 and the then outstanding aggregate principal amount of the Notes of the Taxable Sub-series. Interest on the Notes is payable on an actual (365/366) year basis, and the Notes will be sold at par. Lehman Brothers (the "Dealer") is offering the Notes for sale. U.S. Bank National Association is the Issuing and Paying Agent.

The Notes are exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended. In the opinion of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, acting as bond counsel to the Board ("Bond Counsel"), under statutes, regulations, published rulings and court decisions existing on the date of the opinion, and assuming, among other matters, compliance with certain covenants, the interest on the Notes of the Tax-Exempt Sub-series will be excludable from gross income for federal income tax purposes under existing law. (See "Tax Matters" and Appendix A). The forms of Bond Counsel Opinions of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, delivered to The University of North Texas System (the "System"), the Issuing and Paying Agent, and the Dealer are set forth as Appendix A. Copies of such opinion are available upon request from the Dealer.

THE UNIVERSITY OF NORTH TEXAS SYSTEM

General. The University of North Texas (the "University") was established in 1890 as a teacher education facility with the name Texas Normal College and Teacher Training Institute. The institution has gone through six name changes since its founding. In 1961, it moved from college to university status with the name North Texas State University. Along the path from a normal college to a research university, several significant changes helped identify the institution as one of the Big Five Universities in Texas. In 1935, the graduate division was formed, and the college offered its first masters degrees in 1936. In 1949, the college was separated from the state teachers college system, and a separate governing board was named. In 1950, the new board authorized offerings for the degree of doctor of education and for the doctor of philosophy degree in music. The college awarded its first doctorate three years later. The final name change for the institution came in May 1988 when the Texas Legislature recognized the University's expanding role in graduate education and research and gave it its current name, University of North Texas.

The University is divided into eleven colleges and schools and maintains a visible presence as a research university (College of Arts and Sciences, College of Business Administration, College of Education, College of Engineering, School of Library and Information Sciences, School of Merchandising and Hospitality Management, College of Music, College of Public Affairs and Community Services, College of Visual Arts and Design, Honors College, and the Robert B. Toulouse School of Graduate Studies). The University is the third-largest university in Texas and serves students from every state in the nation and from approximately 132 foreign countries. The University offers 99 baccalaureate, 104 masters and 49 doctoral degree programs. The breadth of its program offerings and many recognized specialty programs set the University apart from other colleges and universities in recruiting and graduating students. Since its founding, the University has awarded 208,730 degrees. The University defines itself as a student-centered public research university and is viewed as a leader among its peers in the United States for its diverse degree programs, quality research and creative activities, leadership in the Coalition of Urban and Metropolitan Universities, and partnerships with the public and private sector.

The University is located in Denton, Texas, which is part of one of the fastest growing metropolitan areas in the nation, the Dallas-Fort Worth Metroplex. With a current population of over 5 million, the Metroplex is expected to grow beyond 11 million by 2030. The campus comprises a land area of more than 400 acres and over 70 buildings.

The College of Arts and Sciences provides courses that impart knowledge, enhance skills, and stimulate creativity. As the largest college at the University, the College of Arts and Sciences offers over 50 undergraduate majors. New graduate programs include a program for environmental science. College of Arts and Sciences programs are cutting-edge offerings that have the capability of attracting substantial private and federal funding and support. Additionally, the University is accredited by the American Psychological Association and offers graduate degrees in clinical and counseling psychology. A special doctoral program in health psychology and behavioral medicine involves the psychological aspects of physical illness. The University's Center for the Study of Work Teams advises many business and industry clients on innovative ways to work more efficiently and effectively.

The College of Business Administration offers degrees in business administration that for more than fifty years have been molded to foster career goals of working professionals. The widely respected M.S. in accounting is unique in offering courses to meet the 150-hour requirement for certified public accountants as well as a broad education emphasizing the liberal arts.

The College of Education is committed to the preparation and certification of qualified future counselors, administrators and teachers. The University's education programs have one of the best results in preparing students for teaching professions in Texas. With high state licensure scores, the University prepares teachers for a variety of elementary and secondary disciplines, as well as special education occupational training, computer education and kinesiology.

The College of Engineering, established in fall 2003, operates a focused ion beam microscope, a transmission electron microscope and a local electrode atom probe. No other industry or academic lab in the world is using all three devices together for research. The atom probe, which allows research on a picotechnology level, is one of only two probes in the nation owned by a university. In addition, the University's Mechanical and Energy Engineering program will be the first department of its kind in the U.S.

The School of Library and Information Sciences offers an accredited program in information science which prepares graduates to play significant roles in the information age. The University is one of only three universities in Texas to offer a special certification in school librarianship and learning resources.

The School of Merchandising and Hospitality Management is one of only a few universities in the nation that offer programs in hospitality management where students have the opportunity to participate in internships with some of the top businesses in the hospitality industry.

The College of Music is the second largest public school of music in the United States. Recognized as the best jazz studies program in the nation, the University offers a wide range of programs in performance, composing, and music education. The college houses a music library that is one of the largest and includes the Stan Kenton Collection. A unique program in computer-assisted music compliments traditional degree programs in piano, voice, and a wide array of instruments. The University also boasts the nation's largest visual arts program at a public institution. The College of Visual Arts and Design offers 13 majors including art education, communication design, fibers, drawing, and photography.

The College of Public Affairs and Community Service blends academic programs and applied research with partnerships with many aspects of the metropolitan area. Unique programs are offered in applied economics, behavioral analysis, rehabilitation services, sociology, administration of long-term care and retirement facilities, administration of aging organizations, studies in aging, studies in addictions, public administration, criminal justice, and anthropology.

University of North Texas System Center at Dallas

Through its new University of North Texas at Dallas, the University is bringing the first public higher education access beyond the community college level to the ethnically diverse area of southern Dallas and Ellis counties. In January 1999, the Texas Higher Education Coordinating Board granted the University the approval to establish a system center in southern Dallas to serve as a forerunner for the future university; and it opened in January 2000.

In May of 2001, Governor Rick Perry signed into law the creation of the University of North Texas at Dallas. The City of Dallas has donated approximately 200 acres to the University of North Texas System for the sole purpose of creating the University of North Texas at Dallas. In addition the University of North Texas System purchased another 57 acres adjacent to the 200 acres. The University of North Texas System Center at Dallas ("UNT-Dallas") will become the University of North Texas at Dallas when full-time equivalent enrollment at UNT-Dallas reaches 1,000. Full time equivalent enrollment at the University of North Texas at Dallas was 814 in fall 2007. Total enrollment was 1,874. When it opens, UNT-Dallas will be the first public university in the City of Dallas.

University of North Texas Health Science Center at Fort Worth

Established in 1970, the University of North Texas Health Science Center (the "Health Science Center") is composed of the Texas College of Osteopathic Medicine, the Graduate School of Biomedical Sciences, the School of Public Health and the School of Health Professions. The Health Science Center's Institutes for Discovery conduct leading-edge research on select health issues, including vision, aging, cancer, heart disease, physical medicine and public health. Today, the Health Science Center is one of the nation's distinguished academic medical centers, dedicated to the advancement of all three disciplines of medical science - education, research, and patient care. The 33-acre, \$125 million campus is located in Fort Worth's Cultural Arts District.

Since the Osteopathic Medical Center of Texas closed its operations adjacent to the Health Science Center in 2005, the University of North Texas System Board of Regents decided to acquire the property for future expansion.

Before closing, the Osteopathic Medical Center of Texas had been a primary teaching hospital for the Health Science Center's faculty and students, so it became necessary to develop a viable alternative teaching venue. The University of North Texas Health Science Center reached an agreement with the Tarrant County Hospital effective October 1, 2005, that contracts the Health Science Center to provide clinical services to John Peter Smith Hospital and the JPS Health Network. The clinical services include community medicine, obstetrics and gynecology, orthopedic surgery, podiatry and psychiatry. Currently, the Health Science Center has contracts to provide cardiology services, administrative management of graduate medical education programs and oversight of clinical research activities. These clinical services, along with the accompanying academic activities and graduate medical education programs, will be provided by existing faculty, as well as the current clinicians at John Peter Smith, who have merged into UNT HEALTH. The agreement has added approximately 80 new clinical faculty to the Health Science Center.

The Health Science Center's educational components are the Texas College of Osteopathic Medicine (TCOM), the Graduate School of Biomedical Sciences, and the School of Public Health, with a combined faculty of nearly 300, a staff of over 1,200 and a cadre of some 300 volunteer community physicians.

TCOM is Texas' only college of osteopathic medicine and one of only 22 in the nation. Approximately two-thirds of the 3,000 physicians it has trained since 1970 practice in primary care areas of medicine, such as family medicine, internal medicine, obstetrics/gynecology and pediatrics. This is the highest proportion among the state's eight medical schools and one of the highest in the country. Since primary care is the linchpin of the medical managed care system now evolving, it is likely that many of the more than 500 current medical students will also pursue primary care careers, although their training prepares them to aspire to any specialty, from aerospace medicine to heart transplant surgery.

Since 1993, the graduate school has offered masters and doctoral degrees in the biomedical sciences, with specializations in cell biology and genetics, biochemistry and molecular biology, biotechnology, forensic genetics, integrative physiology, microbiology and immunology, pharmacology and neuroscience, medical science, and science education. In 1995, the School of Public Health received state approval to award a Masters of Public Health (MPH) degree, and, in 1999, the Doctor of Public Health (DrPH) degree was approved. A Doctor of Philosophy (PhD) degree in several specializations is planned for the near future.

In 1997, the Health Science Center launched a degree program in Physician Assistant Studies. The Center has been awarding a Master's Degree in Physician Assistant Studies since 2003.

The Health Science Center is also home to the Gibson D. Lewis Health Science Library, where virtually the entire wealth of the world's current medical knowledge is accessible to the public seven days a week through sophisticated information search networks and computer databases. In keeping with the Health Science Center's location in Fort Worth's Cultural District, the campus also boasts a public art gallery.

Faculty members to the Health Science Center's medical school constitute UNT Health, Tarrant County's largest multi-specialty medical group practice. Nearly 200 doctors practice in 24 medical and surgical specialties and

subspecialties, including allergy/immunology, cardiology, neurology, pathology, sports medicine and neuro-surgery. Over 500,000 patient visits are logged each year to the Health Science Center's network of 25 clinics and laboratories by patients seeking everything from prenatal to geriatric care. A new 135,000 square foot Patient Care Center opened on campus in 1997. In 2001, a new structured parking facility was opened, including space for 730 cars and a small rooftop park.

In keeping with its commitment to research, the Health Science Center has created several Institutes for Discovery – the Institute for Cancer Research, the Cardiovascular Research Institute, the North Texas Eye Research Institute, the Physical Medicine Institute, the Texas Center for Music and Medicine, the Osteopathic Research Center, the Institute for Public Health Research, the Texas Institute for Hispanic Health, the Center for Women's Health, the Center for Human Identification, the Texas Center for Minority Health, Education, Research and Outreach, and the Institute for Aging and Alzheimer's Disease Research.

Through the Office of Clinical Trials, faculty physicians participate in more than 20 clinical research projects seeking improved treatments for such disorders as high blood pressure, migraine, ulcers, arthritis and diabetes. The Health Science Center is also home to the premier DNA identity testing laboratory in Texas.

The Health Science Center is an active collaborator with Tech Fort Worth, a business incubator designed to create alliances between innovators in the biotechnology field and businesses and investors who can help not only bring the research brought to them to fruition, but also provide valuable economic development opportunities to Fort Worth.

Governance and Administration. The Participants of the System (the "Participants") currently include the University, the Health Science Center and UNT-Dallas. The Participants are governed, managed, and controlled by a nine-member Board of Regents, each of whom is appointed by the Governor of the State subject to confirmation by the State Senate. Each regent serves a six-year term, with three new appointments made to the Board every two years. A regent may be reappointed to serve on the Board. The members of the Board elect one of the regents to serve as Chair of the Board and may elect any other officers they deem necessary. The regents serve without pay except for reimbursement for actual expenses incurred in the performance of their duties, subject to the approval of the Chair of the Board.

The Board is legally responsible for the establishment and control of policy for the University and the Health Science Center. The Board appoints a Chancellor who directs the operations of the University and the Health Science Center and is responsible for carrying out policies determined by the Board.

The President of the University of North Texas directs the operations of the University of North Texas and is assisted by a Provost and Vice President for Academic Affairs, Vice President for Finance and Administration, Vice President for Research and Economic Development, Vice President for University Relations, Senior Vice President for Advancement, Vice President for Institutional Equity & Diversity and Vice President for Student Development.

The President of the Health Science Center directs the operations of the Health Science Center and is assisted by an Executive Vice President of Academic Affairs and Research, an Executive Vice President for Finance and Administration, a Senior Vice President for Community Engagement, a Vice President for Strategy and Measurement, a Vice-President for Development and a Vice President for Governmental Affairs.

Set forth below is the fall semester headcount undergraduate enrollment at the University and UNT-Dallas for each of the last five years:

TABLE 1
Headcount Undergraduate Enrollment Information (Fall Semester)

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
The University	23,624	23,930	24,943	26,023	26,571
UNT-Dallas	271	344	463	575	671
Total	23,895	24,274	25,406	26,598	27,242

Set forth below is the fall semester graduate enrollment at the University, UNT-Dallas, and the Health Science Center for each of the last five years.

TABLE 2
Headcount Graduate Enrollment Information (Fall Semester)

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
The University	6,923	6,649	6,510	6,680	6,563
UNT-Dallas	294	232	229	165	348
The Health Science Center	1,012	1,021	1,049	1,129	1,153
Total	8,229	7,902	7,788	7,974	8,064

The following table sets forth the fall semester full time equivalent enrollment at the University, UNT-Dallas, and the Health Science Center for each of the last five years.

TABLE 3
Full-Time Equivalent Enrollment Information (Fall Semester)

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
The University	23,320	23,419	24,113	25,137	26,034
UNT-Dallas	399	423	547	615	814
The Health Science Center	906	937	983	1,055	1,073
Total	24,625	24,779	25,643	26,807	27,921

THE COMMERCIAL PAPER NOTES

The Notes are being issued in accordance with the general laws of the State of Texas, including particularly Chapter 55, Texas Education Code, and Chapter 1371, Texas Government Code, as amended. The Notes are being issued pursuant to the Master Resolution and the Amended and Restated Tenth Supplemental Resolution adopted by the Board on May 8, 2008 (the "Tenth Supplemental Resolution"). The Master Resolution and the Tenth Supplemental Resolution are referred to herein collectively as the "Resolution." The Notes constitute the tenth series of debt obligations issued as Parity Obligations and payable from the Pledged Revenues. The Master Resolution permits additional Parity Obligations to be issued in the future. The Board also has additional outstanding indebtedness in the form of Prior Encumbered Obligations, and the Parity Obligations are subject and subordinate to the outstanding Prior Encumbered Obligations.

The Notes may be issued in two sub-series, the Tax-Exempt Sub-series and the Taxable Sub-series. In no event may Notes of the Taxable Sub-series be outstanding at any one time in an aggregate principal amount in excess of \$25,000,000. Notes of the Tax-Exempt Sub-series may be outstanding in an aggregate principal amount not to exceed the lesser of \$100,000,000 or the difference between \$100,000,000 and the then outstanding aggregate principal amount of the Notes of the Taxable Sub-series.

The Notes are authorized to be issued in denominations of any multiple of \$1,000, with a minimum denomination of \$100,000, they mature and become due and payable on such dates as shall be determined by a UNT System representative (as defined in the Master Resolution), at the time of sale; provided, however, that no Notes shall (i) mature after the Maximum Maturity Date (December 31, 2038) or (ii) have a term in excess of 270 days.

The Notes are special obligations of the Board equally and ratably secured solely by and payable solely from a pledge of and lien on the Pledged Revenues as described below.

The Pledged Revenues consist of, 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 to the Master Resolution: (a) amounts received by the University or the Health Science Center under Article VII, Section 17 of the State Constitution (generally, a provision of the State Constitution currently providing for an annual appropriation of \$262.5 million to be allocated among eligible agencies

and institutions of higher education for the purpose of providing funds for acquisition of capital assets and the construction of capital improvements), including the income therefrom and any fund balances relating thereto; and (b) except to the extent so specifically appropriated, general revenue funds appropriated to the Board by the State Legislature. The "Revenue Funds" are defined in the Master Resolution to include 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 operations of the Participants; provided that Revenue Funds do not include, with respect to each series or issue of Parity Obligations, any tuition, rentals, rates, fees, or other charges attributable to any student in a category which, at the time of adoption of the Supplement relating to such Parity Obligations, is exempt by law from paying such tuition, rentals, rates, fees, or other charges. All legally available funds of the Participants, including unrestricted fund and reserve balances, are pledged to the payment of the Parity Obligations.

LIQUIDITY SUPPORT

The Notes are not currently supported by a line or letter of credit. The Board will notify each Dealer and the holders of outstanding Notes prior to entering into a Credit Agreement to provide the Board with liquidity with regard to its obligations under the Notes. In addition, no such liquidity facility will be entered into with respect to or supporting then outstanding Notes.

The University plans to provide its own liquidity, if necessary, from its investment resources of approximately \$286 million. At March 31, 2008, there was available nearly \$176.4 million in same-day funds, consisting primarily of cash, money market funds and U.S. Treasury obligations, and \$72.8 million in next-day funds, comprised of fixed income funds and equities. While the composition of the liquid funds varies over time depending on investment strategies, the amounts at March 31, 2008 are believed to be representative of the University of North Texas System's capacity at any given time.

THE BOOK-ENTRY ONLY SYSTEM

1. The Depository Trust Company ("DTC") will act as securities depository for the Notes (the "Securities" for purposes of the information under the caption "The Book-Entry Only System"). 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 certificate will be issued with respect to the principal amount of the Securities and will be deposited with DTC.

2. 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 instruments (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.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each 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, 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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities 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 Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. 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.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue 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.

7. Neither DTC nor Cede & Co. will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Board or Paying Agent/Registrar 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 securities 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, the Paying Agent, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to DTC is the responsibility of the Board or Agent, 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.

9. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the Board or Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Securities are required to be printed and delivered.

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

11. In reading this Official Statement it should be understood that while the Securities are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest on the Securities, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Ordinance will be given only to DTC.

12. Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Board or the Financial Advisor.

13. In the event that the Book-Entry-Only System is discontinued by DTC or the use of the Book-Entry-Only System is discontinued by the Board, printed Securities will be issued to the holders and the Securities will be subject to transfer, exchange and registration provisions as set forth in the Ordinance.

Financial Statements. Annually, not later than November 20, an unaudited financial report dated as of August 31, prepared from the books of the Participants, must be delivered to the Governor and the State Comptroller of Public Accounts. Each year, the State Auditor must certify the financial statements of the State as a whole, inclusive of

the Participants, and in so doing examines the financial records of the Participants. No outside audit in support of this detailed review is required or obtained by the Participants.

The State issues audited financial statements, prepared in accordance with generally accepted accounting principles for the State government as a whole. The statements are prepared by the Comptroller of Public Accounts and are audited by the State Auditor's Office. The State Auditor expresses an opinion on the financial statements of the State but does not express an opinion on the financial statements of individual component units including those of the Participants. The scope of the State Auditor's audit includes tests for compliance with the covenants of general obligation and revenue bond issues of the State and its component agencies and institutions. Supplementary schedules are included in the State financial statements providing for each bond issue information related to the pledged revenues and expenditures, coverage of debt service requirements, restricted account balances, and/or other relevant information that may be feasibly incorporated. The State Auditor does not express an opinion on such schedules in relation to the basic financial statements taken as a whole. Any material compliance exceptions related to bond covenants are addressed in the overall management letter for the State audit.

The Participants' combined primary financial reports cover all financial operations of the Participants. Amounts due between Participants and other duplications in reporting are eliminated in combining the individual financial reports.

The following table reflects the Condensed Combined Statement of Net Assets of the University of North Texas System (Unaudited) as of August 31, 2006 and August 31, 2007.

Condensed Combined Statement of Net Assets
as of August 31, 2006 and August 31, 2007
(In Millions)

	<u>2006</u>	<u>2007</u>
Assets:		
Current Assets	301.4	346.0
Non-Current Assets		
Capital Assets, Net	440.4	496.6
Other Noncurrent Assets	<u>189.4</u>	<u>209.8</u>
Total Assets	\$931.2	\$1,052.4
Liabilities:		
Current Liabilities	192.2	194.0
Non-Current Liabilities		
Bonded Indebtedness	212.6	258.0
Other Noncurrent Liabilities	<u>41.4</u>	<u>37.2</u>
Total Liabilities	446.2	489.2
Net Assets:		
Invested in Capital Assets, Net of Related Debt	<u>190.9</u>	<u>206.8</u>
Debt		
Restricted		
Debt Retirement	.3	3.7
Capital Projects	2.5	5.4
Funds Held as Permanent Investments		
Expendable	2.2	5.0
Non-Expendable	14.6	17.3
Other Restricted	<u>37.1</u>	<u>37.7</u>
Unrestricted	<u>237.4</u>	<u>287.3</u>
Total Net Assets	485.0	563.2
Total Liabilities and Net Assets	<u>\$931.2</u>	<u>\$1,052.4</u>

The table below presents the Condensed Combined Statement of Revenues, Expenses and Changes in Net Assets of the University of North Texas System (Unaudited) for Fiscal Years Ended 2006 and 2007.

**Condensed Combined Statement of Revenues, Expenses, and Changes in Net Assets
for the Fiscal Years Ended August 31, 2006 and August 31, 2007
(In Millions)**

	<u>2006</u>	<u>2007</u>
Operating Revenues	\$361.4	\$396.0
Operating Expenses	<u>521.4</u>	<u>541.0</u>
Operating Income (Loss)	(160.0)	(145.0)
Nonoperating Revenues (Expenses)	<u>193.4</u>	<u>201.7</u>
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	33.4	56.7
Other Revenues, Expenses, Gains, Losses And Transfers	<u>22.7</u>	<u>21.9</u>
Change in Net Assets	<u>56.1</u>	<u>78.6</u>
Net Assets, Beginning of Year	436.7	485.0
Restatements	<u>(7.8)</u>	<u>(0.4)</u>
Restated Net Assets, Beginning of Year	<u>428.9</u>	<u>484.6</u>
Net Assets, End of Year	<u>\$485.0</u>	<u>\$563.2</u>

The table below presents the Condensed Statement of Cash Flows of the University of North Texas System (Unaudited) for Fiscal Years Ended 2006 and 2007.

**Condensed Statement of Cash Flows
for the Fiscal Years Ended August 31, 2006 and August 31, 2007
(In Millions)**

	<u>2006</u>	<u>2007</u>
Cash Provided (Used) by:		
Operating Activities	\$ (149.5)	\$ (119.3)
Noncapital Financing Activities	186.4	198.0
Capital and Related Financing Activities	(14.3)	(7.6)
Investing Activities	<u>28.6</u>	<u>19.9</u>
Net Change in Cash	(6.0)	51.2
Cash, Beginning of Year	166.1	160.1
Restatements to Beginning Cash & Cash Equivalents Balance	<u>0.0</u>	<u>(0.3)</u>
Cash, End of Year	\$ 160.1	\$211.0

The table below presents the Pledged Revenues for the University of North Texas System for the fiscal year ended August 31, 2007.

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008 (Est)</u>
Available Pledged Revenues Not Including Fund Balances ^{(1) (2)}	\$ 103,920,540	\$ 116,864,281	\$ 142,978,685	\$ 163,280,153	\$ 182,900,367	\$ 186,558,374
Pledgeable Unappropriated Funds and Reserve Balances ^{(2) (3)}	<u>141,526,438</u>	<u>142,838,171</u>	<u>170,907,369</u>	<u>209,214,267</u>	<u>255,294,882</u>	<u>260,400,780</u>
Total Pledged Revenues ⁽³⁾	<u>\$ 245,446,978</u>	<u>\$ 259,702,452</u>	<u>\$ 313,886,054</u>	<u>\$ 372,494,420</u>	<u>\$ 438,195,249</u>	<u>\$ 446,959,154</u>

(1) The Available Pledged Revenues include the gross revenues of the University Building System, the pledged student tuition (Skiles Act), the Student Union Fee, pledged general tuition (which includes general use fees), and investment income or moneys on deposit in the Interest and Sinking Fund, and the Reserve Funds.

(2) In addition to current year Pledged Revenues, any unappropriated or reserve fund balances remaining at year-end are available for payment of the subsequent year's debt service.

(3) Available Pledged Revenues and Pledgeable Unappropriated Funds do not include Medical Services, Research and Development Plan funds at the Health Science Center.

The most recent unaudited Combined Annual Financial Report for the University of North Texas System (with the relevant portion of the Notes to the Combined Annual Financial Report), for the fiscal year ended August 31, 2007, have been filed with each Nationally Recognized Municipal Securities Repository ("NRMSR") and the State of Texas state information depository ("SID"). Such information is incorporated by reference herein.

INDEBTEDNESS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM

As of May 1, 2008, the Board had the following described indebtedness:

Prior Encumbered Obligations

Consolidated University Revenue Bonds, Series 1994 \$ 2,295,000

Sub-Total of Prior Encumbered Obligations \$ 2,295,000

Parity Obligations - Revenue Financing System

Revenue Financing System Bonds, Series 1999 \$ 1,435,000

Revenue Financing System Refunding and Improvement Bonds, Series 1999A \$ 4,655,000

Revenue Financing System Bonds, Series 2001 \$ 30,500,000

Revenue Financing System Bonds, Series 2002 \$ 48,640,000

Revenue Financing System Bonds, Series 2002A \$ 7,865,000

Revenue Financing System Bonds, Series 2003 \$ 28,800,000

Revenue Financing System Bonds, Series 2003A \$ 6,185,000

Revenue Financing System Bonds, Taxable Series 2003B \$ 4,845,000

Revenue Financing System Refunding and Improvement Bonds, Series 2005 \$ 67,730,000

Revenue Financing System Bonds, Series 2007 \$ 55,065,000

Sub-Total of Parity Obligations \$255,720,000

Grand Total \$258,015,000⁽¹⁾

(1) Excludes outstanding Commercial Paper Notes

RATINGS

Moody's Investors Service ("Moody's") and Fitch Ratings ("Fitch") have assigned ratings of "P-1" and "F-1+", respectively, to the Notes. An explanation of the significance of each such rating may be obtained from the company furnishing the rating. The ratings will reflect only the views of such organizations at the time such ratings are given, 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 such rating companies, if circumstances so warrant. Any such downward revision or withdrawal of either rating may have an adverse effect on the market price of the Bonds.

ABSENCE OF LITIGATION

Neither the Board nor the Participants 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 the 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 the Pledged Revenues to secure or pay the principal of or interest on the Bonds, or in any manner questioning the validity of the Notes.

TAX MATTERS RELATING TO THE NOTES OF THE TAX-EXEMPT SUB-SERIES

Opinion. On the date hereof, Bond Counsel will render its opinion that, except as discussed below, the interest on the Notes of the Tax-Exempt Sub-series (referred to herein as the "Tax-Exempt Notes") will be excludable from gross income of the owners thereof for federal income tax purposes under the statutes, regulations, published rulings, and court decisions existing on such date ("Existing Law"). Such opinion further provides that the Tax-Exempt Notes are not "specified private activity bonds" and accordingly, that interest on the Tax-Exempt Notes will not be included as an individual or corporate alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). See Appendix A for the form of Bond Counsel's opinion with respect to the Tax-Exempt Notes.

Bond Counsel's opinion represents its legal judgment based upon its review of Existing Law. Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that such Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Tax-Exempt Notes. Holders of the Tax-Exempt Notes may continue to rely on the opinion of Bond Counsel to the extent that there is no change in Existing Law subsequent to the date hereof.

Existing Law contains a number of requirements that must be satisfied subsequent to the issuance of the Tax-Exempt Notes in order for interest on the Tax-Exempt Notes to be, and to remain, excludable from gross income for federal income tax purposes. In expressing the aforementioned opinions, Bond Counsel has relied on, and assumes compliance by the Issuer with, certain representations and covenants regarding the use and investment of the proceeds of the Tax-Exempt Notes intended to assure compliance with such requirements. Failure by the Issuer to comply with such representations and covenants may cause the interest on the Tax-Exempt Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Notes. Bond Counsel has not been retained to monitor compliance with these requirements subsequent to the date of its opinion.

A ruling was not sought from the Internal Revenue Service by the Issuer with respect to the Tax-Exempt Notes. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Tax-Exempt Notes, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. Bond Counsel's opinion is not a guarantee of a result. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the Issuer as the taxpayer and the holders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Collateral Federal Income Tax Consequences. The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Tax-Exempt Notes. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with accumulated earnings and profits and excess passive investment income, and taxpayers who

may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE TAX-EXEMPT NOTES.

Interest on the Tax-Exempt Notes will be includable as an adjustment for "adjusted current earnings" to calculate the alternative minimum tax imposed on corporations by section 55 of the Code. Section 55 of the Code imposes a tax equal to 20 percent for corporations, or 26 percent for noncorporate taxpayers (28 percent for taxable income exceeding \$175,000), of the taxpayer's "alternative minimum taxable income," if the amount of such alternative minimum tax is greater than the taxpayer's regular income tax for the taxable year.

Interest on the Tax-Exempt Notes may be subject to the "branch profits tax" imposed by section 884 of the Code on the effectively-connected earnings and profits of a foreign corporation doing business in the United States.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Tax-Exempt Notes, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

State, Local, and Foreign Taxes. Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Tax-Exempt Notes under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

TAX MATTERS RELATING TO THE NOTES OF THE TAXABLE SUB-SERIES

Certain Federal Income Tax Considerations with Respect to the Notes of the Taxable Sub-series.

General. The following discussion is a summary of certain expected material federal income tax consequences of the purchase, ownership and disposition of the Notes of the Taxable Sub-series (referred to herein as the "Taxable Notes"). It is based on the opinion of Bond Counsel, and on the Code, the regulations promulgated thereunder, published revenue rulings and court decisions currently in effect, all of which are subject to change. The Internal Revenue Service has not yet issued regulations or rulings relating to the treatment of obligations such as the Taxable Notes, and as such said opinion and this summary of federal income tax consequences are subject to modification by the eventual issuance of regulations or rulings or by subsequent administrative or judicial interpretation, which could apply retroactively.

The following discussion is applicable to investors other than those investors who are subject to special provisions of the Code, such as life insurance companies, tax-exempt organizations, foreign taxpayers and taxpayers who may be subject to the alternative minimum tax or personal holding company provisions of the Code. This summary is further limited to investors who will hold the Taxable Notes as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Code. INVESTORS WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE TAXABLE NOTES IN THEIR PARTICULAR CIRCUMSTANCES BEFORE DETERMINING WHETHER TO PURCHASE TAXABLE NOTES. *Periodic Interest Payments and Original Issue Discount are Subject to Federal Income Taxation.* On the date of issue of the Taxable Notes, Bond Counsel will render an opinion that the Taxable Notes are not obligations described in section 103 (a) of the Code. Accordingly, the stated interest paid, or original issue discount, if any, accrued on each Taxable Note will be included in "gross income" within the meaning of section 61 of the Code of the Owners and be subject to federal income taxation when received or accrued, depending upon the tax accounting method applicable to the owner thereof.

Disposition of Taxable Notes. An owner will recognize gain or loss on the redemption, sale or exchange of a Taxable Note equal to the difference between the redemption or sale price (exclusive of any amount paid for accrued interest) and the owner's tax basis in the Taxable Note. Generally, the owner's tax basis in the Taxable Note will be the owner's initial cost. Any gain or loss generally will be a capital gain or loss and either will be long-term or short-term depending on whether the Taxable Note has been held for more than one year.

Under current law, purchasers of the Taxable Notes who do not purchase Taxable Note in the initial public offering at the initial public offering price (a "subsequent purchaser") will generally be required, upon the disposition of a Taxable Note, to recognize as ordinary income a portion of the gain, if any, to the extent of the accrued "market discount." Market discount is the amount by which the price paid for a Taxable Note by a subsequent purchaser is less

than the Note's "stated redemption price at maturity." In such instances, section 1277 of the Code also may apply so as to defer the deductibility of all or a portion of the interest incurred by a subsequent purchaser with respect to amounts borrowed to acquire a Taxable Note with market discount.

Defeasance. Owners of the Taxable Notes should be aware that the deposit by the Authority of cash or Government Obligations with the Trustee for the Taxable Notes and the release of the Resolution pursuant to which the Taxable Notes are issued (a "defeasance") for federal income tax purposes could result in the recognition by the Owner of taxable income (or loss), without any corresponding receipt of money by the Owner. In addition, for federal income tax purposes, the character and time of receipt of payments on the Taxable Notes subsequent to any defeasance also could be affected. Owners are advised to consult their tax advisors with respect to the tax consequences resulting from such events.

Other Federal Income Tax Consequences with Respect to the Taxable Notes. The Code requires debt obligations, such as the Taxable Notes, to be issued in registered form and denies certain tax benefits to the issuer and the Owners of obligations failing this requirement. The Taxable Notes will be issued in registered form.

Interest paid to an owner of a Taxable Notes ordinarily will not be subject to withholding of federal income tax if such owner is a United States person. A United States person, however, will be subject to withholding of such tax at a rate of 31% in certain circumstances. This withholding generally applies if the owner of a Taxable Note (i) fails to furnish to the Trustee such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnishes the Trustee an incorrect TIN, (iii) fails to report properly interest, dividends or other "reportable payments" as defined in the Code, or (iv) in certain circumstances, fails to provide the Trustee or such owner's broker with a certified statement, signed under penalty of perjury, that the TIN provided to the Trustee is correct and that such owner is not subject to backup withholding.

Required Reporting to the Internal Revenue Service. Subject to certain exceptions, interest payments made to the Owners with respect to the Taxable Notes will be reported to the Internal Revenue Service. Such information will be filed each year with the Internal Revenue Service on Form 1099 which will reflect the name, address and taxpayer identification number of the Registered Owner. A copy of Form 1099 will be sent to each Registered Owner of a Taxable Notes for federal income tax reporting purposes.

State, Local, and Foreign Taxes for Tax-Exempt Notes and Taxable Notes. Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership, or disposition of the Tax-Exempt Notes and the Taxable Notes under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons

AVAILABLE INFORMATION

No attempt is made herein to summarize the Master Resolution or the Tenth Supplement. Those documents may be examined upon reasonable prior notice at the office of the Vice Chancellor for Finance during regular business hours. A copy of the Master Resolution and the Tenth Supplement are on file with the Issuing and Paying Agent for the Notes. The Board will make available upon request copies of the Master Resolution and the Tenth Supplement and its most recent Annual Financial Statements.

Additional financial information and operating data relating to the University of North Texas System is available from the NRMSRs and the State of Texas state information depository. The address for the State of Texas state information depository is Municipal Advisory Council of Texas, 600 West 8th Street, P.O. Box 2177, Austin, Texas 78768-2177, telephone: (512) 476-6947.

Capitalized terms not otherwise defined in this Commercial Paper Memorandum shall have the meanings assigned to them in the Tenth Supplement.

MISCELLANEOUS

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 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 Notes, nor shall there be any offer or solicitation of an offer or sale of the Notes, 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 Notes 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 UNIVERSITY OF NORTH TEXAS SYSTEM. THE DEALER 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 DEALER REPRESENTATIVE FROM THE OFFICE OF LEHMAN BROTHERS (212) 528-1011.

APPENDIX A

July 7, 2008

BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM COMMERCIAL PAPER NOTES, SERIES A TAX-EXEMPT SUBSERIES

AS BOND COUNSEL for the Board of Regents of The University of North Texas System (the "System"), we have reviewed a record of proceedings relating to the issuance from time to time of up to an aggregate principal amount of One Hundred Million Dollars (\$100,000,000) of Commercial Paper Notes, Series A (the "Commercial Paper Notes"), all in accordance with the resolutions of the Board of Regents of the System authorizing the issuance of such Commercial Paper Notes (collectively, the "Resolution"). Terms used herein and not otherwise defined shall have the meaning given in the Resolution.

WE HAVE EXAMINED the applicable and pertinent provisions of the Constitution and laws of the State of Texas, a transcript of certified proceedings of the System relating to the authorization, issuance, sale, and delivery of the Commercial Paper Notes, including the Resolution, certificates and opinions of officials of the System, and other pertinent instruments relating to the issuance of the Commercial Paper Notes.

WE ARE FURTHER OF THE OPINION THAT, under existing laws, upon due execution, authentication and payment and upon compliance by the System with conditions and covenants of the Resolution, the Commercial Paper Notes, together with the other Parity Obligations (as defined in the Resolution), are payable from and equally secured by the Pledged 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 the Prior Encumbered Obligations, all as further defined and described in the Resolution. The Commercial Paper Notes do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the System, 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 Commercial Paper Notes from any sources or properties of the System except as described in the Resolution.

THE AGREEMENTS, COVENANTS AND OBLIGATIONS described in the foregoing paragraph, however, may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally.

IT IS FURTHER OUR OPINION, except as discussed below, that the interest on the Commercial Paper Notes is excludable from the gross income of the owners for federal income tax purposes under the statutes, regulations, published rulings, and court decisions existing on the date of this opinion. We are further of the opinion that the Commercial Paper Notes are not "specified private activity bonds" and that, accordingly, interest on the Commercial Paper Notes will not be included as an individual or corporate alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). In expressing the aforementioned opinions, we have relied on, certain representations, the accuracy of which we have not independently verified, and assume compliance with certain covenants, regarding the use and investment of the proceeds of the Commercial Paper Notes and the use of the property financed therewith. We call your attention to the fact that if such representations are determined to be inaccurate or upon a failure by the System to comply with such covenants, interest on the Commercial Paper Notes may become includable in gross income retroactively to the date of issuance of the Commercial Paper Notes.

EXCEPT AS STATED ABOVE, we express no opinion as to any other federal, state, or local tax consequences of acquiring, carrying, owning, or disposing of the Commercial Paper Notes.

WE CALL YOUR ATTENTION TO THE FACT that the interest on tax-exempt obligations, such as the Commercial Paper Notes, is included in a corporation's alternative minimum taxable income for purposes of determining the alternative minimum tax imposed on corporations by section 55 of the Code.

WE EXPRESS NO OPINION as to any insurance policies issued with respect to the payments due for the principal of and interest on the Commercial Paper Notes, nor as to any such insurance policies issued in the future.

OUR SOLE ENGAGEMENT in connection with the issuance of the Commercial Paper Notes is as Bond Counsel for the System, and, in that capacity, we have been engaged by the System for the sole purpose of rendering an opinion with respect to the legality and validity of the Commercial Paper Notes under the Constitution and laws of the State of Texas, and with respect to the exclusion from gross income of the interest on the Commercial Paper Notes for federal income tax purposes, and for no other reason or purpose. The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. We have not been requested to investigate or verify, and have not independently investigated or verified any records, data, or other material relating to the financial condition or capabilities of the System, or the disclosure thereof in connection with the sale of the Commercial Paper Notes, and have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the marketability of the Commercial Paper Notes. Under the terms of the Resolution, the System has reserved the right to issue a sub-series of commercial paper notes, which are not obligations described in section 103(a) of the Code (the "Taxable Commercial Paper Notes"), in an aggregate principal amount outstanding from time to time not to exceed \$25,000,000. The aggregate principal amount of the Commercial Paper Notes that may be issued and at any one time be Outstanding shall not result in the aggregate principal amount of Commercial Paper Notes then Outstanding, after taking into account the aggregate principal amount of Taxable Commercial Paper Notes then Outstanding, being in excess of \$100,000,000.

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 changes in federal income tax 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 (the "Service"); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Commercial Paper Notes. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the System as the taxpayer. We observe that the System has covenanted not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Commercial Paper Notes as includable in gross income for federal income tax purposes.

YOU MAY CONTINUE to rely on this opinion to the extent (i) there is no change in existing law subsequent to the date of this opinion and (ii) the representatives, warranties and covenants contained in the Resolution, and certificates dated the date of this opinion and executed and delivered by authorized officials of the System remain true and accurate.

Respectfully,

July 7, 2008

**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM
REVENUE FINANCING SYSTEM COMMERCIAL PAPER NOTES, SERIES A
TAXABLE SUB-SERIES**

AS BOND COUNSEL for the Board of Regents of The University of North Texas System (the "System"), we have reviewed a record of proceedings relating to the issuance from time to time of up to an aggregate principal amount of Twenty Five Million Dollars (\$25,000,000) of Commercial Paper Notes, Series A Taxable Sub-series (the "Commercial Paper Notes"), all in accordance with the resolutions of the Board of Regents of the System authorizing the issuance of such Commercial Paper Notes (collectively, the "Resolution"). Terms used herein and not otherwise defined shall have the meaning given in the Resolution.

WE HAVE EXAMINED the applicable and pertinent provisions of the Constitution and laws of the State of Texas, a transcript of certified proceedings of the System relating to the authorization, issuance, sale, and delivery of the Commercial Paper Notes, including the Resolution, certificates and opinions of officials of the System, and other pertinent instruments relating to the issuance of the Commercial Paper Notes.

WE ARE FURTHER OF THE OPINION THAT, under existing laws, upon due execution, authentication and payment and upon compliance by the System with conditions and covenants of the Resolution, the Commercial Paper Notes, together with the other Parity Obligations (as defined in the Resolution), are payable from and equally secured by the Pledged 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 the Prior Encumbered Obligations, all as further defined and described in the Resolution. The Commercial Paper Notes do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the System, 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 Commercial Paper Notes from any sources or properties of the System except as described in the Resolution.

THE AGREEMENTS, COVENANTS AND OBLIGATIONS described in the foregoing paragraph, however, may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally.

IT IS OUR OPINION THAT THE COMMERCIAL PAPER NOTES ARE NOT OBLIGATIONS DESCRIBED IN SECTION 103(a) OF THE INTERNAL REVENUE CODE OF 1986.

EXCEPT AS STATED ABOVE, we express no opinion as to any other federal, state, or local tax consequences of acquiring, carrying, owning, or disposing of the Commercial Paper Notes.

WE EXPRESS NO OPINION as to any insurance policies issued with respect to the payments due for the principal of and interest on the Commercial Paper Notes, nor as to any such insurance policies issued in the future.

OUR SOLE ENGAGEMENT in connection with the issuance of the Commercial Paper Notes is as Bond Counsel for the System, and, in that capacity, we have been engaged by the System for the sole purpose of rendering an opinion with respect to the legality and validity of the Commercial Paper Notes under the Constitution and laws of the State of Texas, and for no other reason or purpose. The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. We have not been requested to investigate or verify, and have not independently investigated or verified any records, data, or other material relating to the financial condition or capabilities of the System, or the disclosure thereof in connection with the sale of the Commercial Paper Notes, and have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the marketability of the Commercial Paper Notes. Under the terms of the Resolution, the System has reserved the right to issue a sub-series of commercial paper notes, which are obligations described in section 103(a) of the Code (the "Tax-Exempt Commercial Paper Notes"). The aggregate principal amount of the Commercial Paper Notes and the Tax-Exempt Commercial Paper Notes that may be issued and at any one time be Outstanding shall not result in the aggregate principal amount of Commercial Paper

Notes and Tax-Exempt Commercial Paper Notes then Outstanding, after taking into account the aggregate principal amount of Commercial Paper Notes then Outstanding, being in excess of \$100,000,000.

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 changes in federal income tax 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 (the "Service"); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Commercial Paper Notes. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the System as the taxpayer

YOU MAY CONTINUE to rely on this opinion to the extent (i) there is no change in existing law subsequent to the date of this opinion and (ii) the representatives, warranties and covenants contained in the Resolution, and certificates dated the date of this opinion and executed and delivered by authorized officials of the System remain true and accurate.

Respectfully,