

OHIO UNIVERSITY

ATHENS, OHIO 45701

BOARD OF TRUSTEES

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF TRUSTEES OF OHIO UNIVERSITY

4:00 P.M., FRIDAY, FEBRUARY 27, 1987
GREEN ROOM, OHIO UNIVERSITY INN
ATHENS, OHIO

Chairman D'Angelo called the meeting to order at 4.25 P.M. Five members were present, namely Priscilla S. D'Angelo, Chairman, Frank C. Baumholtz, Jeanette G. Grasselli, Ralph Schey and J. Craig Strafford, M.D..

President Charles J. Ping and Secretary Alan H. Geiger were present. Also present were University Treasurer William L. Kennard and News Service Director Peggy S. Black. Representing Bond Counsel Peck, Shaffer and Williams were Dennis G. Schwallie and Katherine B. Raup.

Chairman D'Angelo outlined agendum materials sent to Board Members. At the request of the Chair, Treasurer Kennard briefed Members on the matter before them and generally described the history of Housing and Dining Revenue Bonds, Series A, D, E and H, and amendments to the Escrow Agreement. He stated the resolution before the Members provided for the prepayment of the Revenue Bonds and that such prepayment will financially benefit the university. Mr. Schwallie noted that monies realized from the prepayment must be used for capital improvements or placed in a capital improvement reserve. Mr. Kennard and Mr. Schwallie indicated they had been working with John Nuveen and Company, Incorporated of Chicago as bond underwriter.

At the request of the Chair, Mr. Schwallie reviewed, section by section, SERIES 1987 RESOLUTION and noted changes and additions to the draft resolution sent to Members prior to the meeting.

Following this review, Mr. Baumholtz moved approval of the resolution. Dr. Strafford seconded the motion. On a roll call vote Mr. Baumholtz, Mrs. D'Angelo, Ms. Grasselli, Mr. Schey and Dr. Strafford all voted aye. Approval was unanimous.

SERIES 1987 RESOLUTION

Providing for the authorization, issuance and sale of not to exceed \$5,200,000 General Receipts Bonds, Special Obligation Series 1987, of The President and Trustees of the Ohio University dated as of March 1, 1987

WHEREAS, The President and Trustees of the Ohio University (herein called the "University"), a state university of the State of Ohio created and existing under Chapter 3337 of the Ohio Revised Code, by resolution adopted by its Board of Trustees (herein called the "Board") on April 14, 1972 (herein called the "General Bond Resolution") and by a Trust Agreement dated as of June 1, 1972, as supplemented (herein called the "Trust Agreement"), comprised in part of the General Bond Resolution, has provided for the issuance from time to time of General Receipts Bonds of the University, each such issue to be authorized by a Series Resolution adopted by the Board pursuant to the Trust Agreement; and

WHEREAS, the General Bond Resolution was adopted and the Trust Agreement was authorized by the Board pursuant to Sections 3345.11 and 3345.12 of the Ohio Revised Code, enacted by the General Assembly of Ohio under authority of the Constitution of Ohio, particularly Section 21 of Article VIII thereof, which authorizes the University to issue its Bonds to pay costs of certain capital facilities, defined as "auxiliary facilities" in Section 3345.12 of the Ohio Revised Code and called "University Facilities" in the General Bond Resolution and in this Series Resolution, and to refund, fund or retire such Bonds or other obligations previously issued for such purpose; and

WHEREAS, the University has heretofore issued its General Receipts Bonds, Series 1972, in the original principal amount of \$24,700,000, which are presently outstanding in the aggregate amount of \$21,430,000; General Receipts Bonds, Series 1974 in the original principal amount of \$15,175,000 (the "Series 1974 Bonds"), which have been redeemed prior to maturity and are no longer outstanding pursuant to the Trust Agreement; General Receipts Bonds, Series 1977, in the original principal amount of \$5,875,000, which are presently outstanding in the aggregate amount of \$5,320,000; and General Receipts Bonds, Series 1978, in the original principal amount of \$12,580,000, which are presently outstanding in the aggregate amount of \$11,085,000; and

WHEREAS, the University has, pursuant to a Trust Agreement dated as of January 1, 1962, as supplemented (the "Prior Trust Agreement"), previously issued its Housing and Dining Revenue Bonds, Series A, D, E and H (herein called the

"Series A, D, E and H Bonds"), of which the aggregate unmatured principal amounts are \$280,000, \$1,895,000, \$1,889,000 and \$2,630,000, respectively, and are owned by the United States of America, Department of Education (herein called the "DOE"); and

WHEREAS, the Series A, D, E and H Bonds, along with the University's Housing and Dining Revenue Bonds, Series F and G (the "Series F and G Bonds") are deemed defeased and no longer outstanding pursuant to Section 13.01 of the Trust Agreement dated as of January 1, 1962, as amended, securing such bonds, and are presently secured by an Escrow and Trust Agreement dated December 3, 1974 between the University and Bank One, Columbus, NA (formerly, The City National Bank and Trust Company of Columbus), as Trustee (hereinafter called the "Escrow Trustee"), as supplemented by Amendment No. 1 thereto dated as of February 13, 1981 (such Escrow and Trust Agreement and Amendment No. 1 thereto are hereinafter together called the "Escrow Agreement"), which was initially funded with proceeds of the Series 1974 Bonds; and

WHEREAS, the DOE has offered to allow the University to purchase the Series A, D, E and H Bonds at a price not to exceed \$5,000,000 (the "Purchase Price") for the purpose of retiring the Series A, D, E and H Bonds; and

WHEREAS, the University desires to issue the Series 1987 Bonds, as defined herein, for the purpose of providing funds for purchasing and retiring the Series A, D, E and H Bonds and paying costs relating to the issuance of the Series 1987 Bonds, and allowing the University to realize the surplus value contained in the moneys and investments currently held by the Escrow Trustee pursuant to the Escrow Agreement and to utilize such value for University purposes; and

WHEREAS, the Series 1987 Bonds will be secured by the moneys and investments currently held by the Escrow Trustee pursuant to the Escrow Agreement in such manner that, as of the date of issuance of the Series 1987 Bonds, the Series 1987 Bonds will be deemed defeased and no longer outstanding pursuant to the Trust Agreement; and

WHEREAS, such transactions will result in cost savings and other benefits which will inure to the benefit of the University; and

WHEREAS, the University has determined to issue, as the fifth issue of Bonds under the Trust Agreement, not to exceed \$5,200,000 principal amount of General Receipts Bonds, to be designated "General Receipts Bonds, Special Obligation Series 1987" (the "Series 1987 Bonds"), for the purposes aforesaid, and desires to provide therefor by this Resolution of its Board;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY, as follows:

Section 1. Definitions and Interpretations. All words and terms defined in Section 1 of the General Bond Resolution and elsewhere in the Trust Agreement and all interpretations therein provided shall have the meanings, respectively, and be subject to the same interpretations as therein provided where used in this Resolution, unless the context or use clearly indicates another or different meaning or intent, except that this Resolution is sometimes herein called and may be known as the "Series 1987 Resolution", the Bonds authorized by this Resolution are referred to herein and in the Fifth Supplemental Trust Agreement hereby authorized as the "Series 1987 Bonds", and the terms "hereof", "herein", "hereby", "hereto" and "hereunder", and similar terms, mean this Resolution.

Section 2. Authority. This Resolution is adopted pursuant to the General Bond Resolution, the Trust Agreement and the Act.

Section 3. Authorization, Designation and Purpose of Series 1987 Bonds. It is hereby declared to be necessary and in the best interests of the University to, and the University shall, issue, sell and deliver, as provided and authorized herein not to exceed \$5,200,000 principal amount of General Receipts Bonds of the University, which shall be designated "General Receipts Bonds, Special Obligation Series 1987" (the "Series 1987 Bonds"), for the purpose of purchasing and retiring the Series A, D, E and H Bonds heretofore issued to pay costs of University Facilities, in order to realize cost savings and other benefits which will inure to the benefit of the University. For such purpose, the proceeds from the sale of the Series 1987 Bonds shall be allocated and deposited as provided in Section 6 hereof. The principal amount of the Series 1987 Bonds to be issued shall be determined by the Fiscal Officer and specified in the Certificate of Award, as hereinafter defined.

Section 4. Terms and Provisions Applicable to the Series 1987 Bonds.

(a) Form and Numbering. The Series 1987 Bonds shall be in fully registered form, without coupons, and substantially in the forms set forth in the Fifth Supplemental Trust Agreement, hereinafter described. The Series 1987 Bonds shall be issued in such series and shall be numbered as determined by the Fiscal Officer and specified in the Certificate of Award.

(b) Denomination and Dates. The Series 1987 Bonds shall be in the denominations of \$5,000 and any integral multiple thereof, and shall be dated as of March 1, 1987. Each Series 1987 Bond shall have only one principal maturity date, except for interim certificates, receipts or temporary Bonds which may be issued pending preparation of definitive Bonds.

(c) Interest. The Series 1987 Bonds shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from their respective dates, payable on the dates specified in the Certificate of Award (each being an "Interest Payment Date"), at the rates per annum described in subsection (d) below. Such interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

(d) Maturity and Interest Rates. The Series 1987 Bonds shall mature on the dates and in the principal amounts, and such principal amounts shall bear interest at the respective rates per annum, as set forth in a certificate of the Fiscal Officer (the "Certificate of Award"); provided that the latest such maturity date shall be not later than January 1, 2003, that such principal and interest amounts shall not be greater than the amounts which may be supported by the moneys and investments currently held by the Escrow Trustee pursuant to the Escrow Agreement as certified in the accountant's opinion described in Section 7 hereof, and that the interest rate for any single maturity shall be not greater than 10% per annum. The Certificate of Award when executed by the Fiscal Officer shall be, and hereby is, incorporated in its entirety into this Resolution and the Fifth Supplemental Trust Agreement, hereinafter described.

(e) Redemption Terms and Prices. The Series 1987 Bonds shall not be subject to redemption prior to maturity, except that the Series 1987 Bonds may be subject to mandatory sinking fund redemption at the times and in the amounts set forth in the Certificate of Award.

If less than all of the outstanding Series 1987 Bonds of one maturity are to be called, the selection of such Series 1987 Bonds of such maturity to be called shall be made by lot in the manner provided in the Trust Agreement. Notice of call for redemption of Series 1987 Bonds, identifying by number or other distinguishing marks the Series 1987 Bonds, or portions thereof, to be redeemed, the date fixed for redemption and the places where the amounts due upon that redemption are payable, shall be given by the Trustee on behalf of the University by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the person in whose name such Series 1987 Bond to be redeemed in whole or in part is registered on the Bond registration books of the University (the "Bond Register") at the close of business on the 10th day preceding that mailing, at the address then appearing therein; provided that failure to receive notice by mailing, or any defect in that notice, as to any Series 1987 Bond shall not affect the validity of the proceedings for the redemption of any Series 1987 Bond.

(f) Place of Payment. Principal of and the final payment of interest on the Series 1987 Bonds when due shall be payable to the registered holders thereof, upon presentation and surrender thereof, at the principal corporate trust office of the Trustee. Interest on the Series 1987 Bonds (other than the final payment of interest) when due shall be payable by check or draft which the Trustee shall cause to be mailed to the person in whose name the Series 1987 Bond is registered on the Bond Register at the close of business on the Regular Record Date applicable to that Interest Payment Date, at the address then appearing therein. If and to any extent, however, that the University shall make neither payment nor provision for payment of interest on any Series 1987 Bond on any Interest Payment Date, that interest shall cease to be payable to the person who was the registered holder of that Series 1987 Bond as of the applicable Regular Record Date. When moneys become available for payment of that interest, the Trustee shall establish a Special Record Date for the payment of that interest which shall be not more than fifteen or fewer than ten days prior to the date of the proposed payment, and the Trustee shall cause notice of the proposed payment and of the Special Record Date to be mailed to the person in whose name that Series 1987 Bond is registered on a date not fewer than 10 days prior to the Special Record Date, at the address which then appears on the Bond Register, and thereafter the interest shall be payable to the person in whose name that Series 1987 Bond is registered at the close of business on the Special Record Date. "Regular Record Date" means, with respect to the Series 1987 Bonds, the tenth day next preceding an Interest Payment Date applicable to such Series 1987 Bond. "Special Record Date" means, with respect to any Series 1987 Bond, the date established by the Trustee pursuant to Section 7.08 of the Trust Agreement for the giving of notice in connection with the payment of principal or interest thereon following the occurrence of an event of default under the Trust Agreement.

(g) Execution. The Series 1987 Bonds shall be executed in the manner provided in the General Bond Resolution.

(h) Bond Registrar. The Trustee shall serve as Bond Registrar for the Series 1987 Bonds.

Section 5. Contract of Purchase with Respect to Series 1987 Bonds. The Fiscal Officer is hereby authorized to enter into a contract of purchase with respect to sale and delivery of the Series 1987 Bonds, in substantially the form before this Board at this meeting. Upon execution of such contract of purchase on behalf of John Nuveen & Co.

Incorporated (*) the Fiscal Officer is hereby authorized and directed to take all action necessary and appropriate to effect delivery of the Series 1987 Bonds to the Original Purchaser and application of the proceeds of sale thereof in accordance with the provisions of this Resolution. It is hereby determined that the price for and the terms of the

(*), or other appropriate qualified underwriter selected by the Fiscal Officer, to be known as the Original Purchaser,

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Series 1987 Bonds and the sale thereof, all as provided in this Resolution and the contract of purchase for the Series 1987 Bonds, are in the best interests of the University and are consistent with all legal requirements.

Section 6. Allocation of Proceeds of Series 1987 Bonds. All of the proceeds from the sale of the Series 1987 Bonds shall be received and receipted for by the Fiscal Officer, and shall be deposited and allocated as follows:

(a) To the Bond Service Account in the General Receipts Bond Service Fund, the portion of such proceeds representing accrued interest and premium, if any; and

(b) To the purchase by the Fiscal Officer of all the Series A, D, E and H Bonds from the DOE at the Purchase Price; and

(c) To the 1987 University Facilities Projects Fund (the "1987 Projects Fund") hereby established in the custody of the University, the balance of the proceeds received from the sale of the Series 1987 Bonds. Moneys in the 1987 Projects Fund shall be used to pay costs of issuing the Series 1987 Bonds and retiring the Series A, D, E and H Bonds, including, without limitation, printing costs, legal, accounting and underwriting fees and expenses, fees and expenses of the Trustee and the Escrow Trustee and transportation charges. Moneys in the 1987 Projects Fund may be invested by the Fiscal Officer in the same manner as other funds of the University. Any moneys remaining in the 1987 Projects Fund on June 30, 1987 or such earlier date on which all expenses incurred by the University in connection with the issuance of the Series 1987 Bonds shall have been paid, shall be transferred by the Fiscal Officer to any other appropriate fund or funds of the University and used for the purpose of paying "costs of University Facilities" (as defined in the General Bond Resolution).

Since the Series 1987 Bonds will be secured by the moneys and investments held pursuant to the Escrow Agreement and, therefore, deemed defeased and no longer outstanding pursuant to the Trust Agreement, no additional funding of the Required Reserve is required because of the issuance of the Series 1987 Bonds.

Section 7. Delivery of the Series 1987 Bonds. Before the Series 1987 Bonds shall be authenticated and delivered by the Trustee, there shall be filed with the Trustee:

1. An amendment to the Escrow Agreement (the "Escrow Amendment") to the effect that the moneys and investments currently held by the Escrow Trustee as security for the Series A, D, E and H Bonds will, upon cancellation of the Series A, D, E and H Bonds, be irrevocably held as security for the Series 1987 Bonds.

2. Evidence of cancellation of the Series A, D, E and H Bonds satisfactory to the Trustee.

3. An opinion from a firm of certified public accountants to the effect that the receipts of principal and interest on the moneys and investments held pursuant to the Escrow Agreement, as amended by the Escrow Amendment, will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to assure timely payment of all amounts of principal, interest and premium, if any, on the Series 1987 Bonds and the Series F and G Bonds.

4. Such other documents or proceedings as shall reasonably be required by the Trustee or bond counsel for the Series 1987 Bonds so that from and after the date of initial delivery, the Series 1987 Bonds will be deemed defeased and no longer outstanding pursuant to the Trust Agreement.

Section 8. Fifth Supplemental Trust Agreement; Escrow Amendment. The Chairman of the Board, the President of the University, the Secretary of the Board and the Fiscal Officer, or any one or more of them, are each authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the University, a Fifth Supplemental Trust Agreement pursuant to the Trust Agreement and the Escrow Amendment, in connection with the issuance of the Series 1987 Bonds, in substantially the forms submitted to this Board with such changes therein not substantially adverse to the University as may be permitted by the Act and the Trust Agreement and approved by the officer or officers executing the same on behalf of the University. The approval of such changes, and the fact that such changes are not substantially adverse to the University, shall be conclusively evidenced by the execution of the Fifth Supplemental Trust Agreement and the Escrow Amendment by such officer or officers.

The Chairman of the Board, the President of the University, the Secretary of the Board and the Fiscal Officer are each authorized to execute and deliver, on behalf of the University, such other certificates, documents and instruments as are necessary in connection with the transactions authorized in this Resolution, and to do all other things required of them or the University pursuant to the Trust Agreement, the Escrow Agreement, this Resolution and any requirements of the DOE.

The Secretary of the Board is authorized and directed to furnish to the Original Purchaser of the Series 1987 Bonds a true transcript certified by him of all proceedings taken with reference to the issuance of the Series 1987 Bonds along with such information as is necessary to determine the regularity and validity of the issuance of the Series 1987 Bonds.

Section 9. Official Statement. The form of Preliminary Official Statement as presented to this meeting, and the distribution thereof by the Original Purchaser, are hereby authorized, approved, ratified and confirmed. The proposed form of Official Statement, as presented to this meeting, and the distribution by the Original Purchaser of the Official Statement, in substantially the form presented to this meeting, are hereby authorized and approved. The Fiscal Officer is authorized to execute and deliver the Official Statement on behalf of the University, which shall be in substantially the form of said Official Statement with such changes as the Fiscal Officer may approve, his execution thereof on behalf of the University to be conclusive evidence of such authorization and approval, and copies thereof are hereby authorized to be prepared and furnished to the Original Purchaser for distribution to prospective purchasers of the Series 1987 Bonds and other interested persons.

The Fiscal Officer, on behalf of the University, is hereby authorized to furnish such information, to execute such instruments and to take such other actions in cooperation with the Original Purchaser as may be reasonably requested to qualify the Series 1987 Bonds for offer and sale under the Blue Sky or other securities laws and regulations and to determine their eligibility for investment under the laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Original Purchaser; provided, however, that the University shall not be required to register as a dealer or broker in any such state or jurisdiction or become subject to the service of process in any jurisdiction in which the University is not now subject to such service.

Section 10. Temporary Series 1987 Bonds. Pending the preparation of definitive Series 1987 Bonds the University may execute and the Trustee shall authenticate and deliver temporary Series 1987 Bonds in printed or typewritten form. Temporary Series 1987 Bonds shall be issuable in fully registered form, of any denomination, and substantially in the form of the definitive Series 1987 Bonds but with such omissions, insertions and variations as may be appropriate for temporary Series 1987 Bonds, all as may be determined by the Fiscal Officer. Every temporary Series 1987 Bond shall be executed on behalf of the University, and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Series 1987 Bonds. If one or more temporary Series 1987 Bonds are issued, then without unnecessary delay the University shall execute and furnish to the Trustee in exchange therefor without charge, and the Trustee shall authenticate and deliver in exchange for such temporary Series 1987 Bonds an equal aggregate principal amount of definitive Series 1987 Bonds. Until so exchanged the temporary Series 1987 Bonds shall be entitled to the same benefits under the Trust Agreement as definitive Series 1987 Bonds.

Section 11. Relationship of this Resolution to General Bond Resolution. It is understood and acknowledged by the University that the Series 1987 Bonds are being issued pursuant to the terms of the General Bond Resolution, as amended, as supplemented by the terms of this Resolution; that the Series 1987 Bonds are subject to all of the terms and conditions of the General Bond Resolution, as amended, except as otherwise provided herein; and that all of the terms, conditions, covenants and warranties contained in the General Bond Resolution, as amended, except as otherwise provided herein, shall apply with like force and effect to the Series 1987 Bonds as if originally made in connection therewith.

Section 12. General. The appropriate officers of the University shall do all things necessary and proper to implement and carry out the orders and agreements set forth in or approved in the General Bond Resolution and this Resolution for the proper fulfillment of the purposes thereof.

Section 13. Inconsistencies. All orders, resolutions and other official actions, or parts thereof, inconsistent herewith or with the documents hereby authorized, approved, ratified or confirmed are hereby repealed, but only to the extent of such inconsistency. This Resolution shall not be construed as otherwise revising any order, resolution or other official action, or part thereof.

Section 14. Open Meeting Determination. It is found and determined that all formal actions of the Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of the Board, and that all deliberations of the Board and of any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code of Ohio.

Section 15. Effective Date. This Resolution shall take effect and be in force immediately upon its adoption.

Adopted: February 27, 1987

President Ping expressed his gratitude to Members for their willingness to adjust their schedules to meet today in special session. Chairman D'Angelo declared the meeting adjourned at 5:05 P.M.

CERTIFICATION OF SECRETARY

Notice of this meeting and its conduct was in accordance with Resolution 1975—240 of the Board, which resolution was adopted on November 5, 1975, in accordance with Section 121.22(F) of the Ohio Revised Code and of the State Administrative Procedures Act.

Priscilla S. D'Angelo
Chairman

Alan H. Geiger
Secretary