

270
MINUTES—OHIO UNIVERSITY, Board of Trustees - Meeting September 17, 1964

The Chairman called the meeting to order at 11:00 a.m. with the following members present: John W. Galbreath, Fred H. Johnson, Edwin L. Kennedy, Russell Herrold, Don Casto, Wayne Brown, and Duncan Baxter. Mr. Joseph Hall was unable to attend the meeting. In addition to the members of the Board of Trustees present were: Vernon R. Alden, L. F. Lausche, Milton J. Taylor, and Paul R. O'Brien. In addition to the above, the Chairman had invited the members of the Board of Trustees of the Ohio University Fund, Inc. to sit in with the Board for their morning session which would consist primarily of a presentation by a representative of Caudill, Rowlett and Scott on the Long Range Campus Plan.

It was moved by Mr. Kennedy, seconded by Mr. Galbreath, and unanimously carried that the minutes of the May 7, 1964 meeting of the Board of Trustees and the June 7, 1964 meeting of the Board of Trustees be approved as distributed by the Secretary.

The secretary then read the following letter from Governor Rhodes:

STATE OF OHIO
EXECUTIVE DEPARTMENT
OFFICE OF THE GOVERNOR

Columbus

I, James A. Rhodes, Governor of the State of Ohio, do hereby appoint Duncan M. Baxter (Republican), Portsmouth, Scioto County, Ohio, as a Member, Board of Trustees of The Ohio University, for a term beginning May 14, 1964, and ending at the close of business May 13, 1973, vice Don E. McVay, whose term expired.

IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed at Columbus this 12th day of June in the year of our Lord, one thousand nine hundred and sixty-four.

(Signed) - James A. Rhodes
Governor

(Seal)

Chairman Stocker welcomed Mr. Baxter to the Board and expressed the happiness of the Board in his appointment. President Alden also expressed his happiness with the appointment of Mr. Baxter to the Board of Trustees.

The Secretary then read the following Resolution of appreciation to C. Don McVay for his long service as a Trustee of Ohio University.

The Board of Trustees and the President of Ohio University extend sincere appreciation to Mr. C. Don McVay for twenty-one years of continuous service to the University and the State as an active member of the Board.

During his three full terms as a Trustee, from 1943 to 1964, Mr. McVay brought to the position both a broad fund of knowledge gained during his successful career in law and business, and a deep dedication to higher education and Ohio University, his alma mater.

His efforts have contributed immeasurably to the physical growth and academic enrichment of the University.

It was moved by Mr. Johnson and unanimously seconded that the above Resolution be adopted and spread on the minutes of the Board of Trustees, also; that a copy be sent to Mr. McVay.

The Chairman then called on Mr. Bob H. Reed, of the Planning Firm of Caudill, Rowlett and Scott, to present a preliminary plan for the future campus of Ohio University. Mr. Reed then presented slides and maps indicating generally the future Ohio University should consist of an educational core surrounded by student housing and outside the student housing space would be set aside for parking of cars and recreation areas. This general concept was fully discussed by members of the Board and after many questions were submitted to Mr. Reed, it was moved by Mr. Johnson, seconded by Mr. Kennedy, that the general concept of a campus plan presented by Mr. Reed be approved by the Board of Trustees with the understanding that specific changes could be made before the final campus plan was approved. This motion carried unanimously.

President Alden then pointed out the need for a Convocation Arena large enough to house at least most of our student body. He pointed out that Memorial Auditorium was no longer large enough to take care of our present graduation ceremonies, and that Grover Center, at the present time, would seat only approximately 50 per cent of our Athens enrollment. President Alden suggested that the Chairman appoint a small committee of the Board of Trustees to study this problem and to consider the possibility of using Ohio University Fund land for the construction of such a Convocation Center.

After a full discussion by the Board of Trustees, Chairman Stocker appointed John W. Galbreath, as Chairman, and Wayne Brown as a committee member to work with the administrative officials in studying the possibility of the need and how a Convocations Center could be financed and the location of this Center.

The President also pointed out that the Board had authorized the construction of three or four additional dormitories and our West Green area has room for only one more. In other words, we have either two or three dormitories to be located in some area other than the West Green. The President suggested the Chairman appoint a small committee of the Board of Trustees to work with the administrative officials to work out the location of these future dormitories. The Chairman appointed a committee consisting of Fred Johnson, as Chairman, and Don Casto, to determine the location of future dormitories and whether the University should construct them or whether they should be constructed by private operators. The Board then recessed to the Baker Center for lunch.

During the lunch, President Alden called on Jerry Reese, Director of Admissions, for a report on the current freshman class. Mr. Reese reported that every county in Ohio is represented in the current freshman class, as well as 32 states and 22 foreign countries. He reported the average rank in the high school graduating class of the current freshman class was 73 percentile (top third). He also reported that this class was 37 per cent larger than the freshman class of 1963-64. As well as being larger, the class rank and other tests indicates the academic quality has increased.

The President then called on Gilford Crowell, Dean, College of Education, for a discussion of the possibility of Ohio University establishing an educational center under the Federal Economics Opportunity Program to develop the vocational abilities of the under-privileged and drop-outs from high school. Dean Crowell reported that Ohio University would like to submit a proposal to the officials of the Program. If a center is established in the mid-west, a University will be the prime contractor. A task force, headed by Dean Crowell, has developed plans for such a center to be run by Ohio University. This center would consist of facilities to house and teach from 1,000 to 2,000 students and would probably be located in surplus facilities owned by the Federal Government. After a general discussion of this program, it was then moved by Mr. Johnson, seconded by Mr. Galbreath, and unanimously carried that Ohio University should cooperate with the Federal Government in establishing such a center.

Dean Gubitz was then called upon for a report on the Branches. He reported that we had just opened the Educational Center for the Strategic Air Command at Bergstrom Air Force Base, Austin, Texas. He pointed out that there were no state funds in any of our Air Force Educational Centers, and that they were completely self-supporting. He then reported that our branch enrollment had not been completed at this time, but that all indications pointed to an increase both in head count and a substantial increase in the number of hours carried, which indicated that we were registering many more full time students than in the past.

The Trustees then took a bus tour of the campus in which the site of the privately-operated dormitory, known as Bronley Hall, was viewed. Also viewed was the new Ohio University Inn, located south of the campus on Richland Avenue, as well as the Rumac Apartments and the new Recreational Center being developed by Rumac, Inc. These are all private developments which will be very helpful to the University in the future and have been encouraged by the Board of Trustees of Ohio University.

The Board then reconvened in the Board Room of Cutler Hall. The Chairman called the meeting to order at 1:20 p.m. and called upon Mr. O'Brien to present the Operating Budget for the 1965-67 biennium. Mr. O'Brien called the Board's attention to the Budget, which had been previously mailed to the Board, and pointed out that it was based upon anticipated enrollment broken down as follows: \$510 for regular undergraduate students, \$600 for each Engineering student, and \$800 for graduate students. The amount requested from the State on this formula amounted to \$7,980,960 for the 1965-66 year, and \$8,602,490 for the 1966-67 year. This was an increase of 22.2 per cent for the 1965-66 year over 1964-65 and 7.8 per cent over 1965-66 for 1966-67. This compared with an anticipated enrollment increase of 12 per cent for 1965-66, and 7.7 per cent for 1966-67. There was a general discussion of this Budget. It was then moved by Mr. Galbreath, seconded by Mr. Kennedy, and unanimously carried that the Budget as presented to the Board of Regents be approved.

The Chairman then called upon Mr. O'Brien to present certain actions that had been prepared by Bond Counsel on our Interim Financing on Dormitories 7, 8 and 9. It was moved by Mr. Herrold, seconded by Mr. Baxter, that the following resolution be approved. On roll call, the following members voted as follows: Galbreath, aye; Kennedy, aye; Baxter, aye; Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker, aye:

APPROVAL OF BOND RESOLUTION AND TRUST AGREEMENT
BETWEEN THE UNIVERSITY AND THE CITY NATIONAL BANK
AND TRUST COMPANY OF COLUMBUS, COLUMBUS, OHIO
AUTHORIZING AND SECURING THE OHIO UNIVERSITY AND
ITS BOARD OF TRUSTEES HOUSING AND DINING REVENUE
BONDS, SERIES E

BE IT RESOLVED by the Board of Trustees of the President and Trustees
of The Ohio University that the Second Supplemental Trust Agreement,

including the Bond Resolution, attached hereto as Exhibit I is hereby approved in all respects, and the Chairman of the Board of Trustees, the President of the University, the Vice President for Business Affairs, and the Treasurer, and each of them, are hereby authorized to execute, acknowledge and deliver the same to The City National Bank and Trust Company of Columbus, Columbus, Ohio, as Trustee, as may be appropriate, and the Secretary of the Board of Trustees is authorized to seal and attest the same, all with such changes not unfavorable to the University as the officers acting shall deem advisable or as shall be required by the rules, regulations or practices of the Housing and Home Finance Administrator.

184

EXHIBIT I
OHIO UNIVERSITY
AND ITS
BOARD OF TRUSTEES
HOUSING AND DINING REVENUE BONDS

SECOND SUPPLEMENTAL TRUST AGREEMENT

between

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

and

THE CITY NATIONAL BANK AND TRUST COMPANY OF COLUMBUS
Columbus, Ohio

TRUSTEE

Dated as of January 1, 1964

Supplementing

Original Trust Agreement dated as of January 1, 1962

and

First Supplemental dated as of January 1, 1963

Securing

\$3,250,000 Series E Bonds dated January 1, 1964

Additional Parity Bonds as provided herein

183

THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES

HOUSING AND DINING REVENUE BONDS

SERIES E

SECOND SUPPLEMENTAL TRUST AGREEMENT

THIS SECOND SUPPLEMENTAL TRUST AGREEMENT, dated as of January 1, 1964 (herein called the "Supplement") by and between the PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY (sometimes known as "The Ohio University") and its BOARD OF TRUSTEES (hereinafter sometimes referred to collectively as the "University"), created and existing under the laws of the State of Ohio and located at Athens, Ohio, jointly and severally parties of the first part, and THE CITY NATIONAL BANK AND TRUST COMPANY OF COLUMBUS, Columbus, Ohio, a national banking association organized and existing under and by virtue of the laws of the United States and having its office and place of business in the City of Columbus, County of Franklin and State of Ohio, hereinafter called the "Trustee", as Trustee under the Trust Agreement dated as of January 1, 1962, hereinafter mentioned, party of the second part;

182

WITNESSETH:

WHEREAS, the University, pursuant to the Original Bond Resolution, passed October 16, 1962, entered into a Trust Agreement dated as of January 1, 1962 with the Trustee, and as of January 1, 1963 entered into a First Supplemental Trust Agreement (herein, collectively with the First Supplement and this Supplement called the "Trust Agreement") under which \$600,000 Series A and \$3,250,000 Series B Construction and Refunding Housing and Dining Revenue Bonds, dated January 1, 1962, have been authorized and issued, and \$600,000 Housing and Dining Revenue Bonds, Series C and \$3,000,000 Housing and Dining Revenue Bonds, Series D, dated as of January 1, 1963, have been authorized and issued, and under which Additional Bonds (herein called "Additional Bonds") are issuable on a parity with the Series A, B, C and D Bonds and other Additional Bonds hereafter issued under certain conditions as provided in the Trust Agreement; and

182

WHEREAS, the University has in all respects complied with the provisions of the Trust Agreement so as to be entitled at this time to execute and to have authenticated and delivered by the Trustee Additional Bonds consisting of \$3,250,000 Series E Bonds; and

WHEREAS, the University further desires by this Supplement to provide for the issuance under the Trust Agreement of \$3,250,000 of Additional Bonds (herein called the Series E Bonds) as \$3,250,000 Housing and Dining Revenue Bonds, Series E; and

WHEREAS, the University has duly adopted on _____ the Series E Bond Resolution providing for the Series E Bonds and this Supplement, which resolution, collectively with the Original Bond Resolution, is referred to as the Bond Resolution; and

WHEREAS, the Series E Bond Resolution is as follows:

BOND RESOLUTION

Providing for the issuance of \$3,250,000 The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds Series E for the purpose of constructing three new dormitory buildings to provide housing and appurtenant facilities for approximately 733 men and women students, 4 supervisors, and basement car parking for approximately 75 cars, as Additional Parity Bonds pursuant to Bond Resolution adopted October 16, 1962, and Trust Agreement dated as of January 1, 1962.

WHEREAS, the Board of Trustees of The President and Trustees of The Ohio University (herein called the Board) is vested with the government of The President and Trustees of The Ohio University (herein called the University or, when the context admits, collectively with the Board called the University) by Section 3337.01 of the Revised Code of Ohio; and

181

WHEREAS, by authority of Section 3345.07 of the Revised Code of Ohio, the Board is authorized to construct, equip, maintain and operate upon sites within, or in close proximity to, the campus of the University buildings to be used as dormitories and as other suitable living quarters for students and members of the faculty and servants and wives and families of married students of said University, and as dining halls (including all separate or connected buildings, sites, equipment, structures and utilities to be used in connection with the maintenance or operation of, or in any way supplementing or related to the services or facilities to be provided by such buildings) and to pay for the same out of any funds in its possession derived from the operation of any dormitories, other living quarters or dining halls under its control or out of funds borrowed therefor and to borrow funds for such purposes upon such terms as said Board may deem proper and to issue notes or other written instruments evidencing such indebtedness provided that such indebtedness shall not be a claim against or lien upon any property of the State or any property of or under the control of said Board excepting such parts of the receipts of the operation of any dormitories under control of the Board as it may pledge to secure the payment of such indebtedness and by authority of said Section 3345.07 the Board is also authorized to issue such notes or other obligations payable as aforesaid in order to retire or refund outstanding notes or other obligations matured or unmatured, to repay moneys previously borrowed or advanced under said section or to reimburse funds of the University for amounts used under said Section 3345.07; and

WHEREAS, the University determined by resolution adopted October 16, 1962 (herein called the Original Bond Resolution) to provide for the issuance of dormitory revenue bonds and pursuant to the Trust Agreement dated as of January 1, 1962 with The City National Bank and Trust Company of Columbus (herein, with the First and Second Supplements called the Trust Agreement), to pledge the net income of all the dormitory facilities now or hereafter under control of the University, including the dining halls constituting part thereof, and to provide in said Trust Agreement for the issuance of such Bonds as from time to time authorized subject to the conditions contained in said Trust Agreement and by the Original Bond Resolution and the Trust Agreement provided for the sale of an initial issue of \$3,850,000 consisting of \$600,000 Series A Bonds and \$3,250,000 Series B Bonds (herein called the Series A and Series B Bonds)

180

179

and for the issuance from time to time as authorized by the University of additional bonds (herein called Additional Bonds, said Series A and B Bonds and Additional Bonds being herein collectively referred to as the Bonds) on a parity with said initial series, of which \$600,000 Series C Bonds and \$3,000,000 Series D Bonds have been authorized and issued, but the net income from the following dormitories, viz., Voigt Hall, Howard Hall, Boyd Hall, Lindley Hall, John Calhoun Baker Student Center Dormitory, Johnson Hall, Bush Hall, Read Hall, Perkins Hall, Gamertsfelder Hall, Tiffin Hall, Shively Hall, Washington Hall, Scott Quadrangle, Biddle Hall, Jefferson Hall and Lincoln Hall, and from the dining halls therein, is excluded from the pledge and such facilities are also excluded from the definition of Dormitory Facilities so long as the revenues from said dormitories are pledged to secure payment of any of the following bonds of The President and Trustees of The Ohio University which are presently outstanding: (a) 2-1/2% Serial Dormitory Revenue Bonds, dated April 1, 1950; (b) 3-1/4% Serial Dormitory Revenue Bonds, dated December 31, 1952; (c) 3-3/4% Serial Dormitory Revenue Bonds, dated October 1, 1953; (d) 3-1/8% Serial Dormitory Revenue Bonds, dated October 1, 1954; (e) 3% and 3-1/8% Serial Dormitory Revenue Bonds, dated July 1, 1955; and (f) 4% Serial Dormitory Revenue Bonds, Series G, dated October 1, 1958; and

WHEREAS, there are presently outstanding \$592,000 principal amount of Construction and Refunding Housing and Dining Revenue Series A Bonds, \$3,250,000 principal amount of Construction and Refunding Housing and Dining Revenue Series B Bonds, \$600,000 principal amount of Housing and Dining Revenue Series C Bonds and \$3,000,000 Housing and Dining Revenue Series D Bonds; and

WHEREAS, the University has not pledged or encumbered the revenues from its dormitory facilities except as provided in the Trust Agreement; and

WHEREAS, the University has determined to sell an issue of \$3,250,000 of Additional Bonds consisting of Series E Bonds (herein called the Series E Bonds), all as provided in the Trust Agreement; and

WHEREAS, the Board has heretofore determined, and hereby determines and confirms, the necessity of constructing three new dormitory buildings to provide housing and appurtenant facilities for approximately 733 men and women students, 4 supervisors, and basement car parking for approximately 75 cars (herein referred to as the "Project"); and

WHEREAS, said Project is to be constructed pursuant to plans prepared by Tyler, Potter, Martin and Roth, Architects, and approved by the Department of Public Works of Ohio; and

WHEREAS, the University has received estimates from its Architects, and, accordingly, estimates the cost of the Project, including provision for contingencies and interest during construction, will be as follows:

and

WHEREAS, the University has determined to borrow the funds to pay the foregoing costs, excluding the cost of movable equipment, of the Project and has entered into a Loan Agreement, dated as of February 1, 1964, with the United States of America acting through the Housing and Home Finance Administrator (hereinafter called the "Loan Agreement"), under which the United States has agreed to purchase the \$3,250,000 Series E Bonds, if no equal or more favorable bid than the bid of the United States therein provided is received.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of The President and Trustees of The Ohio University:

Section 1. Purpose of Series E Bonds. It is hereby determined to be necessary to issue \$3,250,000 Housing and Dining Revenue Bonds pursuant to Section 3345.07 of the Revised Code of Ohio and the Trust Agreement dated as of January 1, 1962 for the purpose of paying the costs of the Project, except the cost of movable equipment, and of all things incidental thereto or incidental to the financing thereof, including repayment, with interest, of moneys previously borrowed or advanced for the Project or restoring amounts used for the Project from other funds of the University available for such purposes. Said Bonds, together with the \$600,000 Series A Bond, \$3,250,000 Series B Bonds, \$600,000 Series C Bonds and \$3,000,000 Series D Bonds, and any Additional Bonds issued pursuant to the Trust Agreement, shall be payable as provided in the Original Bond Resolution from the Dormitory and Dining Hall Revenues. Said Project shall be a part of the Housing and Dining System of the University established pursuant to the Trust Agreement.

Section 2. Terms of the Bonds.

(a) Terms of Series E Bonds. Said \$3,250,000 The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds to be issued under this Resolution, the Original Bond Resolution, and the Trust Agreement shall be entitled "The Ohio University and Its Board of Trustees Housing and Dining Revenue Bonds, Series E" and, except when registered, shall constitute negotiable instruments; shall be issued as coupon bonds dated January 1, 1964

179

178

177

registrable as to principal, in the denomination of \$1,000, or such multiples thereof as specified by the original purchasers; provided, however, that all Bonds of a single maturity must be of the same denomination; or as one or more fully registered Bonds without coupons dated as provided in the Trust Agreement in denominations of \$1,000 or multiples thereof when and as requested by the original Purchasers of such Bond or Bonds; shall be numbered from 1 upward in order of maturity, and in the case of registered bonds of such Series as determined by the Vice President for Business Affairs of the University. Series E Bonds shall bear interest from their date at the rate of 3-5/8% per annum in the case of such Bonds purchased by the United States pursuant to the Loan Agreement, and in the case of Bonds not purchased by the United States under the Loan Agreement, if an equal or more favorable bid is received, at the rate or rates stipulated by the successful bidder in his bid and approved by the President or Vice President for Business Affairs of the University in writing. Interest on the Series E Bonds shall be paid semi-annually on the first days of January and July of each year commencing July 1, 1964, and the Series E Bonds shall mature serially on January 1 in years and amounts as follows:

Year	Amount	Year	Amount
1967-69	\$40,000	1991-93	\$100,000
1970-75	50,000	1994-95	110,000
1976-79	60,000	1996-98	120,000
1980-83	70,000	1999-2000	130,000
1984-87	80,000	2001-2002	140,000
1988-90	90,000	2003-2004	150,000

The principal and interest of the Series E Bonds shall be payable at the principal office of the Trustee under the Trust Agreement hereinafter provided for (said Trustee at the time of issuance of said Bonds being The City National Bank and Trust Company of Columbus, Columbus, Ohio); or at the option of the holder at the principal office of The Chase Manhattan Bank in the Borough of Manhattan, City and State of New York, except that interest on fully registered bonds may also be payable at such additional place or places, at the option of the holder, as shall be designated by the President and the Vice President for Business Affairs.

Series E Bonds maturing January 1, 1967 through January 1, 1974, inclusive, shall be non-callable. Series E Bonds maturing after January 1, 1974 are subject to call for redemption prior to maturity in whole or in part and in inverse numerical order at the option of the Board on July 1, 1974, or on any interest payment date thereafter at par and accrued interest to the date of redemption plus a redemption premium for each bond as follows:

3% if redeemed July 1, 1974 through January 1, 1979, inclusive,
 2-1/2% if redeemed July 1, 1979 through January 1, 1984, inclusive,
 2% if redeemed July 1, 1984 through January 1, 1989, inclusive,
 1-1/2% if redeemed July 1, 1989 through January 1, 1994, inclusive,
 1% if redeemed July 1, 1994 through January 1, 1999, inclusive,
 and without premium if redeemed after January 1, 1999

Except for the redemption of Series E Bonds with surplus funds in the Construction Account as provided in Section 4 of this Resolution, funds for the redemption of Bonds prior to maturity shall be applied, as to any Series of Bonds held by the United States of America at the time of such redemption on a pro rata basis (reflecting the proportion of the original amount of such Series of Bonds then held by the United States of America to the total amount of Bonds then outstanding under the original and supplemental Trust Indentures).

Calls for redemption shall be made by notice, specifying the numbers and amount of the Bonds to be called, published by the Trustee on behalf of the University once a week for two consecutive weeks in a financial newspaper of national circulation published in the English language in New York City and in an English language newspaper of general circulation in Columbus, Ohio, the first publication to be not more than forty (40) nor less than thirty (30) days prior to the date of redemption.

Series E Bonds shall be signed by the Chairman of the Board and the President of the University or shall bear the facsimile signatures of said officers, shall be attested by the Secretary of the Board or the Treasurer of the University, and shall be sealed with the seal of the University or a facsimile thereof, and interest coupons attached thereto shall bear the facsimile signature of the Secretary of the Board, or Treasurer of the University.

Series E Bonds and coupons shall be in substantially the form provided in the Trust Agreement with such variations as may be required by the Original Purchasers and approved by the President and Vice President for Business Affairs of the University, provided that such Bonds shall contain no terms or provisions inconsistent with this Resolution, the Original Bond Resolution, the Trust Agreement or the Loan Agreement.

(b) Terms of Additional Bonds. Additional Bonds and their coupons shall be designated, dated and signed, shall be in such form and denomination or denominations and shall have such maturities, interest rates, interest payment dates, redemption provisions, registration provisions, places of payment and other terms, provisions and conditions as may be provided pursuant to the resolution authorizing their issuance; provided, however, that such terms and conditions shall not be inconsistent with this Resolution, the Original Bond Resolution, the Trust Agreement or the then outstanding Bonds; and provided, further, that resolutions authorizing the issuance of Additional Bonds shall

176

175

174

provide for the payment of the principal of such Additional Bonds on January 1 of each year in which principal shall become due and for the payment of interest on such Additional Bonds on January 1 and July 1 of each year in which interest shall be payable under the terms of said Resolution.

(c) Terms of All Bonds. All Bonds and Coupons shall bear such designations as may be necessary to distinguish them from other series of Bonds and Coupons having different provisions.

All Bonds and Coupons shall be payable in any coin or currency which, on the respective dates of payment, is legal tender for the payment of debts due the United States of America.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bonds or Coupons shall cease to be such officer before the issuance, authentication or delivery of such Bonds or Coupons, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until that time. Any Bonds, duly called for redemption and for the retirement of which funds are deposited with the Trustee in an amount equal to the principal, premium if any, and interest to the redemption date, shall cease to bear interest from said redemption date and shall no longer be deemed to be outstanding.

As provided herein, the Bonds shall be equally and ratably payable from, and secured by pledge of, the receipts from the operation of all Dormitory Facilities of the University now or hereafter under control of the Board, including, without implied limitation, Bryan Hall, Ullom Apartments, Wolfe Apartments, Dormitories Nos. 1, 2, 3, 4, 5 and 6 in the West Green Dormitory Development and the Project, after provision for reasonable and proper expenses of operation and maintenance of such dormitory facilities, but excluding from such pledge and as a source of payment of the principal, interest, and premium, if any, of the Bonds the receipts of operation of the dormitories listed in the recitals to this Resolution and the Original Bond Resolution so long as the receipts from any such dormitory are pledged to secure payment of any of the outstanding bonds herein listed; and anything in this Resolution, the Original Bond Resolution, the Bonds or the Trust Agreement to the contrary notwithstanding, neither this Resolution, the Original Bond Resolution, the Bonds, nor the Trust Agreement shall be a claim against or a lien upon any property of the State of Ohio or any property of or under the control of the Board except the portion of said receipts pledged as provided herein; provided, however, that nothing herein shall be deemed to prohibit the University, of its own volition, from using, to the extent it is lawfully authorized to do so, any of its other resources or revenues for the fulfillment of any of the terms, conditions or obligations of the Trust Agreement, this Resolution, the Original Bond Resolution, or any of the Bonds.

Section 3. Issue of Series E Bonds. The Series E Bonds shall be advertised for sale, awarded, issued, authenticated and delivered pursuant to terms and provisions of the Loan Agreement.

Section 4. Allocation of Proceeds of Series E Bonds. The proceeds from the sale of the Series E Bonds shall be allocated and applied by the University as follows:

- (a) The portion representing accrued interest to the Bond and Interest Sinking Fund Account provided for in Section 7.
- (b) To the University the amounts necessary to reimburse the University for amounts expended by it on construction of the Project prior to issuance of the Series E Bonds.
- (c) The balance to the Construction Account to be held by the Trustee to pay all costs of the Project (including in accordance with the Loan Agreement the repayment of any amounts borrowed by the University to pay Project costs and interest thereon). Any moneys remaining in the Construction Account after all costs of the Project have been paid, but not more than \$60,000, shall be returned to the University. Any moneys then remaining in the Construction Account shall be promptly used to the extent possible for the redemption of Series E Bonds, and any residue shall be deposited in the Bond and Interest Sinking Fund Account.

Moneys in the Construction Account shall be expended only for such purposes as shall have been previously specified in the project cost estimates approved by the Housing and Home Finance Agency.

No part of the proceeds of Series E Bonds sold to the United States acting through the Housing and Home Finance Agency shall be used to pay costs (including cost of movable equipment or fees of a financial advisor), which, under the said Loan Agreement as from time to time amended or under the rules, regulations or practices of the Housing and Home Finance Agency, may not be paid from proceeds of bonds purchased by the United States through that agency, and the proceeds of the Series E Bonds purchased by the United States as aforesaid shall be segregated in the Construction Account to the extent necessary to effect the foregoing.

The Vice President for Business Affairs or the Treasurer of the University may make withdrawals from said Construction Account in order to make payments from such account authorized under the foregoing provisions of this Section 4.

174

173

172

171

If the payment is to be made with respect to an obligation under a construction contract relating to the Project, such payment shall have been certified as due under such contract by a qualified architect or engineer. If the payment is to be made from proceeds of Series E Bonds sold to the United States acting through the Housing and Home Finance Administrator, then the costs to which such payment is to be applied shall be costs which may be paid from such proceeds under said Loan Agreement as from time to time amended and the rules, regulations and practices of the Housing and Home Finance Agency.

When the moneys on deposit in the Construction Account exceed the estimated disbursements on account of the Project for the next 90 days the Vice President for Business Affairs or the Treasurer of the University may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by the United States Government which shall mature or which shall be subject to redemption by the holder thereof at the option of such holder, not later than 18 months after the date of such investment. Such investments, the earnings thereon and the proceeds of sale thereof shall constitute part of the Construction Account. The said investments may be sold, exchanged or collected from time to time by the Vice President for Business Affairs or the Treasurer of the University.

Section 5. Additional Bonds. The Board shall have the right from time to time to issue Additional Bonds under the Trust Agreement to provide funds for purposes authorized by Section 3345.07 of the Revised Code of Ohio, including construction and equipment by the University of buildings to be used as dormitories or as other living quarters or the refunding of outstanding bonds or notes issued under said Section 3345.07. The Trustee shall authenticate and deliver such Bonds, if (but only if) when such Additional Bonds are issued, the University shall have furnished to the Trustee, in addition to the Documents required by Section 2.03 of the Trust Agreement, (1) a certificate of the University's independent public accountant showing that the net income from the Dormitory Facilities for the fiscal year next preceding the date of issuance of such Additional Bonds, has been equal to at least one and thirty-five hundredths (1.35) times the average annual requirement for principal and interest on all Bonds then outstanding; provided, however, that this requirement shall not apply to the issuance of Additional Bonds to finance the construction or to complete the construction of Units Nos. 5 and 6 in the West Green Dormitory Development, and (2) a certificate of the President and the Vice President for Business Affairs of the University approved by the Board of Trustees, (a) showing that the actual net income from the dormitory facilities of the University (excluding net income from any dormitory facility which is to be abandoned or which is not suitable for continuous use as a dormitory facility for the term of such Additional Bonds) for the preceding fiscal year, as adjusted, if necessary, to reflect the schedule of rates and charges to become effective at the beginning of the next semester, quarter or other school period and to give recognition to any anticipated changes in operating costs, plus the estimated annual net income of the dormitory facilities to be financed through the proceeds of the sale of such Additional Bonds, plus, with respect to the issuance of Additional Bonds to finance the construction or completion of construction of Units Nos. 5 and 6 in the West Green Dormitory Development, but not with respect to the issuance of Additional Bonds for other purposes authorized by this Resolution, the estimated annual net income of dormitory facilities under construction will be equal to or greater than one and thirty-five hundredths (1.35) times the average annual debt service requirements for the payment of principal and interest charges on the Bonds then outstanding hereunder and on the Bonds then to be authenticated and delivered; (b) showing that the calculation of average annual debt service requirements was determined on the basis of the principal and interest being payable in approximately equal installments whether such Additional Bonds are to be serial or term bonds; (c) showing that there were not included in net income any receipts against which there is any prior claim other than the use thereof for the operating expenses included in computing the net income; (d) showing that the computations of estimates provided for above are based on an assumed occupancy of not more than 90% of capacity of the dormitory facilities in question; (e) Furnishing such other information in support of the foregoing as may reasonably be requested by the Trustee.

Section 6. Covenants of the University. The University covenants with the holders of the Bonds and with the Trustee under the Trust Agreement that (a) it has or will adopt and will maintain so long as any of the Bonds are outstanding such parietal rules, and charge and collect such rental rates and charges, from time to time as may be necessary to assure such occupancy and use of, and receipts from, the Dormitory Facilities as will pay the costs of maintenance and operation and provide for the payment of the principal of and interest on the Bonds and other payments to the Special Funds required by Section 7 of this Resolution; (b) it will not create or permit to be created any charge or lien on the revenues of the Dormitory Facilities equal to or prior to the pledge of such revenues as herein provided; (c) from funds lawfully available, it will cause any project to be constructed from the proceeds of Additional Bonds, to be completed and equipped in an efficient and economical manner with reasonable dispatch, in compliance with all applicable laws, ordinances and regulations, and, if substantial construction is involved, in a manner consistent with the plans and recommendations of responsible architects; (d) subject to the right of abandonment under conditions provided in the Trust Agreement designed to prevent adverse effect of such abandonment on the expected earnings coverage of debt service, it will, from the dormitory receipts pledged under this Resolution and as part of the operating expenses, maintain, preserve and keep the Dormitory Facilities in good repair, working order and operating condition and continuously operate the same on a revenue producing basis and will apply the receipts therefrom only as provided in Section 7 of this Resolution and in the Trust Agreement; (e) if requested in writing by the Trustee or the Original Purchasers, it will furnish to the Trustee and the Original Purchasers of the Bonds within 120 days

MINUTES—OHIO UNIVERSITY, Board of Trustees—September 17, 1964

after the close of each fiscal year an annual report of the accounts (including each Special Fund provided for in Section 7 of this Resolution) and operations of the Dormitory Facilities prepared by a qualified accounting firm operating generally throughout the United States, having a national reputation and approved by the Trustees; (f) it will keep proper books of record and accounts separate from other records and accounts, in which complete and correct entries will be made of all transactions relating to the Dormitory Facilities and will at all reasonable times permit the Trustee, the Original Purchasers or any holder or holders of 25 per cent of the outstanding Bonds, or their authorized representatives, to inspect the Dormitory Facilities and any books, documents and vouchers relating thereto; (g) it will furnish heat, light, power, water and other necessary services to the Dormitory Facilities at not in excess of reasonable cost; (h) it will maintain insurance such as that presently carried generally on its Dormitory Facilities and, further, will insure the Dormitory Facilities as required by the Trust Agreement and apply the proceeds of such insurance as provided therein; and (i) it will observe and perform all its agreements and obligations provided for by the Loan Agreement, the Bonds, the Trust Agreement, or this Resolution, including deposit in the Construction Account of the sum of \$60,000, or such greater amount as is necessary, together with the proceeds of Series E Bonds, to assure completion of the Project.

Section 7. Application of Receipts, Special Funds. There was established by the Original Bond Resolution a Special Fund designated as the "System Revenue Fund Account."

All rentals, charges, income and revenue arising from the operation or ownership of the Dormitory Facilities shall be deposited to the credit of the System Revenue Fund Account and held in the custody of the Treasurer of the University, separate and apart from all other funds. The System Revenue Account shall be maintained so long as any of the Bonds are outstanding in a bank which is a member of the Federal Deposit Insurance Corporation and shall be expended and used by the Treasurer only in the manner and order specified below.

Current expenses of operation and maintenance of the Dormitory Facilities shall be payable, at a first charge, from the System Revenue Fund Account as the same become due and payable. Current expenses shall include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the System, but shall exclude depreciation, all general administrative expenses of the Borrower and the payment into the "Repair and Replacement Reserve Account" established by the Original Bond Resolution.

The remainder of the System Revenue Fund Account, after providing for payment of Current Expenses, shall be applied as provided in the Original Bond Resolution; namely, as follows:

First: Into the Bond and Interest Sinking Fund Account, to be held by the Trustee as a separate fund and used for the payment of principal and interest on the Bonds, the amounts provided in the Original Bond Resolution for the payment of principal and interest on the Series A and B Bonds, and in addition, beginning June 15, 1964, and thereafter, the University shall transfer from the System Revenue Fund Account, on or before each June 15 a sum equal to the interest becoming due on all outstanding Bonds on the next following July 1, plus a sum equal to one-half of the principal becoming due on the next following January 1 on all outstanding Bonds, plus a sum equal to one-half of 35 per centum of the aggregate principal and interest on all outstanding Bonds becoming due on the next following July 1 and January 1, and on or before December 15 a sum equal to the interest becoming due on all outstanding Bonds on the next following January 1, plus one-half of the principal on all outstanding Bonds becoming due on the next following January 1, plus one-half of 35 per centum of the aggregate interest and principal due on the next preceding July 1 and the next following January on all outstanding Bonds until the funds and/or investments in the Bond and Interest Sinking Fund Account are sufficient to provide a debt service reserve at least equal to the maximum principal and interest requirements for any consecutive two-year period on all bonds then outstanding, and, thereafter, on or before each June 15 and December 15, such sums as may be necessary to meet the interest on the Bonds due on the next interest payment date and one-half of the principal due on the next following January 1 and maintain the debt service reserve at a sum at least equal to the maximum principal and interest requirements for any consecutive two-year period on all bonds then outstanding.

Second: Into the Repair and Replacement Reserve Account to be held by the Trustee as a separate fund on or before the close of each fiscal year, (1) a sum equal to three per centum (3%) of the cost of the furnishings and movable equipment of the Dormitory Facilities, or such portion thereof as is available for transfer annually for an equipment reserve until the funds and/or investments in the equipment reserve portion of the account shall be at least equal to the cost of the aforesaid furnishings and movable equipment and thereafter such sums, but not more than three per centum (3%) of the cost of the aforesaid furnishings and movable equipment annually, as may be required to restore and maintain the equipment reserve at an amount at least equal to the cost of the aforesaid furnishings and movable equipment and (2) a sum equal to one-fourth of one per centum (1/4%) of the construction costs of the Dormitory Facilities or such portion thereof as is available for transfer annually for a repairs reserve. All moneys in the Repair and Replacement

Reserve Account may be drawn on and used by the University for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of the furniture and equipment not paid as part of the ordinary and normal expense of the operation of the Dormitory Facilities. However, in the event there should be a deficiency in the amount required to be deposited in the Bond and Interest Sinking Fund Account on any deposit date, funds on deposit in the Repair and Replacement Reserve Account shall be transferred to the Bond and Interest Sinking Fund Account to the extent required to eliminate the deficiency in that Account.

Subject to making the foregoing maximum deposits, the Borrower may use the balance of excess funds in the System Revenue Fund Account at the close of each fiscal year (1) to redeem outstanding Bonds on the next interest payment date, in inverse numerical order and in amount of not less than \$5,000 par value at one time, or (2) for any expenditures, including the payment of debt service, in improving or restoring any existing housing and dining facilities or providing any such additional facilities, or (3) for any other lawful purpose.

The Bond and Interest Sinking Fund Account is irrevocably pledged to, and shall be used by the Trustee for, the payment of principal and interest on the Bonds and, until required for such purposes, shall be invested by the Trustee in such direct obligations of the United States as the President and the Vice President for Business Affairs or the Treasurer of the University shall direct in writing addressed to the Trustee, which writing shall determine that the maturity of the respective obligations is not later than the date on which such funds will be required for payment of such principal and interest. The Trustee shall transfer from the Bond and Interest Sinking Fund Account to the Paying Agents amounts sufficient to enable said Paying Agents to pay when due principal and interest on the Bonds, or the Trustee shall make such credit arrangements with said Paying Agents as to permit such payments.

The Repair and Replacement Reserve Account is irrevocably pledged to, and shall be used for, extraordinary repairs and replacements to the Dormitory Facilities, renewals and replacements, and the renovating or replacement of movable equipment and furniture of the Dormitory Facilities or for payment of the principal and interest on the Bonds by transfer to the Bond and Interest Sinking Fund Account as herein provided. The Trustee shall transfer from the Repair and Replacement Reserve Account to the Bond and Interest Sinking Fund Account such amounts as are from time to time necessary, in addition to the other amounts available therein, without use of the debt service reserve, to provide for the payment, when due, of the principal and interest on the Bonds and such fund shall not be used for repairs or replacement if there is any deficiency in any of the deposits required to be made to the Bond and Interest Sinking Fund Account.

The University may withdraw funds from the Repair and Replacement Reserve Account to pay for repairs or replacements upon delivery to the Trustee of a certificate signed by the President or Vice President for Business Affairs of the University setting forth the sum to be withdrawn and certifying that such repairs or replacements are necessary. Until required for such purposes, the Repair and Replacement Reserve Account may be invested by the Trustee in such direct obligations of the United States as the President and Vice President for Business Affairs or the Treasurer of the University shall direct in writing, which obligations shall mature not more than five years from the date of investment.

Investments made pursuant to this Section 7 of any amounts in any Special Fund created in the Original Bond Resolution and the interest thereon and the proceeds thereof shall constitute part of that Special Fund and be added to that particular fund. Such investments shall be sold, exchanged or collected from time to time as directed by the President and the Vice President for Business Affairs or the Treasurer of the University, and the Trustee shall be under no liability and have no responsibility in connection with such investment, or the sale, exchange or collection thereof, provided the directions of said officers are followed.

Section 8. Trust Agreement. The President of the University and the Chairman of the Board, and each of them, are authorized to execute, acknowledge and deliver, and the Secretary of the Board and the Treasurer of the University, and each of them, are authorized to sign and attest the Second Supplemental Trust Agreement with the Trustee above referred to containing provisions designed to implement the terms, provisions and covenants of this Resolution and in form and substance consistent herewith and satisfactory to the officers executing the same and the Original Purchasers of the Series E Bonds. The terms and provisions of the Trust Agreement are hereby confirmed and adopted and the terms of said Trust Agreement purporting to be applicable to the Series A, B, C and D Bonds or to the Projects to be constructed from the proceeds of the Series A, B, C, and D Bonds shall be deemed equally applicable to the Series E Bonds and the Project covered by this Resolution to the extent that the same are not inconsistent with the terms or provisions of this Resolution and the context so permits.

Section 9. Definitions. When the context so permits, the following terms shall have the following meanings:

"Additional Bonds" shall mean bonds issued pursuant to the Trust Agreement, the Original Bond Resolution, the Series C and D Bond Resolutions and this Resolution in addition to and on a parity with the Series A, B, C, D, and E Bonds, and "Bonds" shall mean both the Series A, B, C, D and E Bonds and Additional Bonds; "Dormitory Facilities" shall mean buildings, groups of buildings or parts of or additions to buildings, the sites therefor, and the dining halls constituting part thereof, now or hereafter constructed, acquired by or under the control of the Board and authorized to be constructed, equipped, maintained and operated by Section 3345.07 of the Revised Code of Ohio, including dormitories, dormitory additions and additional dormitories, married student housing facilities or projects, dining halls,

165

164

163

162

whether separate from or located in any of the foregoing, and all separate or connected buildings, sites, equipment, structures and utilities to be used in connection with the operation or maintenance of, or in any way supplementing the services or facilities to be provided by such buildings, but excluding the dormitories listed in the recitals to this Resolution so long as the revenues derived from the operation of such dormitories are pledged to secure payment of any of the outstanding bonds listed in such recitals; "Agreement" or "Trust Agreement" shall refer to the Trust Agreement dated as of January 1, 1962 as from time to time supplemented pursuant to its terms; "Net Income" shall mean the receipts from operation of the applicable dormitory facilities less reasonable and proper operating and maintenance expenses thereof; "Original Purchasers" shall mean the United States of America or such other original purchasers of the Series E Bonds; the "Reasonable and Proper Operating and Maintenance Expenses" of the Dormitory Facilities shall mean all ordinary and usual reasonable expenditures necessary to the operation, repair and maintenance of the Dormitory Facilities including, without limiting the generality of the foregoing, taxes, fees and expenses of the Trustee and paying agents and any expenses required to be paid by the Bond Resolution or the Trust Agreement, but excluding provision or expenditure for depreciation or capital replacement, or expenditures for administration or regulation of the occupants of the Dormitory Facilities which do not constitute costs of the type included as costs of operation of dormitories under the present accounting practice of the University, or expenditures for extraordinary repairs or replacements payable from the Repair and Replacement Reserve Account or payments to the Bond and Interest Sinking Fund Account or Repair and Replacement Reserve Account; "Trustee" refers to the Trustee under the Trust Agreement, presently The City National Bank and Trust Company of Columbus, Columbus, Ohio; any reference to an officer of the University or of the Board in this Resolution shall refer to the person holding such office, or in the event of resignation, absence or incapacity or vacancy in such office, then the person performing the duties of such office; any reference to Section 3345.07 of the Revised Code of Ohio shall, when the context permits, mean said section as it now exists and as it is from time to time amended, supplemented or affected by later legislation.

Section 10. General. The appropriate officers of the University and the Board and the Trustee designated in the Trust Agreement are authorized and directed to do all things necessary or proper to carry out the terms and provisions of this Resolution, the Series E Bonds, the Trust Agreement, and the Loan Agreement, and to effect the execution, authentication, sale and delivery of said Series E Bonds in accordance therewith. The obligations imposed upon the University under this Resolution or the Trust Agreement are established as duties specifically enjoined upon the University, and Board and the officials of the University by law and result from their respective offices, trusts or stations within the meaning of Section 2731.01 of the Revised Code of Ohio. The requirements of this Resolution and the Trusts hereby created are established in furtherance of the application of the borrowed funds and the pledge of receipts for the purposes authorized by Section 3345.07 of the Revised Code of Ohio and constitute terms which the Board has deemed proper under which such funds are borrowed.

WHEREAS, the texts of the Series E Bonds and the coupons, if any, to be attached thereto and the authentication certificate of Trustee to be endorsed thereon are to be substantially in the following forms, with such variations as may be required by the Original Purchasers and approved by the President and Vice President for Business Affairs of the University, provided that such Bonds shall contain no terms or provisions inconsistent with the Bond Resolution or Trust Agreement.

(Form of Coupon Bond)

The form of Coupon Bond shall be identical with the form of Coupon Bond set forth in the Trust Agreement dated as of January 1, 1962 except that it shall be designated "The Ohio University and its Board of Trustees Housing and Dining Revenue Bond, Series E" and there shall be substituted in such form in lieu of the corresponding paragraphs and Trustee's Certificate and corresponding coupon form in said Coupon Bond the following paragraphs and coupon form:

This bond is one of a duly authorized issue of \$3,250,000 of The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E, issued pursuant to Section 3345.07 of the Revised Code of Ohio and the Resolutions of the Board of Trustees as of October 16, 1962, September 23, 1963, and _____, 1964 (herein collectively called the "Bond Resolution") for the purpose of providing funds to construct certain new dormitory facilities and secured by Trust Agreement dated as of January 1, 1962, First Supplemental Trust Agreement dated as of January 1, 1963, and Second Supplemental Trust Agreement dated as of January 1, 1964, between the University and the above named Trustee (herein, altogether with the Bond Resolution, collectively called the "Agreement").

The University hereby reserves the right to call and redeem the bonds of this Series maturing after January 1, 1974, as a whole, or in part, in inverse numerical order on any interest payment date on or after July 1, 1974 at par and accrued interest to the redemption date, plus redemption premiums as follows: 3% if redeemed July 1, 1974 through January 1, 1979; 2½% if redeemed July 1, 1979 through January 1, 1984; 2% if redeemed July 1, 1984 through January 1, 1989; 1½% if redeemed July 1, 1989 through January 1, 1994; 1% if redeemed July 1, 1994 through January 1, 1999; 0% if redeemed after January 1, 1999.

162

161

160

159

MINUTES—OHIO UNIVERSITY, Board of Trustees-September 17, 1964

The Series A, B, C, D, and E Bonds, together with such Additional Bonds as may be issued on a parity therewith under said Agreement, (herein called the Bonds) are, and are to be, secured only, but equally and ratably without priority one over another by reason of number or of date of Bond, sale, execution or delivery, by the Agreement, creating a prior pledge of the receipts of all Dormitory Facilities (as defined in the Agreement) now or hereafter under the control of the Board of Trustees after provision only for reasonable operating and maintenance expenses thereof.

IN WITNESS WHEREOF, the President and Trustees of The Ohio University and its Board of Trustees, jointly and severally, have caused this Bond to be signed by the facsimile signatures of the Chairman of the Board of Trustees and of the President of the University and to be attested by the Secretary of the Board of Trustees and to bear a facsimile of the seal of the University and the interest coupons attached hereto to bear the facsimile signature of the Secretary of the Board of Trustees of the University, all as of January 1, 1964.

159

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY
and
THE BOARD OF TRUSTEES OF
THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

BY (Facsimile signature of Chairman of the Board)
Chairman of the Board of Trustees

and by (Facsimile signature)
President of the University

Attest:
Secretary of the Board
of Trustees

(Form of Trustee's Authentication Certificate)

TRUSTEE'S CERTIFICATE

This Bond is one of the Bonds described in the within mentioned Trust Agreement as supplemented by Second Supplemental Trust Agreement dated as of January 1, 1964.

THE CITY NATIONAL BANK AND TRUST COMPANY
OF COLUMBUS, Columbus, Ohio

Trustee

by
Authorized Officer

(Form of Coupon)

On the first day of _____, 19____, (unless the bond designated herein has been duly called for previous redemption and payment thereof duly provided for,) The President and Trustees of The Ohio University and its Board of Trustees, as such Trustees and not individually, will pay to bearer, but only from the sources and in the manner provided in the Trust Agreement dated as of January 1, 1962, and supplement thereto dated January 1, 1964, between the said University and said Board and The City National Bank and Trust Company of Columbus, Columbus, Ohio, as Trustee, and not from the general or ordinary funds of the State of Ohio or said Board of University, on the surrender of this coupon at the principal office of The City National Bank and Trust Company of Columbus, Ohio, or at the option of the holder, at the principal office of The Chase Manhattan Bank in the Borough of Manhattan, City and State of New York _____ Dollars (\$ _____) in lawful money of the United States of America, being interest then due on The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E dated January 1, 1964.

158

Bond No.

Coupon No.

(Facsimile signature)
Secretary of the Board of Trustees

157

MINUTES—OHIO UNIVERSITY, Board of Trustees—September 17, 1964

(Form of Fully Registered Bond of Single Maturity)

The form of Registered Bonds without coupons of single maturity shall be identical with the form of Registered Bond set forth in the Trust Agreement dated as of January 1, 1962 except that it shall be designated "The Ohio University and its Board of Trustees Housing and Dining Revenue Bond, Series E" and there shall be substituted in such form in lieu of the corresponding paragraphs and Trustee's Certificate in said Registered Bond the following paragraphs:

This Bond is one of a duly authorized issue of \$3,250,000 of The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E, issued and to be issued from time to time, pursuant to Section 3345.07, of the Revised Code of Ohio and the Resolutions of the Board of Trustees as of October 1, 1962, September 23, 1963 and _____, 1964 (herein collectively called the "Bond Resolution") for the purpose of providing funds to construct certain new dormitory facilities and secured by Trust Agreement dated as of January 1, 1962, First Supplemental Trust Agreement dated as of January 1, 1963 and Second Supplemental Trust Agreement dated as of January 1, 1964 between the University and the above named Trustee (herein, together with the Bond Resolution, collectively called the "Agreement.")

The University hereby reserves the right to call and redeem the Bonds of this Series maturing after January 1, 1974 as a whole, or in part, in inverse numerical order on any interest payment date on or after July 1, 1973 at par and accrued interest to the redemption date, plus redemption premiums as follows: $\frac{3}{4}\%$ if redeemed July 1, 1974 through January 1, 1979; $2\frac{1}{4}\%$ if redeemed July 1, 1979 through January 1, 1984; 2% if redeemed July 1, 1984 through January 1, 1989; $1\frac{1}{4}\%$ if redeemed July 1, 1989 through January 1, 1994; 1% if redeemed July 1, 1994 through January 1, 1999; 0% if redeemed after January 1, 1999.

The Series A, B, C, D, and E Bonds, together with such Additional Bonds as may be issued on a parity herewith under said Agreement, (herein called the Bonds) are, and are to be, secured only, but equally and ratably without priority one over another by reason of number or date of Bond, sale, execution or delivery, by the Agreement, creating a prior pledge of the receipts of all Dormitory Facilities (as defined in the Agreement) now or hereafter under the control of the Board of Trustees after provision only for reasonable operating and maintenance expenses thereof.

* * *

(Form of Trustee's Authentication Certificate)

TRUSTEE'S CERTIFICATE

This Bond is one of the Bonds described in the within mentioned Trust Agreement as supplemented by Second Supplemental Trust Agreement dated as of January 1, 1964.

THE CITY NATIONAL BANK AND TRUST COMPANY OF COLUMBUS,
Columbus, Ohio

Trustee

By _____
Authorized Officer

* * * *

(Form of Single Fully Registered Bond covering
More than One maturity)

The form of Single Fully Registered Bond without coupons shall be identical with the form of Single Fully Registered Bond set forth in the Trust Agreement dated as of January 1, 1962 except that it shall be designated "The Ohio University and its Board of Trustees Housing and Dining Revenue Bond, Series E", bearing interest from January 1, 1964, and there shall be substituted in such form in lieu of the corresponding paragraphs and Trustee's Certificate the following paragraphs:

This Bond, designated The Ohio University and its Board of Trustees Housing and Dining Revenue Bond, Series E (herein referred to as the Bond), is issued in lieu of an issue of a like principal amount of serial coupon bonds of similar designation maturing in the amounts and on the dates of the above installments, bearing interest at the same rate and each in the denomination of \$1,000, and, with the above coupon bonds, is authorized to be issued, pursuant to Section 3345.07 of the Revised Code of Ohio and the Resolutions of the Board adopted as of October 16, 1962, September 23, 1963 and _____, 1964 (herein

157

156

155

called the Bond Resolution) and the Trust Agreement described below, for the purpose of paying the costs of constructing certain new dormitory facilities and repaying advances made for that purpose and is secured by Trust Agreement dated as of January 1, 1962, First Supplemental Trust Agreement dated as of January 1, 1963 and Second Supplemental Trust Agreement dated as of January 1, 1964, between the University and The City National Bank and Trust Company of Columbus, Columbus, Ohio, as Trustee (herein collectively called the "Trust Agreement"). This Bond is exchangeable at the sole expense of the University at any time, upon 90 days' notice, at the request of the registered owner hereof and upon surrender of this Bond at the office of the Trustee, together with an assignment and instructions duly executed by the registered owner in such form as shall be satisfactory to the Trustee, for coupon bonds authorized by the Trust Agreement bearing interest payable on the same dates and at the same rate and maturing in the same amounts and on the same dates as the then unpaid installments of this Bond, with coupons attached representing all unpaid interest due or to become due thereon, or for single maturity registered Bonds without coupons authorized by the Trust Agreement bearing interest payable on the same dates and at the same rate and maturing in the same amounts and on the same dates as the then unpaid installments of this Bond.

The Series A, Series B, Series C, Series D Bonds, and Series E Bonds, together with such Additional Bonds as may be issued on a parity therewith under said Agreement, are, and are to be, secured only, but equally and ratably without priority one over another by reason of number or of date of Bond, sale, execution or delivery, by the Trust Agreement, creating a prior pledge of the receipts of all Dormitory Facilities now or hereafter under the control of the Board of Trustees as defined in the Trust Agreement after provisions only for reasonable operating and maintenance expenses thereof.

155

IN WITNESS WHEREOF, the President and Trustees of The Ohio University and its Board of Trustees, jointly and severally, have caused this Bond to be signed by the facsimile signatures of the Chairman of the Board of Trustees and of the President of the University and to be attested by the Secretary of the Board of Trustees and to bear a facsimile of the seal of the University, all as of January 1, 1964.

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY AND THE BOARD OF TRUSTEES OF THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY
(Facsimile signature of Chairman of the Board of Trustees)

By _____
(Chairman of the Board of Trustees)

and by _____
(Facsimile signature)
President of the University

Attest:

(Secretary of the Board of Trustees)

(Form of Trustee's Authentication Certificate)

TRUSTEE'S CERTIFICATE

This Bond is one of the Bonds described in the within mentioned Trust Agreement as supplemented by First Supplemental Trust Agreement dated as of January 1, 1964.

THE CITY NATIONAL BANK AND TRUST COMPANY OF COLUMBUS, Columbus, Ohio

Trustee

By _____
Authorized Officer

154

153

MINUTES—OHIO UNIVERSITY, Board of Trustees—September 17, 1964

NOW, THEREFORE, THIS SUPPLEMENTAL TRUST AGREEMENT, WITNESSETH:

that in order to secure the payment of the principal of and interest on the Bonds according to their true intent and meaning, and to secure the performance and observance of all covenants and conditions therein and herein, in the Bond Resolution and in the Trust Agreement contained, and for and in consideration of the premises and of the purchase and acceptance of the Bonds by the holders thereof from time to time, and the acceptance by the Trustee of the further trusts hereby created, and for other good and valuable considerations, the receipt of which is hereby acknowledged, the University has executed and delivered this Second Supplemental Agreement.

IN TRUST, NEVERTHELESS, upon the terms and trusts in the Trust Agreement and in this Supplement set forth for the equal and proportionate benefit and security of all present and future holders of the Bonds and appurtenant coupons issued or to be issued under and secured by the said agreements, without preference, priority or distinction, as to lien or otherwise, of any one bond or coupon over any other by reason of priority in the time of the issue or negotiation thereof or otherwise, except as may be otherwise expressly provided in said Trust Agreement.

AND IT IS HEREBY COVENANTED AND DECLARED by the University with the Trustee and its successors in the trust under the Trust Agreement for the benefit of those who shall hold such Bonds and appurtenant coupons at any time issued and outstanding under the Trust Agreement as follows:

Section 1. Incorporation of Bond Resolution. This Series E Bond Resolution is hereby made a part of this Supplement and of the Trust Agreement.

Section 2. Form, Execution and Delivery of Series E Bonds. The Series E Bonds shall be executed, authenticated and delivered as provided herein, and said Series E Bonds, the coupons to be attached thereto, and the certificate of authentication of the Trustee to be endorsed thereon shall be substantially in the form provided herein with any necessary modifications to conform hereto and to any requirements of the Housing and Home Finance Agency if the United States purchases any of said Series E Bonds.

Section 3. Proceeds of Sale. The proceeds from the sale of the Series E Bonds shall be applied as provided in the Bond Resolution.

Section 4. Concerning the Trustee. The Trustee hereby accepts the trusts hereby declared and provided and agrees to perform the same upon the terms and conditions in the Trust Agreement and in this or any other Supplement set forth.

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplement or the due execution thereof by the University, nor for or in respect of the recitals herein contained, all of which recitals are made by the University solely. In general, each and every term and condition contained in the Original Trust Agreement shall apply to this supplement, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Supplement.

In the event of conflict between the terms and conditions of the Original Trust Agreement and this Supplement, the provisions of the Original Trust Agreement shall control except where the provisions of this Supplement conform to the requirements of the Loan Agreement described in the Series E Bond Resolution.

IN WITNESS WHEREOF, the President and Trustees of The Ohio University and its Board of Trustees has caused this Agreement to be signed in their names by the Chairman of the Board and by the President of the University and its corporate seal to be hereunto affixed and the same to be attested by the Secretary of the Board, and The City National Bank and Trust Company of Columbus, Columbus, Ohio, to evidence its acceptance of the trust hereby created, has caused this Agreement to be signed in its name by one of its Vice Presidents and one of its Trust Officers and its corporate seal to be hereunto affixed and the same to be attested by a Trust Officer, all as of the day and year first above written, but actually on the dates of the respective acknowledgements.

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY
and

THE BOARD OF AND TRUSTEES OF THE PRESIDENT AND
TRUSTEES OF THE OHIO UNIVERSITY

(Seal)

BY

Chairman of the Board

And by

President of the University

Attest:

Secretary

THE CITY NATIONAL BANK AND TRUST COMPANY OF COLUMBUS,
Columbus, Ohio Trustee

BY

Vice President

And by

Trust Officer

Attest:

Trust Officer

153

152

151

MINUTES--OHIO UNIVERSITY, Board of Trustees--September 17, 1964

State of Ohio,

County of Athens, ss:

On this _____ day of _____, 196____, before me a Notary Public in and for said County and State personally appeared _____, Chairman of the Board of Trustees of The President and Trustees of Ohio University, and _____, the President of the University, and acknowledged the execution of the foregoing instrument, and that the same is their voluntary act and deed on behalf of said University and its Board of Trustees and the voluntary and corporate act and deed of said University and Board of Trustees.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

Notary Public

State of Ohio

County of Franklin, ss:

On this _____ day of _____, 196____, before me a Notary Public in and for said County and State personally appeared _____ and _____, Vice President and Trust Officer, respectively, of The City National Bank and Trust Company of Columbus, Columbus, Ohio, the bank which executed the foregoing instrument as Trustee, who acknowledged that the seal affixed to said instrument is the seal of said bank, that they did sign said instrument as such officers, respectively, for and on behalf of said bank and by authority granted in its rules and regulations and by its Board of Directors; that the same is their free act and deed as such officers, respectively, and the free and corporate act and deed of said The City National Bank and Trust Company of Columbus, Columbus, Ohio.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

Notary Public

Mr. Kennedy then read the following Resolution Ratifying Adoption of Resolutions Providing for Parietal Rules and Rental Rates on April 17, 1962. It was moved by Mr. Kennedy, seconded by Mr. Galbreath, that the following Resolution be approved. On a roll call vote the following votes were recorded: Galbreath, aye; Kennedy, aye; Baxter, aye; Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker, aye;.

BE IT RESOLVED by the Board of Trustees of The President and Trustees of The Ohio University that the resolutions adopted at the meeting of the Board on April 17, 1962 providing for and establishing parietal rules for the dormitory facilities of the University and providing for and establishing rental rates for such facilities including the Married Student Apartments, are hereby ratified and confirmed, and the same are hereby extended and made applicable to dormitory and appurtenant facilities known as Housing and Home Finance Agency Project No. CH-OHIO-173(D).

Mr. Kennedy then presented a Resolution for Adopting Forms of Bank Resolution for Deposit and Disposition of Proceeds of Sale of The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E. It was moved by Mr. Kennedy, seconded by Mr. Galbreath, and on a roll call vote the following votes were recorded: Galbreath, aye; Kennedy, aye; Baxter, aye; Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker, aye; there being no negative votes, the following Resolution is adopted:

BE IT RESOLVED, that either the President or Treasurer of the University, on behalf of the University and this Board of Trustees are authorized to give such instructions as the officer acting shall, from time to time, deem advisable and consistent with the Bond Resolution, Trust Agreement and the Loan Agreement with respect to the deposits in, or withdrawal from, application, disposition, or establishment of any account in The Athens National Bank (or any other bank) and the deposit therein of the proceeds of sale of The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E, or of loans effected as interim financing pending issuance of said bonds, and the Board hereby adopts such forms of resolutions as may be required by such bank to effect the foregoing.

Mr. Kennedy then moved, seconded by Mr. Galbreath, that the following Resolution Approving Certificate of the President and Vice President for Business Affairs Relative to Expected Earnings for Housing and Dining Revenue Bonds, Series E, be approved. On a roll call the following votes were recorded: Galbreath, aye; Kennedy, aye; Baxter, aye; Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker, aye.

WHEREAS, the City National Bank and Trust Company of Columbus has agreed to advance funds for construction of additional dormitory facilities described in Housing and Home Finance Agency Project No. CH-OHIO-173(D) as interim financing repayable from the proceeds of Housing and Dining Revenue Bonds, Series E, when sold after July 1, 1965; and

150

149

148

147

WHEREAS, on the basis of information submitted to it, this Board has determined that after the fiscal year ending June 30, 1965 there will be sufficient earnings from then-existing dormitories, together with estimated earnings from Project No. CH-Ohio-173(D) dormitory facilities to meet the earnings coverage requirements for issuance of additional parity bonds provided in the Trust Agreement dated January 1, 1962; and

WHEREAS, a certificate to be delivered at that time showing such earnings coverage must be approved by this Board, and in connection with the interim finance referred to above, it is advisable to approve the form of certificate submitted to this meeting based on estimated revenues as of July 1, 1965; NOW, THEREFORE,

BE IT RESOLVED, by the Board of Trustees of The President and Trustees of The Ohio University that the certificate attached hereto marked Exhibit "A" setting forth estimated earnings coverage as described above, and as required by Section 5 of the Bond Resolution, be and the same is hereby approved.

Exhibit "A"

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

Certificate of Expected Earnings Coverage under Section 5 of Bond Resolution as of July 1, 1965 for Issuance of proposed \$3,250,000 Housing and Dining Revenue Bonds,
Series E

1. Estimated net income from dormitory facilities for fiscal year ending June 30, 1965 (excluding net income from any dormitory facilities to be abandoned or which are not suitable for continuous use for term of Series E Bonds) \$ 619,367
2. Adjustment, if any, to reflect schedule of rates and charges which may become effective in any semester prior to end of fiscal year. \$ -
3. Adjustment in actual net income due to anticipated charges in operating costs. \$ -
4. Estimated annual net income of dormitory facilities to be financed from proceeds of Series E Bonds \$ 181,014
5. Total estimated net income as adjusted. \$ 800,381
6. Average annual debt service requirements for payment of principal and interest on Series A, B, C, D and E Bonds calculated on basis of principal and interest being payable in approximately equal installments. \$ 495,695
7. Ratio of total income (Item 6) to average annual debt service requirements on Series A, B, C, D and E Bonds. 1.61 - 1

The undersigned hereby certify:

- A. That the foregoing facts and figures are true and accurate to the best of their knowledge and belief;
- B. That there were not included in net income any receipts against which there is any prior claim other than the use thereof for the operating expenses included in computing the net income.
- C. That the computations of estimates provided for above are based upon an assumed occupancy of not more than 90% of capacity of the dormitory facilities in question.

Executed this _____ day of _____, 1964.

President of The President and Trustees
of The Ohio University

Vice President for Business Affairs of
The President and Trustees of The Ohio
University

The Chairman then called on Mr. Paul O'Brien for the presentation of motions covering the sale and delivery of bonds on our HHFA project, CH-Ohio(153)DS. Mr. Galbreath moved, seconded by Mr. Herrold, that the following Resolution Approving Certificates of the President and the Vice President for Business Affairs for Housing and Dining Revenue Bonds, Series C and D, be approved. On a roll call the following votes were recorded: Galbreath, aye; Kennedy, aye; Baxter, aye; Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker, aye.

147

146

145

MINUTES—OHIO UNIVERSITY, Board of Trustees—September 17, 1964

RESOLUTION APPROVING CERTIFICATES OF THE PRESIDENT
AND VICE PRESIDENT FOR BUSINESS AFFAIRS FOR HOUSING
AND DINING REVENUE BONDS, SERIES C AND D

BE IT RESOLVED by the Board of Trustees of The President and Trustees of The Ohio University that the certificates attached hereto marked Exhibit A and Exhibit B, respectively, and setting forth the earnings coverage for additional bonds to finance the construction of Dormitories 5 and 6 as required by Section 5 of the Bond Resolution and the statements required by Section 2.03 (4) of the Original Trust Indenture, be and the same are hereby approved.

Exhibit "A"

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

Certificate of Expected Earnings Coverage under Section 5 of Bond Resolution as of June 30, 1964 for Issuance of \$3,600,000 Housing and Dining Revenue Bonds, Series C and D to finance Construction of Units Nos. 5 and 6 in West Green Dormitory Development.

1. Actual net income from dormitory facilities for fiscal year ending June 30, 1964 (excluding net income from any dormitory facilities to be abandoned or which are not suitable for continuous use for term of Series C and D Bonds). \$ 340,150
2. Adjustment, if any, to reflect schedule of rates and charges to become effective at beginning of succeeding semester. \$ 61,884
3. Adjustment in actual net income due to anticipated changes in operating costs. \$ -
4. Estimated annual net income of dormitory facilities to be financed from proceeds of Series C and D Bonds includes \$36 increase on 90% of Student occupancy effective September 1, 1964. \$ 162,991
5. Estimated annual net income of dormitory facilities under construction. \$ -
6. Total actual net income as adjusted and estimated net income. \$ 565,025
7. Average annual debt service requirements for payment of principal and interest on Series A, B, C, and D Bonds calculated on basis of principal and interest being payable in approximately equal installments. \$ 341,645
8. Ratio of total income (Item 6) to average annual debt service requirements on Series A, B, C, and D Bonds 1.65 - 1

The undersigned hereby certify:

- A. That the foregoing facts and figures are true and accurate to the best of their knowledge and belief;
- B. That there were not included in net income any receipts against which there is any prior claim other than the use thereof for the operating expenses included in computing the net income.
- C. That the proceeds of the Housing and Dining Revenue Bonds, Series C and D will be used only to finance the construction of Units Nos. 5 and 6 in the West Green Dormitory Development;
- D. That the computations of estimates provided for above are based upon an assumed occupancy of not more than 90% of capacity of the dormitory facilities in question.

Executed this _____ day of _____, 1964.

President of The President and Trustees
Of The Ohio University

Vice President for Business Affairs of
The President and Trustees of The Ohio
University

145

144

Exhibit "B"

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

Certificate Required Under Section 2.03 (4) of
Original Trust Agreement for Issuance of Housing
and Dining Revenue Bonds, Series C and D

The undersigned, President and Vice President for Business Affairs
of The President and Trustees of The Ohio University hereby certify:

- (a) That, in the opinion of the signers hereof, all conditions provided in the Trust Agreement precedent to the granting of the applications for authentication of Series C and D Bonds have been complied with;
- (b) That the proceeds of the Series C and D Bonds will be sufficient to, and are necessary to, complete the project for which they are issued.
- (c) That since the beginning of the current fiscal year there has been no material change which would adversely affect the estimate set forth in the earnings coverage certificate required by Section 5 of the Bond Resolution for issuance of Series C and D Bonds.

Executed this _____ day of _____, 1964.

President of The President and Trustees
of The Ohio University

Vice President for Business Affairs of
The President and Trustees of The Ohio
University

Mr. Herrold then moved, seconded by Mr. Galbreath the following Resolution
Declaring that a Necessity exists to Obtain Funds to Construct Units Nos. 5 and
6 of the West Green Dormitory Development by the Issuance of Housing and
Dining Revenue Bonds, Series C and D.

RESOLUTION DECLARING THAT A NECESSITY EXISTS
TO OBTAIN FUNDS TO CONSTRUCT UNITS NOS. 5 AND 6
OF THE WEST GREEN DORMITORY DEVELOPMENT BY THE
ISSUANCE OF HOUSING AND DINING REVENUE BONDS,
SERIES C AND D

WHEREAS, Section 2.03 (2) of the Trust Agreement between the University and
the City National Bank and Trust Company of Columbus, dated January 1, 1962,
requires a resolution declaring the necessity to obtain funds to construct
dormitory facilities as a condition to authentication of additional bonds there-
under; NOW, THEREFORE,

BE IT RESOLVED, by the Board of Trustees of The President and Trustees of
The Ohio University that a necessity exists in view of prospective enrollment and
available housing facilities to obtain funds to construct additional dormitory
facilities (as defined in the Trust Agreement dated January 1, 1962) and to
finance such requirements through the issuance of \$600,000 Housing and Dining
Revenue Bonds, Series C, and \$3,000,000 Housing and Dining Revenue Bonds, Series
D, in the manner provided in the Loan Agreement with the United States of America,
Housing and Home Finance Administrator, dated as of March 1, 1963 and it is hereby
found that the estimated cost of such dormitory facilities and costs incidental
thereto is \$3,600,000.

BE IT FURTHER RESOLVED, that the provisions and the forms of the Series C
and D Bonds shall be as provided in the First Supplemental Trust Agreement dated
as of January 1, 1963 presented and approved by the Board at its meeting of
September 23, 1963.

On a roll call the following votes were recorded: Galbreath, aye; Kennedy,
aye; Baxter, aye; Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker,
aye; there being no negative votes, the above Resolution is adopted.

Mr. Kennedy then moved, seconded by Mr. Herrold, the following Resolution
requesting and approving extension of \$3,600,000 Interim Financing note payable
from proceeds of Housing and Dining Revenue Bonds, Series C and D. On a roll call
the following votes were recorded: Galbreath, aye; Kennedy, aye; Baxter, aye;
Johnson, aye; Herrold, aye; Casto, aye; Brown, aye; Stocker, aye; there being
no negatives votes, the following Resolution is adopted:

143

142

141

MINUTES—OHIO UNIVERSITY, Board of Trustees—September 17, 1964

RESOLUTION REQUESTING AND APPROVING EXTENSION
OF \$3,600,000 INTERIM FINANCING NOTE PAYABLE
FROM PROCEEDS OF HOUSING AND DINING REVENUE
BONDS, SERIES C AND D

WHEREAS, the University has issued a \$3,600,000 interim financing note to the City National Bank and Trust Company of Columbus, which note is payable on or before September 30, 1964; and

WHEREAS, said interim financing note is payable from the proceeds of Housing and Dining Revenue Bonds, Series C and D and said bonds will be delivered within sixty days after September 30, 1964; but not prior to such date; and

WHEREAS, this Board desires to extend the payment date of said note to November 30, 1964; NOW, THEREFORE,

BE IT RESOLVED by the Board of Trustees of The President and Trustees of The Ohio University that the City National Bank and Trust Company of Columbus is hereby requested to extend the payment date of the \$3,600,000 interim financing note payable from the proceeds of the Housing and Dining Revenue Bonds, Series C and D from September 30, 1964 to November 30, 1964, and this Board does hereby approve such extension and authorizes the officers of this Board and the University/ to execute any instruments and do all other necessary acts to affect such extension.

The Chairman then called on Mr. Kennedy for a progress report on the Faculty Senate. Mr. Kennedy reported that his committee, composed of Don Casto and Fred Johnson, had met with the representatives of the faculty in June and discussed the advisability of a Faculty Senate. Mr. Kennedy further reported that at the next meeting of the Board of Trustees his sub-committee would have definite recommendations for Board of Trustees action relative to the establishment of a Faculty Senate.

The Secretary then presented two properties located on Woodland Avenue. One owned by Clyde R. Bronson and located at 12 Woodland Avenue; the other owned by Otto Carmen and located at 1 Woodland Avenue. These properties were appraised by Cecil Neff, of Columbus, at \$18,000 and \$10,500 respectively. The options presented were for the Bronson property for \$17,000 and the Carmen property for \$10,500. After a further discussion it was moved by Mr. Galbreath, seconded by Mr. Kennedy, and unanimously carried that this Board recommend to the Ohio University Fund Board that they purchase these properties at the option prices, and in the event they were unable to dispose of them the Ohio University Board of Trustees would purchase these properties at the prices indicated in the options plus any additional expense incurred by the Ohio University Fund in acquiring the properties.

President Alden then called the Board's attention to the list of proposed Capital Improvements necessary for Ohio University in the next eight to ten years, which totaled \$52,300,000.

There followed a discussion for the location for the new Library building. Based upon the recommendation of the architects planning the building and also of the campus planners, the Board of Trustees recommended that the new Library be built upon the site of the present Women's Gymnasium and Boyd Hall and that the administrative officials take the necessary steps to make the site available.

It was moved by Mr. Casto, seconded by Mr. Brown, and unanimously carried that the new Library be located on the present site of the Women's Gymnasium and Boyd Hall.

There then followed a discussion of the location for the first building of the Science Center, for which we have an appropriation of \$2,688,000. It was pointed out that the campus planner, as well as the architect on this building both agreed that probably the best location available at this time would be in the future Urban Renewal area and extending southward from this area into the present Golf Course. After a complete discussion it was moved by Mr. Kennedy, seconded by Mr. Casto, and unanimously carried that the first building of the future Science Center be located south of Scott Quadrangle and either in the future Urban Renewal area or on our present Golf Course Parking Lot.

The Secretary then presented a proposed lease between the Columbus and Southern Ohio Electric Company and the Director of Public Works, State of Ohio, which requires the approval of the Board of Trustees of Ohio University. This lease provided for the location of a power pole on Ohio University land. This pole was necessary in order to carry electrical service to the new laundromat located immediately south of the Galbreath Inn. There was a general discussion of this lease. It was then moved by Mr. Herrold, seconded by Mr. Johnson, and unanimously carried that the Board of Trustees of Ohio University not approve this lease unless the Columbus and Southern Ohio Electric Company would put their electrical lines underground.

The Secretary then presented a tabulation of bids on Dormitories 8 and 9, which were opened on August 27 and re-advertised and opened again on September 11; also, a letter from the Director of Public Works, recommending the awarding of the bids to the contractors as indicated:

141

140

139

General contract on dormitories 8 and 9 Knowlton Building Company, Bellefontaine, Ohio	\$1,063,500
Plumbing Contract Bergen Brothers, Inc., Marietta, Ohio	96,962
Heating-Ventilating Contract Geiger Brothers, Logan, Ohio	99,459
Electrical Contract Stark Electric Company, Huntington, West Virginia	
	\$99,440
Less: Alternate E-1	<u>-3,500</u>
	95,940
Total bids for Dormitories 8 and 9	\$1,355,861

After a discussion of these bids, it was moved by Mr. Herrold, seconded by Mr. Casto, and unanimously carried that the bids as indicated above be accepted and that a contract be entered into between the Director of Public Works and the contractors indicated for the construction of Dormitories 8 and 9.

The Secretary then presented a proposed contract for campus planning services for the Ohio University Branches, submitted by Caudill, Rowlett and Scott. It was pointed out that Caudill, Rowlett and Scott were preparing a long-range campus plan and it was the feeling of the Director of Public Works as well as the administrative officials of Ohio University, that the same planner should prepare long-range plans for the Branch campuses as well as the Athens campus. This contract proposes to prepare branch plans in three stages; stage one would be for two year institution of 2,000 enrollment, stage two would be for two year institution with 4,000 enrollment, and stage three would be a four year institution with 6,000 enrollment. The fee for the services proposed in this contract would total \$57,200 for all four branches. Inasmuch as we now only have titles to land in three branch locations and that the money for planning has only been released by the Controlling Board for Portsmouth, Zanesville and Chillicothe branches, it was suggested that we prepare the contract for the three branches with the understanding that in the event the special session of legislature transfers the Belmont County land that we then add Belmont County to this contract. After a full discussion of this proposal it was moved by Mr. Baxter, seconded by Mr. Herrold, and unanimously carried that the Board of Trustees of Ohio University approve in principle the contract proposal submitted by Caudill, Rowlett and Scott and that it be recommended to the Department of Public Works that they enter into a contract for the preparation of plans for the Portsmouth, Zanesville and Chillicothe Branches with the understanding that in the event the Belmont County branch land is transferred in November that this contract be expanded to include the Belmont County branch.

The Secretary then presented a proposal from the Ohio University Fund, Inc. in which they will lease to Ohio University four parcels of land; the first parcel known as the Wakefield Garage Building which the University has been using since January 1, 1964 as a Physics Instrumentation Laboratory and machine shop for special research projects, for \$14,000 per year. This is at approximately \$1.50 per square foot which is the going rate in Athens for this type of property. Parcel two, the Dailey Garage, which has been used since January 1, as a Radiation Laboratory by our Physics Department and it now houses a Nuclear Accelerator, for \$3,000 a year retroactive to January 1, 1964, which is approximately \$1.50 per square foot. Parcel three which provides for parking spaces for approximately 300 cars in the stadium area, effective September 1, 1964 at \$6,000 per year; and parcel four is the Cash property which will provide parking spaces for approximately 250 cars, effective September 1, 1964 at \$5,000 per year. There was a general discussion of the need for these properties and it was then moved by Mr. Herrold, seconded by Mr. Brown and unanimously carried that the Vice-President for Business Affairs be authorized to enter into a lease agreement with the Ohio University Fund, Inc. to lease the properties outlined above for one year effective September 18, 1964, with the Wakefield and Dailey Garage properties being retroactive to January 1, 1964 at the rates indicated above.

The Secretary then presented a request to transfer from the Mutual Health Fund to the regular Health Fund \$30,000 to pay for the cost of converting the third floor of the Health Center to regular Health Center facilities. This will increase the Health Center facilities from a 50 bed facility to a 75 bed facility. The Mutual Health Fund was established on May 18, 1960 by Trustee action by which \$1.50 per semester per student is put into a special Mutual Health Fund to cover unusual health expenses and hospital expense not to exceed \$400 for each student while they are in the City of Athens. This fund at the present time has a balance of \$45,639 and we anticipate additional income this year of \$35,000 to this fund. The largest annual expenditures made for these services in the past has been \$18,681 so it appears that the balance has accumulated to a higher degree than is necessary. After a discussion of this request, it was moved by Mr. Galbreath, seconded by Mr. Brown, and unanimously carried that \$30,000 be transferred from the Mutual Health Fund to the Regular Health Fund of Ohio University.

The Chairman then called on President Alden for his report. The President reported that with the signing of the Anti-Poverty Bill in Washington his work on the planning for this Bill had ended and he was no longer spending a day a week in Washington. He reported that President Johnson, at the ceremony in which the Bill was signed, commended highly the Trustees of Ohio University for permitting President Alden to devote the time he had in helping prepare this Bill.

The President pointed out that Ohio University has already received many benefits from his contacts in Washington. One item he referred to was the Educational Television Grant amounting to \$150,000 which will enable us to increase the power of our Educational Television. After October 5, 1964, we will be able to beam our programs directly to Portsmouth, Zanesville, and other branch cities.

136

The President reported a grant of \$50,000 from the Mellon Foundation to establish a plan to identify outstanding students who have the qualities of greatness while they are still in school. This will be known as, "The Ohio Plan." He feels that there is a possibility the Ford Foundation will supplement this grant with a much larger one which will enable us to carry on this project for five years.

The President reported that the Esso Foundation on October 1st will announce a \$60,000 grant to Ohio University for a curriculum study.

The President reported that the Lockheed Lodestar Airplane given to Ohio University by General Motors Corporation was traded for a small Apache that we could use. We could not land the Lodestar on our field and it was a very expensive plane to operate.

The President also reported that we have installed additional temporary seats in our stadium and it will now seat 18,000 people. He reported that the Miami game was already sold out for this year.

The President reported that Professor Emeritus Hiram Roy Wilson, one of the outstanding professors at the University, had died within the past two months and willed his entire estate with the exception of his home to Ohio University. No inventory has been made of this estate at this time, but it will probably be more than \$100,000.

The President reported that, as previously noted in these minutes, the Health Center physical capacity had been increased 50 per cent, but the most important improvement in this area is that we have employed five new Medical Doctors. These Doctors have all been in private practice and the average age of our physicians on our Health Center staff now is 44, compared to the average age of 60 two years ago.

135

The President then reported that Dr. Smith and Dr. Arnold, the new Director of International Affairs, are now in South Viet Nam and will proceed to Nigeria to visit our overseas faculty.

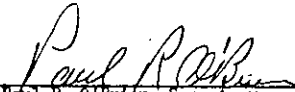
The President reported that Ohio University Press, which was established 8 to 10 years ago, has published only three books in the last 10 years. However, this fall they are publishing seven new books. These books are all very interesting and outstanding books, and it appears that the books published by the Ohio University Press should enhance the reputation of Ohio University.

The President reported the Counseling Center is now in operation in the old McKee House, and he hopes at a future meeting of the Board of Trustees they may visit this Center and see it in operation.

There then followed a discussion of the next meeting date for the Board of Trustees. It was decided that they would tentatively set up a meeting beginning at 10:00 a.m. on November 17, 1964, at the Darby Dan Farm outside of Columbus.

It was then moved by Mr. Johnson, seconded by Mr. Brown, and unanimously passed that the Board adjourn.


C. Paul Stocker, Chairman
Board of Trustees


Paul R. O'Brien, Secretary
Board of Trustees

134

THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES
Construction and Refunding Housing and
Dining Revenue Bond Fund Accounts

Accountants' Report

Financial Statements - June 30, 1964

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

LEVEQUE LINCOLN TOWER

50 WEST BROAD STREET

COLUMBUS 15, OHIO

ACCOUNTANTS' REPORT

The Board of Trustees
The Ohio University:

We have examined the statement of financial condition of The Ohio University and Its Board of Trustees Construction and Refunding Housing and Dining Revenue Bond Fund Accounts as of June 30, 1964 and the related statements of income and expense of dormitory facilities and of fund account balance transactions for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We secured direct confirmation from the Trustee as to cash and securities it held at June 30, 1964.

In our opinion, the accompanying financial statements present fairly the financial condition of such Fund Accounts as of June 30, 1964 and the results of operations and of fund account balance transactions for the year then ended, in conformity with accounting principles set forth in note 1 to financial statements, applied on a consistent basis. Also, in our opinion, the accompanying schedules are stated fairly in all material respects when considered in conjunction with the financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.

Columbus, Ohio

October 21, 1964, except as to
note 4 to financial statements
which is as of January 6, 1965.

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THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES
Construction and Refunding Housing and
Dining Revenue Bond Fund Accounts

Notes to Financial Statements

June 30, 1964

- (1) The accompanying financial statements have been prepared on the accrual basis and in accordance with generally accepted accounting principles, except in those instances, set forth below, where such principles differ with the provisions of the Trust Agreement and the University's and its bond counsel's interpretation thereof.

The Housing and Dining Revenue Bond Fund Accounts have no stockholders nor equity holders and, from and after the issuance of the bonds, all income and revenue of the dormitory facilities, as defined, are required to be deposited and applied in accordance with the provisions of the Agreement. The Agreement provides for a Construction Account and three special funds designated System Revenue Fund Account, Bond and Interest Sinking Fund Account, and Repair and Replacement Reserve Account. All receipts from dormitory facilities are to be deposited in the System Revenue Fund Account and applied in accordance with the provisions of the Agreement. On or before specified dates each year, the University is required to transfer funds in the order indicated from the System Revenue Fund Account to the Bond and Interest Sinking Fund Account and to the Repair and Replacement Reserve Account as set forth in the Agreement. The Bond and Interest Sinking Fund Account is to be held by the Trustee and applied to payments of principal and interest on outstanding bonds. The Repair and Replacement Reserve Account is to be held by the Trustee and used for extraordinary repairs and replacements to the dormitory facilities, renewals and replacements, and the renovating or replacement of movable equipment and furniture of the dormitory facilities or for payment of principal and interest on outstanding bonds by transfer to the Bond and Interest Sinking Fund Account. The Repair and Replacement Reserve Account shall not be used for repairs or replacements if there is any deficiency in any of the deposits required to be made to the Bond and Interest Sinking Fund Account. The University may use the balance of funds in excess of required transfers in the System Revenue Fund Account at the close of each fiscal year (1) to redeem outstanding bonds, or (2) for any expenditures, including debt service, in improving or restoring any existing housing and dining facilities or providing any additional facilities, or (3) for any other lawful purpose.

Under the terms of the Agreement, current expenses of operation and maintenance of the dormitory facilities are to be paid from the System Revenue Fund Account as they become due and payable. Current expenses include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the facilities. Accordingly, the accompanying statement of income and expense of dormitory facilities includes an allocation, which is based on gross income, of certain expenses common to all dormitory facilities of the University. Current expenses exclude provision or expenditure for depreciation or capital replacement. Accordingly, no provision for depreciation has been included in the accompanying financial



THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES

Notes to Financial Statements, Continued

statements. In addition, expenditures for administration or regulation of the occupants of the dormitory facilities, which previously were not considered a cost of operation under the existing accounting practice of the University, are excluded. Therefore, the costs of operation of dormitory facilities do not include necessarily the proportionate share of expenses which would be attributable to the facilities if they had been operated as a completely independent activity.

The accounts of the Housing and Dining Revenue Bond Fund Accounts are included with those of other dormitory facilities whose receipts presently are not pledged under the Agreement. The accounting system of the University subsequently provides for the proper segregation of receipts and expenses applicable to the Fund Accounts. Accordingly, the accompanying statement of financial condition excludes certain offsetting assets and liabilities which otherwise would be included if the accounts of the System Revenue Fund Account were maintained independently.

- (2) Certain of the dormitory facilities were in operation at the time of entering into the Trust Agreement. The Agreement requires that all receipts from dormitory facilities be deposited in the System Revenue Fund Account from and after the issuance of bonds on August 28, 1963. In addition the Agreement requires that upon the issuance of the bonds, all unexpended funds on deposit in the Project Revenue Fund and Bond and Interest Sinking Fund Account, both of which were established and maintained pursuant to the Bond Resolution which provided for the issuance of Married Student Apartment Revenue Bonds of 1960, be transferred to the System Revenue Fund Account and Bond and Interest Sinking Fund Account, respectively. As it was impractical to immediately establish an accounting for the required accounts, such accounts were established as of July 1, 1963. Accordingly, the balances in the Project Revenue Fund and Bond and Interest Sinking Fund Account of \$6,726 and \$30,169, respectively, were transferred to their respective accounts as of July 1, 1963 and have been included in the accompanying statement of fund account balance transactions.

Notwithstanding the above explanations, University officials do not consider the results of operations for the period from July 1, 1963 to August 28, 1963 to have a material effect on the results of operations for the year ended June 30, 1964.

- (3) The bonds were issued by The Ohio University which, through the Board of Trustees acting under statutory authority, adopted a resolution providing for the issuance of \$3,850,000 The Ohio University and Its Board of Trustees Construction and Refunding Housing and Dining Revenue Bonds, Series A and B, for the purpose of providing funds (a) to refund the University's \$600,000 outstanding Married Student Apartment Revenue Bonds of 1960 and (b) to construct three new dormitories and appurtenant facilities.

The indebtedness created through the issuance of the bonds is secured by a pledge of the receipts from the operation of all dormitory facilities now or hereafter under the control of the Board of Trustees except that certain facilities are specifically excluded so long as the revenues from such dormitories are pledged to secure payment on certain presently outstanding bonds of The

THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES

Notes to Financial Statements, Continued

President and Trustees of The Ohio University. Such indebtedness shall not be a claim against or a lien upon any property of the State of Ohio or any property of or under the control of the Board of Trustees. However, the University may, of its own volition, use, to the extent it is lawfully authorized to do so, any of its other funds for the fulfillment of any of its obligations under the Agreement.

Series A and Series B bonds maturing after 1995 and 1997, respectively, are redeemable in inverse order of maturity at the option of the Board of Trustees on any interest payment date at par and accrued interest. Series A and Series B bonds maturing after 1970 and 1972, respectively, are redeemable in inverse order of maturity at the option of the Board of Trustees on July 1, 1970 and July 1, 1972, respectively, or any interest payment date thereafter, at par and accrued interest plus a premium of 3%, which diminishes on later redemptions.

- (4) The interfund indebtedness is represented by the following:

Transfers due to Bond and Interest Sinking Fund Account and Repair and Replacement Reserve Account from System Revenue Fund Account	\$ 53,898
Amounts due to System Revenue Fund Account from Repair and Replacement Reserve Account for payment of extraordinary repair and re- placement items	7,262
Amounts due to Construction Account from System Revenue Fund Account for interest expense incurred on interim financing of occupied facilities since June 30, 1963	\$ 14,895
Less interest earned on Construction Account investments during same period	<u>3,485</u> <u>11,410</u>

The transfers, above, were not made on the dates specified in the Agreement; however, they were made subsequently on December 18, 1964 and January 6, 1965 and are reflected in the accompanying statement of financial condition as of June 30, 1964.

The interest earned on Construction Account investments, above, was paid to the System Revenue Fund Account on December 29, 1964 on instructions from the Housing and Home Finance Agency, which holds certain Series B bonds. At the same time, similar interest in the amount of \$3,052 for the period prior to June 30, 1963 was paid to the University. However, the Agreement provides that the earnings on investments of the Construction Account shall constitute part of the Construction Account.

- (5) The Board of Trustees has adopted a resolution and supplemental trust agreement providing for the issuance of \$3,600,000 Series C and D bonds for the purpose of constructing West Green Dormitory Unit Nos. 5 and 6. Until such time as the bonds are issued; construction costs will be paid from a \$3,600,000 promissory note payable to bank issued under an interim financing agreement.

THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES

Notes to Financial Statements, Continued

Such note is due September 30, 1964, bears interest at the rate of 2-3/4%, and is payable solely from the available receipts from dormitory facilities and from the proceeds of the Series C and D bonds to be issued by the University.

Pending the completion of interim financing arrangements and the subsequent sale of \$3,250,000 Series E bonds, the University is advancing funds on open account for the purpose of constructing West Green Dormitory Unit Nos. 7, 8 and 9. Such advances bear interest at the rate of 2-3/4%.

Interest on interim financing is charged to project costs during construction period and to operations subsequent to the date of occupancy of the applicable facilities.

- (6) The costs of the dormitory facilities, exclusive of land costs aggregating \$377,053, as carried on the records of the University, maintained on a cash basis, are as follows:

	<u>Building</u>	<u>Equipment</u>
Bryan Hall	\$ 653,420	37,800
Wolfe and Ullom Married		
Student Apartments	676,125	41,564
Building No. 1	1,563,765	92,104
Building No. 2	1,236,815	85,166
Building No. 3	1,233,634	83,998
Building No. 4	773,902	53,222
Building No. 5	1,300,740	70,111
Building No. 6	1,555,135	2,132
Building No. 7	289,712	-
Building No. 8	10,384	-
Building No. 9	<u>10,384</u>	<u>-</u>
	\$ <u>9,304,016</u>	<u>466,097</u>

the 1990s, the number of people in the world who are illiterate has increased from 1.2 billion to 1.5 billion. The number of illiterate people in the world is projected to reach 1.7 billion by the year 2015. The number of illiterate people in the world is projected to reach 1.7 billion by the year 2015.

