

**ITEM 184-1005-R0719 — THE UNIVERSITY OF MONTANA**

**BOND RESOLUTION  
AUTHORIZING  
STATE OF MONTANA  
THE BOARD OF REGENTS OF HIGHER EDUCATION  
THE UNIVERSITY OF MONTANA  
GENERAL REVENUE BONDS, SERIES 2019A  
GENERAL REVENUE AND REFUNDING BONDS, SERIES 2019B  
GENERAL REVENUE AND REFUNDING BONDS, SERIES 2019C (TAXABLE)**

A RESOLUTION AUTHORIZING, APPROVING AND PROVIDING FOR THE STATE OF MONTANA, THE BOARD OF REGENTS OF HIGHER EDUCATION, THE UNIVERSITY OF MONTANA, GENERAL REVENUE BONDS, SERIES 2019A, GENERAL REVENUE AND REFUNDING BONDS, SERIES 2019B, AND GENERAL REVENUE AND REFUNDING BONDS, SERIES 2019C (TAXABLE), TO BE ISSUED FOR THE PURPOSE OF REFINANCING EXISTING INDEBTEDNESS OF THE UNIVERSITY OF MONTANA AND FINANCING COSTS OF IMPROVEMENTS TO THE CAMPUSES OF THE UNIVERSITY OF MONTANA, AND PAYING COSTS OF REFINANCING EXISTING INDEBTEDNESS AND COSTS OF ISSUANCE OF THE BONDS; AUTHORIZING, APPROVING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY BY THE BOARD OF AN INDENTURE OF TRUST, SUPPLEMENTAL INDENTURES OF TRUST, A BOND PURCHASE AGREEMENT AND THE 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 revenue bonds to finance costs of projects and facilities for institutions of the Montana university system and to refund revenue bonds issued by the Board for institutions of the Montana university system; and

WHEREAS, the Board has determined, and does hereby determine pursuant to this resolution (the “*Resolution*”), to authorize and approve the refinancing of existing indebtedness of the Board benefitting the University of Montana (the “*University*”) as set forth on Exhibit A hereto (the “*Existing Indebtedness*”), in order to achieve overall level annual debt service and reduce maximum annual debt service, achieve debt service savings, improve debt service coverage ratios, reduce risk associated with variable interest rates, reduce near-term budget burdens and provide opportunity for new investment into the campuses of the University; and

WHEREAS, the Board has determined, and does hereby determine pursuant to this Resolution, to undertake improvements to the campuses of the University as shall be approved in accordance with Board policies and procedures (collectively, the “*Projects*”) for the benefit of the University and its students; and

WHEREAS, in connection with refinancing of the Existing Indebtedness and the financing of the Projects, the Board has determined, and does hereby determine pursuant to this Resolution, to enter into an Indenture of Trust (the “*Indenture*”) with U.S. Bank National Association, as

trustee (the “*Trustee*”), which shall replace the Indenture of Trust dated as of November 1, 1993 (as amended and supplemented, the “*Prior Indenture*”) between the Board and the Trustee upon refinancing of the Existing Indebtedness; and

WHEREAS, the Board has determined, and does hereby determine pursuant to this Resolution, to authorize (i) the issuance of \$13,185,000 aggregate principal amount of revenue bonds designated as “State of Montana, The Board of Regents of Higher Education, The University of Montana, General Revenue Bonds, Series 2019A” (the “*Series 2019A Bonds*”), in exchange for the State of Montana, The Board of Regents of Higher Education, The University of Montana, Revenue Bonds, Series O 2017 (the “*Series O 2017 Bonds*”), issued by the Board under the Prior Indenture and presently outstanding in the aggregate principal amount of \$13,185,000; and (ii) the issuance and sale of up to \$146,815,000 aggregate principal amount of revenue bonds designated as “State of Montana, The Board of Regents of Higher Education, The University of Montana, General Revenue and Refunding Bonds, Series 2019B” (the “*Series 2019B Bonds*”) and “State of Montana, The Board of Regents of Higher Education, The University of Montana, General Revenue and Refunding Bonds, Series 2019C (Taxable)” (the “*Series 2019C Bonds*”), for the purpose of (A) refinancing Existing Indebtedness, (B) financing costs of the Projects and (C) paying costs of issuance of the Series 2019B Bonds and Series 2019C Bonds and costs of refinancing Existing Indebtedness; and

WHEREAS, in connection with the issuance of the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds, the Board will enter into a Series 2019A First Supplemental Indenture of Trust, a Series 2019B Second Supplemental Indenture of Trust and a Series 2019C Third Supplemental Indenture of Trust (collectively, the “*Supplemental Indentures*”) with the Trustee, supplementing the Indenture and providing for the issuance of the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds, respectively, (2) a Bond Purchase Agreement (the “*Bond Purchase Agreement*”) with Morgan Stanley & Co., as the underwriter for the Series 2019B Bonds and Series 2019C Bonds (the “*Underwriter*”), (3) an Escrow Agreement (the “*Escrow Agreement*”) with U.S. Bank National Association, as escrow agent, with respect to the payment and discharge of certain of the Existing Indebtedness, (4) a Continuing Disclosure Agreement among the Board, the University and U.S. Bank National Association, as dissemination agent (the “*Continuing Disclosure Agreement*”), and (5) a Preliminary Official Statement (the “*Preliminary Official Statement*”) and a final Official Statement (the “*Final Official Statement*”) for use by the Underwriter in connection with the issuance and sale of the Series 2019B Bonds and Series 2019C Bonds; and

WHEREAS, the Board has determined, and does hereby determine pursuant to this Resolution, to authorize the issuance of the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds, and to delegate authority to the Chair, the Vice President Operations and Finance of the University and Counsel to the Board to approve the forms of, and the terms and provisions of the Indenture, the Supplemental Indentures, the Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Agreement, the Preliminary Official Statement and the Final Official Statement; and the Board has determined to authorize the use and distribution of the Preliminary Official Statement in connection with the offer and sale of the Series 2019B Bonds and Series 2019C Bonds and to authorize and direct the preparation, distribution and use of the Final Official Statement in the manner provided for herein.

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 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds is hereby, ratified, approved and confirmed.

*Section 2. Authorization of Indenture.* The Board hereby approves the Indenture in substantially the form attached as Exhibit B hereto, including the pledge of the Auxiliary Facilities Gross Pledged Revenues and Pledged Revenues (each, as defined therein) thereunder to the secure payment of the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds as set forth therein. The Board hereby authorizes the execution and delivery of the Indenture with such changes thereto consistent with this Resolution as the Chair, the Vice President Operations and Finance of the University 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 Indenture for and on behalf of the Board. The Chair is hereby authorized to execute and deliver the Indenture, and the Commissioner/Secretary 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 Indenture in the form approved pursuant to this paragraph.

*Section 3. Exercise of Powers to Issue Bonds; Authorization of Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds.*

(a) Pursuant to its authority under Article X, Section 9 of the Constitution of the State of Montana, the Board does hereby authorize (i) the issuance of \$13,185,000 aggregate principal amount of revenue bonds designated as "State of Montana, The Board of Regents of Higher Education, The University of Montana, General Revenue Bonds, Series 2019A" in exchange for the Series O 2017 Bonds issued by the Board under the Prior Indenture and presently outstanding in the aggregate principal amount of \$13,185,000; and (ii) the issuance and sale of up to \$146,815,000 aggregate principal amount of revenue bonds designated as "State of Montana, The Board of Regents of Higher Education, The University of Montana, General Revenue and Refunding Bonds, Series 2019B" and "State of Montana, The Board of Regents of Higher Education, The University of Montana, General Revenue and Refunding Bonds, Series 2019C (Taxable)" for the purpose of (A) refinancing Existing Indebtedness, (B) financing costs of the Projects and (C) paying costs of issuance of the Series 2019B Bonds and Series 2019C Bonds and costs of refinancing Existing Indebtedness.

(b) The Series 2019A Bonds, the Series 2019B Bonds and the Series 2019C Bonds shall be issued as fully-registered bonds in the denominations as provided in the applicable Supplemental Indenture, shall bear interest from the dates and at the rates, and shall mature on the dates and in the principal amounts as shall be set forth in the applicable Supplemental Indenture. Notwithstanding the foregoing, (i) the Series 2019A Bonds shall bear interest from the same dates and at same the rates, and shall mature on the same dates and in the same principal amounts as the Series O 2017 Bonds; and (ii) the aggregate principal amount of the Series 2019B Bonds and Series 2019C Bonds shall not exceed \$146,815,000 and the final maturity date or dates of the Series 2019B Bonds and Series 2019C Bonds shall be not later than 40 years from the date of issuance thereof. Subject to the foregoing, the Existing Indebtedness to be refinanced, the

aggregate principal amount of the Series 2019B Bonds and Series 2019C Bonds, the interest rates on the Series 2019B Bonds and Series 2019C Bonds (which shall be fixed rates), the redemption provisions (if any) for the Series 2019B Bonds and Series 2019C Bonds and the Underwriter's discount with respect to the Series 2019B Bonds and Series 2019C Bonds, shall be determined by the Commissioner/Secretary and the Vice President Operations and Finance of the University. Issuance of the each series of Bonds authorized hereunder is not conditioned upon issuance of any other series of Bonds authorized hereunder.

*Section 4. Approval of Supplemental Indentures.* The Board hereby authorizes the execution and delivery of the Supplemental Indentures, with such terms and provisions consistent with this Resolution as the Chair, the Vice President Operations and Finance of the University and Counsel to the Board shall approve, the execution and delivery thereof by the Chair to constitute conclusive evidence of the approval of the forms, terms and provisions of the Supplemental Indentures for and on behalf of the Board. The Chair is hereby authorized to execute and deliver the Supplemental Indentures, and the Commissioner/Secretary is authorized to attest and to place the seal of the Board upon the Supplemental Indentures in the form approved pursuant to this paragraph.

*Section 5. Approval of Bond Purchase Agreement.* The Board hereby authorizes the execution and delivery of a Bond Purchase Agreement providing for a public offering of the Series 2019B Bonds and Series 2019C Bonds, with such terms and provisions consistent with this Resolution as the Chair, the Vice President Operations and Finance of the University 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 Bond Purchase Agreement for and on behalf of the Board. The Chair is hereby authorized to execute and deliver the Bond Purchase Agreement, and the Commissioner/Secretary is authorized to attest and to place the seal of the Board upon the Bond Purchase Agreement, in the form approved pursuant to this paragraph.

*Section 6. Approval of Escrow Agreement.* In order to provide for the payment and discharge of certain of the Existing Indebtedness, the Board hereby authorizes, the execution and delivery of an Escrow Agreement, with such terms and provisions consistent with this Resolution as the Chair, the Vice President Operations and Finance of the University 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 Escrow Agreement on behalf of the Board. 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 upon the Escrow Agreement, in the form approved pursuant to this paragraph.

*Section 7. Approval of Continuing Disclosure Agreement.* The Board hereby authorizes the execution and delivery of a Continuing Disclosure Agreement with respect to the Series 2019B Bonds and Series 2019C Bonds, with such terms and provisions consistent with this Resolution as the Chair, the Vice President Operations and Finance of the University 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 Continuing Disclosure Agreement on behalf of the Board. The Chair is hereby authorized to execute and deliver the Continuing Disclosure Agreement, and the Commissioner/Secretary is authorized to attest and to place the seal of the Board upon the Continuing Disclosure Agreement, in the form approved pursuant to this paragraph.

*Section 8. Approval and Use of Preliminary Official Statement and Final Official Statement.* In connection with a public offering of the Series 2019B Bonds and Series 2019C Bonds, the Board hereby authorizes the preparation of the Preliminary Official Statement consistent with the terms and provisions of this Resolution and as the Chair, the Vice President Operations and Finance of the University and Counsel to the Board shall approve, the approval by the Vice President Operations and Finance of the University to constitute conclusive evidence of the approval of the form and provisions of the Preliminary Official Statement for and on behalf of the Board and the University. The Vice President Operations and Finance of the University is further authorized to deem such Preliminary Official Statement final for purposes of complying with Securities and Exchange Commission Rule 15c2-12. The Underwriter is hereby authorized to use and distribute the Preliminary Official Statement in connection therewith. Such Preliminary Official Statement, when supplemented and completed to include the maturity dates, principal amounts and interest rates of the Series 2019B Bonds and Series Bonds 2019C, together with any other information required or permitted by law, shall constitute the Final Official Statement of the Board and the University with respect to the Series 2019B Bonds and Series Bonds 2019C, and the Chair and the Vice President Operations and Finance of the University are hereby authorized to approve and execute the Final Official Statement upon completion of such information and to deliver or cause to be delivered the Final Official Statement to the Underwriter.

*Section 9. Execution and Delivery of Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds.* The execution and delivery by the Board of the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds, in the form contained in the applicable Supplemental Indenture, are hereby authorized. The Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds shall be executed on behalf of the Board with the signature of the Chair and attested by the signature of the Commissioner/Secretary, and the seal of the Board shall be placed on each of Bond.

*Section 10. Order for Authentication.* The Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds, when executed as provided in Section 9 above, 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 thereof by the Trustee. Upon receipt of such written order, the Trustee shall authenticate and register the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and, when duly executed and authenticated, (i) shall deliver the Series 2019A Bonds to the registered owner of the Series O 2017 Bonds in exchange therefor and (ii) shall deliver the Series 2019B Bonds and Series 2019C Bonds to the Underwriter, in each case, 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.

*Section 11. Authorization for Further Action.* The members and officers of the Board and the University shall take all action in conformity with the Constitution and applicable laws of the State of Montana and this Resolution that shall be necessary or reasonably required in connection with the issuance of the Series 2019A Bonds, Series 2019B Bonds and Series 2019C Bonds, including, without limitation, the execution and delivery of all closing documents, certificates and opinions authorized or required to be delivered in connection therewith and in connection with the discharge of the Existing Indebtedness and the Prior Indenture. The Chair and the

Commissioner/Secretary are each designated as a Board Representative under the Indenture, and the President and the Vice President Operations and Finance of the University are each designated as a University Representative under the Indenture. If the Chair or the Commissioner/Secretary shall be unavailable to execute or seal or attest, respectively, the Series 2019A Bonds, Series 2019B Bonds and Series 2019C 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 or (ii) any assistant to the Commissioner/Secretary or any Regent.

*Section 12. Resolution Irrepealable.* After any of the Series 2019A Bonds, Series 2019B Bonds or Series 2019C Bonds are issued, this Resolution shall be and remain irrepealable until such series of Bonds and the interest thereon shall have been fully paid, cancelled and discharged.

*Section 13. 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 14. 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 15. Effective Date.* This Resolution shall be in full force and effect upon its passage and approval.

PASSED, ADOPTED AND APPROVED this \_\_\_\_\_ day of July, 2019.

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

**EXHIBIT A**

[EXISTING INDEBTEDNESS]



**EXHIBIT B**

[INDENTURE]