

STATE OF MONTANA)
 : SS
 COUNTY OF MISSOULA)

The Board of Regents of Higher Education for the State of Montana (the “*Board*”) held a lawful meeting of the Board on November __, 2014, beginning at _____ a.m.

Pursuant to Article V of the By-Laws of the Montana Board of Regents of Higher Education, located at Policy 201.7 of the Policy and Procedures Manual of the Board of Regents (the “*By-Laws*”), Policy 203.2.2 of such Manual, Article II, Section 9 of the Constitution of the State of Montana, and Title 2, Chapter 3, Montana Code Annotated, as amended (collectively, the “*Act*”), the Secretary of the Board of Regents caused notice of such meeting, including the agenda for the meeting (the “*Meeting Notice*”) in the form attached hereto as *Exhibit A*, to be duly given by (i) posting the Meeting Notice on the Board of Regents’ website on November __, 2014, (ii) scheduling the meeting to maximize regent availability, in accordance with the By-Laws; (iii) providing the Meeting Notice via email on November __, 2014 to each member of the Board of Regents and all other persons set forth in Paragraphs II(A) and (C) of Policy 203.2.2, and (iv) causing the presidents and chancellors of the universities in the Montana university system to communicate the Meeting Notice to students, faculty, and other university employees as provided in Paragraph II(B) of Policy 203.2.2. Pursuant to the Act, allows for public comment.

The following were present at the meeting:

Present:

Chair and Regent	Paul Tuss
Vice Chair and Regent	Major Robinson
Regent	Fran M. Albrecht
Regent	William Johnstone
Regent	Jeffrey Krauss
Regent	Martha Sheehy
Student Regent	Mariah R. Williams

Absent:

There were also present at the meeting, administrative officers of the Office of the Commissioner of Higher Education and administrative officers of The University of Montana.

During such meeting, the Regents introduced and considered and discussed the following resolution:

ITEM 165-1010-R1114 — THE UNIVERSITY OF MONTANA

**BOND RESOLUTION
AUTHORIZING UP TO
\$21,000,000
STATE OF MONTANA
THE BOARD OF REGENTS OF HIGHER EDUCATION
THE UNIVERSITY OF MONTANA
REFUNDING REVENUE BONDS,
SERIES N 2015**

A RESOLUTION AUTHORIZING, APPROVING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF UP TO \$21,000,000 AGGREGATE PRINCIPAL AMOUNT OF STATE OF MONTANA, THE BOARD OF REGENTS OF HIGHER EDUCATION, THE UNIVERSITY OF MONTANA, REFUNDING REVENUE BONDS, SERIES N 2015, BEING ISSUED TO REFUND THE FACILITIES IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES J 2005, MATURING AFTER MAY 15, 2015 AND PAYING COSTS OF ISSUANCE OF THE SERIES N 2015 BONDS; AUTHORIZING, APPROVING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY BY THE BOARD OF A SUPPLEMENTAL INDENTURE OF TRUST, A PLACEMENT AGENT AGREEMENT, AN ESCROW AGREEMENT, CLOSING DOCUMENTS AND CERTIFICATES, AND THE SERIES N 2015 BONDS; AND PROVIDING FOR RELATED MATTERS

WHEREAS, The Board of Regents of Higher Education for the State of Montana (the “*Board*” or the “*Board of Regents*”) has been vested with the governance and control of, and has been granted full power, responsibility and authority to supervise, coordinate, manage and control, the Montana university system under Article X, Section 9 of the Constitution of the State of Montana, including, but not limited to, the power to issue, sell and deliver Refunding Revenue Bonds to refund the Refunded Bonds (defined below); and

WHEREAS, the Board has determined, and does hereby determine pursuant to this resolution (the “*Resolution*”), to authorize the issuance and sale of Refunding Revenue Bonds designated as “State of Montana, The Board of Regents of Higher Education, The University of Montana, Refunding Revenue Bonds, Series N 2015” (the “*Series N 2015 Bonds*”), in the aggregate principal amount of not to exceed \$21,000,000, for the purpose of refunding the outstanding Facilities Improvement and Refunding Revenue Bonds, Series J 2005, maturing after May 15, 2015 (the “*Refunded Bonds*”) previously issued to finance and refinance the cost of certain improvements to the campuses of The University of Montana (the “*University*”), and paying costs of issuance of the Series N 2015 Bonds; and

WHEREAS, in connection with the proposed issuance of the Series N 2015 Bonds, the Board will enter into (1) a Series N 2015 Thirteenth Supplemental Indenture of Trust (the “*Supplemental Indenture*”), supplementing and amending the Indenture of Trust, dated as of November 1, 1993 (the “*Master Indenture*” and, collectively with the Supplemental Indenture, the “*Indenture*”), with U.S. Bank National Association, as trustee (the “*Trustee*”), and providing for the issuance of the Series N 2015 Bonds, (2) a Placement Agent Agreement (the “*Placement*”

Agreement”) with D.A. Davidson & Co., as the placement agent for Series N 2015 Bonds (the “*Placement Agent*”), and (3) if necessary, an Escrow Agreement (the “*Escrow Agreement*”) with U.S. Bank National Association, as escrow agent, providing for the use of Series N 2015 Bond proceeds and other moneys to refund the Refunded Bonds; and

WHEREAS, the Board has determined to approve the issuance, sale and delivery of the Series N 2015 Bonds by the adoption of this Resolution, and to delegate authority to the Chair of the Board (the “*Chair*”), the Vice President for Administration and Finance of the University, and Counsel to the Board to approve the forms of, and the terms and provisions of the Supplemental Indenture, the Placement Agreement and the Escrow Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF HIGHER EDUCATION FOR THE STATE OF MONTANA, AS FOLLOWS:

Section 1. Approval of Prior Action. All action (not inconsistent with the provisions of this Resolution) heretofore taken by the Board or the University in connection with the issuance, sale and delivery of the Series N 2015 Bonds, is hereby, ratified, approved and confirmed.

Section 2. Exercise of Powers to Issue Bonds; Authorization of Series N 2015 Bonds.
(a) Pursuant to its authority under Article X, Section 9 of the Constitution of the State of Montana, the Board does hereby declare its intention to exercise its constitutional powers and authority to supervise, coordinate, manage, govern and control the Montana university system through the issuance, sale and delivery of Refunding Revenue Bonds, and does hereby authorize the issuance of a series of Refunding Revenue Bonds of the Board designated as “State of Montana, The Board of Regents of Higher Education, The University of Montana, Refunding Revenue Bonds, Series N 2015,” for the purpose of refunding the Refunded Bonds and paying costs of issuance of the Series N 2015 Bonds.

(b) The Series N 2015 Bonds shall be issued as fully-registered bonds in the denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof, shall be dated as provided in the Indenture, shall bear interest from their date at the rates, and shall mature on the dates and in the principal amounts as shall be set forth in the Indenture, *provided that* (i) the aggregate principal amount of the Series N 2015 Bonds shall not exceed \$21,000,000, (ii) the final maturity date of the Series N 2015 Bonds shall be not later than May 15, 2030, and (iii) the net present value savings (calculated as a percentage of the principal amount of the Refunded Bonds) resulting from the refunding shall be at least 5.00%.

(c) The Series N 2015 Bonds shall be payable, shall be subject to redemption prior to maturity and shall be in substantially the form provided in the Indenture.

Section 3. Approval of Supplemental Indenture. The Board hereby authorizes the execution and delivery of the Supplemental Indenture in substantially the form attached hereto as *Exhibit B*, but with such changes as shall be consistent with the terms and provisions of this Resolution, including such changes as may be negotiated with the purchaser of the Series N 2015 Bonds, as the Chair, the Vice President for Administration and Finance of the University, Bond

Counsel, and Counsel to the Board shall approve, the execution and delivery thereof by the Chair to constitute conclusive evidence of the approval of the form, terms and provisions of the Supplemental Indenture for and on behalf of the Board. The Chair is hereby authorized to execute and deliver the Supplemental Indenture, and the Commissioner of Higher Education and Secretary to the Board of Regents (the “*Commissioner/Secretary*”) is authorized to attest and to place the seal of the Board upon the Supplemental Indenture in the form approved pursuant to this paragraph.

Section 4. Approval of Placement Agreement. The Board of Regents hereby authorizes the execution and delivery of a Placement Agreement providing for a private placement of the Series N 2015 Bonds with one or more commercial banks or other institutional investors, and with such terms and provisions of as the Chair, the University, Bond Counsel and Counsel to the Board of Regents shall approve, the execution and delivery thereof by the Chair to constitute conclusive evidence of the approval of the form, terms and provisions of the Placement Agreement for and on behalf of the Board of Regents. The Chair is hereby authorized to execute and deliver the Placement Agreement, and the Commissioner/Secretary is authorized to attest and to place the seal of the Board of Regents upon the Placement Agreement, in the form approved pursuant to this paragraph.

Section 5. Approval of Escrow Agreement. In order to provide for the payment and discharge of the Refunded Bonds, the Board of Regents hereby authorizes, the execution and delivery of the Escrow Agreement, if necessary, in substantially the form used in connection with prior revenue refunding bonds issued by the Board of Regents for the University, with such changes as shall be consistent with the terms and provisions of this Resolution and as the Chair, the University, Bond Counsel and Counsel to the Board of Regents shall approve, the execution and delivery thereof by the Chair to constitute conclusive evidence of the approval of the form, terms and provisions of the Escrow Agreement on behalf of the Board of Regents. The Chair is hereby authorized to execute and deliver the Escrow Agreement, and the Commissioner/Secretary is authorized to attest and to place the seal of the Board of Regents upon the Escrow Agreement, in the form approved pursuant to this paragraph.

Section 6. Approval of Series N 2015 Bonds and Execution. The execution and delivery by the Board of the Series N 2015 Bonds, in the form contained in the Indenture, is hereby authorized. The Chair is hereby authorized and directed to execute the Series N 2015 Bonds, and the Commissioner/Secretary is hereby authorized and directed to attest such signature, and the seal of the Board is hereby authorized and directed to be affixed to the Series N 2015 Bonds.

Section 7. Order for Authentication. The Series N 2015 Bonds, when executed by the Chair and Commissioner/Secretary, shall be delivered to the Trustee for authentication, accompanied by a written order of the Board executed by its Chair and directing the authentication and delivery of the Series N 2015 Bonds by the Trustee. Upon receipt of such written order, the Trustee shall authenticate and register the Series N 2015 Bonds by executing the Trustee’s certificate of authentication and registration appearing thereon, and shall deliver the Series N 2015 Bonds, when duly executed and authenticated, to the purchaser of the Series N 2015 Bonds, in accordance with the written instructions therefor executed on behalf of the Board

by the Chair, which instructions the Chair is hereby authorized and directed, for and in the name and on behalf of the Board, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Series N 2015 Bonds upon satisfaction of all conditions required for delivery of the Series N 2015 Bonds under the Indenture.

Section 8. Authorization for Further Action. The members and officers of the Board and the University shall take all action in conformity with the constitution and laws of the State of Montana and this Resolution that shall be necessary or reasonably required in connection with the issuance of the Series N 2015 Bonds, including, without limitation, the execution and delivery of all closing documents, certificates and opinions authorized or required to be delivered in connection with the issuance, sale and delivery of the Series N 2015 Bonds. The Chair, the Vice President for Administration and Finance of the University, and the Commissioner/Secretary are each designated as a Board Representative under the Indenture, and the Vice President for Administration and Finance of the University is also designated as a University Representative under the Indenture. If (a) the Chair, (b) Vice President for Administration and Finance of the University, or (c) the Commissioner/Secretary shall be unavailable to execute or seal or attest, respectively, the Series N 2015 Bonds or other documents that they are hereby authorized to execute, seal and attest, the same may be executed, or sealed and attested by, respectively, (i) the Vice Chair of the Board or other Regent, (ii) the Associate Vice President for Administration and Finance of the University, or (iii) any assistant to the Commissioner/Secretary or any Regent.

Section 9. Resolution Irrepealable. After any of the Series N 2015 Bonds are issued, this Resolution shall be and remain irrepealable until the Series N 2015 Bonds and the interest thereon shall have been fully paid, cancelled and discharged as provided in the Indenture.

Section 10. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 11. Repealer. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 12. Effective Date. This Resolution shall be in full force and effect upon its passage and approval.

PASSED, ADOPTED AND APPROVED this ____ day of November, 2014.

THE BOARD OF REGENTS OF HIGHER EDUCATION
FOR THE STATE OF MONTANA

By _____
Chair

[SEAL]

ATTEST:

Commissioner of Higher Education
and Secretary to the Board of Regents

At a regular meeting of The Board of Regents of Higher Education for the State of Montana, the foregoing Resolution was moved for adoption, the Resolution was put to a vote, and on roll call, the following vote was recorded:

Those Voting Aye:

Paul Tuss

Major Robinson

Fran M. Albrecht

William Johnstone

Jeffrey Krauss

Martha Sheehy

Mariah R. Williams

Those Abstaining:

Those Voting Nay:

Those Absent:

Not less than a majority of The Board of Regents of Higher Education present having voted in favor of the motion, the presiding officer declared the motion carried and the Resolution duly passed and adopted.

Thereupon, The Board of Regents of Higher Education considered other matters not concerning the Series N 2015 Bonds described in the foregoing Resolution.

STATE OF MONTANA)
 : SS
COUNTY OF MISSOULA)

I, the duly appointed, qualified and acting Commissioner of Higher Education and Secretary to the Board of Regents of Higher Education of the State Montana (the “*Board*”), do hereby certify that the foregoing is a true, correct and complete copy of the record of proceedings of the Board, insofar as such proceedings relate to the Resolution therein contained, had and taken at a lawful and regular meeting of the Board held on November __, 2014, commencing at ____ a.m./p.m., as recorded in the regular official book of the proceedings of the Board kept in my office; such proceedings were duly had and taken as therein shown, the meeting therein shown was duly held, and the persons therein named were present at such meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The Board of Regents of Higher Education of the State of Montana this ____ day of November, 2014.

Commissioner of Higher Education
and Secretary to the Board of Regents

[SEAL]

EXHIBIT A

[ATTACH MEETING NOTICE]

EXHIBIT B

[ATTACH SUPPLEMENTAL INDENTURE]