

MINUTES OF THE SPECIAL MEETING OF THE
UNIVERSITY OF ARKANSAS BOARD OF TRUSTEES
TELEPHONE CONFERENCE CALL
2:30 P.M., FEBRUARY 15, 2016

TRUSTEES PRESENT:

Chair Ben Hyneman; Trustees Jane Rogers; Reynie Rutledge; David Pryor; Mark Waldrip; Stephen A. Broughton, MD; Cliff Gibson; Morrill Harriman; and Jim von Grep.

TRUSTEE ABSENT:

Trustee John Goodson.

UNIVERSITY ADMINISTRATORS
AND OTHERS PRESENT:

System Administration:

President Donald R. Bobbitt, Vice President for Finance and CFO Barbara Goswick, General Counsel Fred Harrison, Vice President for Academic Affairs Michael K. Moore, Director of Communications Nate Hinkel, Vice President for University Relations Melissa Rust, Senior Director of Policy and Public Affairs Ben Beaumont, Assistant to the President Angela Hudson and Associate for Administration Sylvia White.

Division of Agriculture Representatives:

Vice President for Agriculture Mark Cochran, Associate Director - Agriculture Experiment Station Rick Roeder and Legal Counsel Josh Newton.

UAF Representatives:

Chancellor Joseph E. Steinmetz, Interim Vice Chancellor for Finance and Administration Tim O'Donnell and Associate Vice Chancellor and Chief of Staff Laura Jacobs.

UALR Representatives:
Chancellor Joel E. Anderson and Interim
Vice Chancellor for Finance Chaundra
Hall.

Guests and Members of the Press.

Chairman Ben Hyneman called the special meeting of the Board of Trustees of the University of Arkansas to order at 2:30 p.m. on Monday, February 15, 2016, via telephone conference call.

1. Approval Concerning the Sale of Property Located at 3559 N. Thompson Street in Springdale, AGRI:

Vice President for Agriculture Mark Cochran presented a request for authority to contract for sale of property to Food Safety Net Services property located in Benton County, Arkansas. Upon motion by Trustee Waldrip and second by Trustee Pryor the following resolution was adopted:

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS THAT the President and Vice President for Finance and Administration, or their designee, shall be, and hereby are, authorized to contract for the sale to Food Safety Net Services the following described property situated in Benton County, Arkansas to wit:

Tract 1

Part of the North half (N $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 24, Township 18 North, range 30 West, Benton County, Arkansas, described as beginning at a point 300 feet North of the Southwest corner of said North half of the Northwest Quarter of the Southwest Quarter, running thence North 30 feet; thence East 300 feet; thence South 30 feet; thence West 300 feet to the point of beginning subject to the highway of the West side thereof.

Tract 2

Part of the North half (N $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 24, Township 18 North, Range 30 West, more particularly described as follows: Beginning at a point 100 feet North of the Southwest corner of said North half of the Northwest Quarter of the Southwest Quarter running thence North 230 feet; thence East 300 feet; thence South 230

feet; thence West 300 feet to the point of beginning, EXCEPT any part thereof which lies within U.S. Highway 71 as now constituted.

BE IT FURTHER RESOLVED THAT the Chairman and Secretary shall be, and hereby are, authorized to execute a Warranty Deed conveying title to the aforesaid property in accordance with the contract of sale.

BE IT FURTHER RESOLVED THAT the President and Vice President for Finance and Administration, or their designee, shall be, and hereby are, authorized to execute such other documents and instruments that may be necessary to effectuate the sale of aforesaid property.

2. Approval to Issue Bonds, UAF:

Chancellor Joseph E. Steinmetz, University of Arkansas, Fayetteville, presented a request for approval of a final authorizing resolution to issue approximately \$30 million in bonds to finance various projects, along with refunding three previous bond issues: Various Facility Revenue Bonds, Series 2007A; Various Facility Revenue Bonds, Series 2008A; and Various Facility Revenue Bonds, Series 2008B with total principal outstanding of \$87,245,000. Following discussion and upon motion by Trustee Gibson and second by Trustee von Grep the following resolution was adopted [Trustee Rutledge abstained and Trustee Rogers opposed]:

RESOLUTION
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF ARKANSAS

AUTHORIZING THE ISSUANCE OF BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS VARIOUS FACILITY REVENUE BONDS (FAYETTEVILLE CAMPUS) FOR THE PURPOSE OF (A) REFUNDING CERTAIN OUTSTANDING BONDS AND (B) FINANCING ALL OR A PORTION OF THE COSTS OF CAPITAL IMPROVEMENTS FOR THE FAYETTEVILLE CAMPUS OF THE UNIVERSITY; AUTHORIZING THE EXECUTION OF ONE OR MORE OFFICIAL STATEMENTS, BOND PURCHASE AGREEMENTS, SERIES TRUST INDENTURES AND RELATED DOCUMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Board of Trustees (the "Board") of the University of Arkansas (the "University") is authorized under the Constitution and laws of the State of Arkansas, including particularly Arkansas Code of 1987 Annotated, Title 6, Chapter 62, Subchapter

3 (the "Act"), to borrow money for the purpose of constructing and equipping capital improvements to University facilities and to refund bonds issued under the Act to finance such capital improvements; and

WHEREAS, the Board has previously issued its Various Facility Revenue Bonds (Fayetteville Campus), Series 2007A (the "Series 2007A Bonds"), its Various Facility Revenue Bonds (Fayetteville Campus), Series 2008A (the "Series 2008A Bonds") and its Various Facility Revenue Bonds (Fayetteville Campus), Series 2008B (the "Series 2008B Bonds"); and

WHEREAS, the Series 2007A Bonds are in the outstanding principal amount of \$38,200,000, and the Series 2007A Bonds maturing after November 1, 2017 are subject to optional redemption by the Board without penalty on and after November 1, 2017; and

WHEREAS, the Series 2008A Bonds are in the outstanding principal amount of \$35,545,000, and the Series 2008A Bonds maturing after November 1, 2018 are subject to optional redemption by the Board without penalty on and after November 1, 2018; and

WHEREAS, the Series 2008B Bonds are in the outstanding principal amount of \$13,500,000, and the Series 2008B Bonds maturing after November 1, 2018 are subject to optional redemption by the Board without penalty on and after November 1, 2018; and

WHEREAS, it has been found and determined, based on the advice of the staff of the University and the Fayetteville campus of the University ("UAF"), that the Board can, based on current market conditions, recognize net present value savings by the refunding of all or portions of the outstanding Series 2007A Bonds, Series 2008A Bonds, and/or Series 2008B Bonds (collectively, the "Refunding"), and that the Refunding should be financed by the Board's Various Facility Revenue Bonds (Fayetteville Campus) (the "Refunding Bonds"), the proceeds of the sale thereof to be used for accomplishing the Refunding and paying the costs of issuing the Refunding Bonds; and

WHEREAS, the Board has heretofore determined the need for certain capital improvements on or for the campus of UAF that include the following projects: (a) the renovation, improvement and equipping of Discovery Hall, (b) the renovation, expansion and equipping of Kimpel Hall, (c) the acquisition, construction and equipping of an offsite Library Storage Building, (d) the construction of monument signs at the entrances to the campus of UAF, (e) the acquisition, construction and equipping of intramural sports facilities, (f) the acquisition, construction and equipping of the Civil Engineering Research and Education Center, (g) the acquisition, construction and equipping of an expansion to the Pat Walker Health Center, (h) the renovation, expansion and equipping of a residence facility to be used by the Sigma Alpha Epsilon fraternity, and (i) the

acquisition, construction, improvement, renovation, equipping and/or furnishing of other capital improvements and infrastructure and the acquisition of various equipment and/or real property for UAF (collectively, the "Project"); and

WHEREAS, the staff of the University and UAF have recommended, and the Board has determined and hereby finds and declares, that the best method of financing all or a portion of the costs of the Project will be through the issuance of its Board of Trustees of the University of Arkansas Various Facility Revenue Bonds (Fayetteville Campus) (the "Improvement Bonds") which Improvement Bonds will have an aggregate principal amount of not to exceed \$30,000,000, the proceeds of the sale thereof to be used for accomplishing the Project, funding capitalized interest and paying costs of issuing the Improvement Bonds; and

WHEREAS, prior to the issuance of the Improvement Bonds, UAF will obtain, pursuant to Arkansas Code of 1987 Annotated Section 6-62-306, a resolution of the Arkansas Higher Education Coordinating Board giving its advice that the Project is economically feasible; and

WHEREAS, the Refunding Bonds and the Improvement Bonds (collectively, the "Bonds") are to be secured pursuant to a Master Trust Indenture dated as of November 1, 1996, as supplemented by a First Supplement to Master Indenture dated as of May 1, 2011 (collectively, the "Master Indenture"), between the Board and Simmons First National Bank, Pine Bluff, Arkansas (now Simmons First National Bank, N.A.), as trustee (the "Trustee"); and

WHEREAS, the Refunding Bonds and the Improvement Bonds are to be issued on the terms and in the form set forth in one or more Series Trust Indentures (the "Series Indentures") between the Board and the Trustee, and each Series Indenture shall contain an indication of the year in which the series of Bonds issued under such Series Indenture are issued, and shall contain a letter designation for each series of the Bonds issued under such Series Indenture which shall be in sequential order after taking into account other bonds previously issued under the Master Indenture in such year; and

WHEREAS, in order to proceed with the financing of the Project and the Refunding, it is necessary for the Board (i) to authorize the issuance and marketing of the Refunding Bonds and the Improvement Bonds; (ii) to authorize the President of the University to deem final a Preliminary Official Statement or Preliminary Official Statements for the Refunding Bonds and the Improvement Bonds and to authorize their use; (iii) to authorize the pricing of the Refunding Bonds and the Improvement Bonds and the execution of a Bond Purchase Agreement or Bond Purchase Agreements for the Refunding Bonds and the Improvement Bonds with the Underwriters (as hereinafter

defined) in connection therewith; and (iv) to authorize the execution of the Series Indentures and related documents, all relating to the security and issuance of the Refunding Bonds and the Improvement Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS:

Section 1. After receiving advice and the recommendation of the Vice Chancellor for Finance and Administration of UAF, or in the event of a vacancy, the Interim Vice Chancellor for Finance and Administration of UAF, all or any portion of the Series 2007A Bonds may be refunded if such refunding would produce an aggregate net present value savings of at least three percent (3%) of the principal balance of the Series 2007A Bonds being refunded. In the event that such net present value savings threshold is met, the Refunding Bonds are hereby authorized to be issued to accomplish the Refunding of the Series 2007A Bonds selected for the Refunding. The Refunding Bonds allocable to the Refunding of the Series 2007A Bonds shall have a final maturity date not later than the final maturity date of the Series 2007A Bonds being refunded. Any Series 2007A Bonds being refunded that mature after November 1, 2017 shall be called for redemption on such date.

After receiving advice and the recommendation of the Vice Chancellor for Finance and Administration of UAF, or in the event of a vacancy, the Interim Vice Chancellor for Finance and Administration of UAF, all or any portion of the Series 2008A Bonds may be refunded if such refunding would produce an aggregate net present value savings of at least three percent (3%) of the principal balance of the Series 2008A Bonds being refunded. In the event that such net present value savings threshold is met, the Refunding Bonds are hereby authorized to be issued to accomplish the Refunding of the Series 2008A Bonds selected for the Refunding. The Refunding Bonds allocable to the Refunding of the Series 2008A Bonds shall have a final maturity date not later than the final maturity date of the Series 2008A Bonds being refunded. Any Series 2008A Bonds being refunded that mature after November 1, 2018 shall be called for redemption on such date.

After receiving advice and the recommendation of the Vice Chancellor for Finance and Administration of UAF, or in the event of a vacancy, the Interim Vice Chancellor for Finance and Administration of UAF, all or any portion of the Series 2008B Bonds may be refunded if such refunding would produce an aggregate net present value savings of at least three percent (3%) of the principal balance of the Series 2008B Bonds being refunded. In the event that such net present value savings threshold is met, the Refunding Bonds are hereby authorized to be issued to accomplish the Refunding of the Series 2008B Bonds selected for the Refunding. The Refunding Bonds allocable to the

Refunding of the Series 2008B Bonds shall have a final maturity date not later than the final maturity date of the Series 2008B Bonds being refunded. Any Series 2008A Bonds being refunded that mature after November 1, 2018 shall be called for redemption on such date.

The Refunding Bonds shall be issued in an aggregate principal amount not greater than the amount needed to accomplish the Refunding and to pay the estimated costs of issuing the Refunding Bonds and accomplishing the Refunding, including the payment of fees to Bond Counsel, the Underwriters, the financial advisor and other professionals engaged by or on behalf of the Board to accomplish the issuance of the Refunding Bonds and the Refunding.

In order to finance all or a portion of the costs of the Project, to fund capitalized interest and to pay the costs of issuing the Improvements Bonds, including the payment of fees to Bond Counsel, the Underwriters, the financial advisor and other professionals engaged by or on behalf of the Board to accomplish the issuance of the Improvement Bonds and the Project, the Board hereby approves, authorizes and directs the issuance, execution and delivery of the Improvement Bonds in an aggregate principal amount not to exceed \$30,000,000. The Improvement Bonds shall mature not later than December 1, 2046 and have an aggregate true interest cost (after taking into account original issue discount and premium and Underwriters' discount but excluding costs of issuing such Improvement Bonds) not greater than 5.50%.

All Bonds shall have a description in the name which shall indicate the year in which the particular Bonds are issued and shall contain a letter designation selected by the Vice Chancellor for Finance and Administration of UAF, or in the event of a vacancy, the Interim Vice Chancellor for Finance and Administration of UAF, which shall be in sequential order after taking into account other bonds previously issued under the Master Indenture in such year.

The Refunding Bonds and the Improvement Bonds may be combined and issued at one time, or in the alternative and subject to the provisions of Section 5 hereof, all or any portion of the Refunding Bonds and the Improvements Bonds may be issued at separate times; provided, however, there shall be no more than two issues of Bonds authorized under this Resolution. The Bonds issued at the same time may be divided into multiple series if taxable and tax-exempt bonds are being issued, if advantageous for planning purposes or if necessitated for federal income tax purposes, as determined by the President of the University. Each series of an issue shall have a series name that reflects that such series is "Refunding" or "Improvement" or "Refunding and Improvement."

Section 2. All Bonds shall be secured by a pledge of (i) all tuition and fee revenues collected by UAF, (ii) all sales and services revenues and all auxiliary enterprises revenues (as such terms are used in the context of generally accepted accounting principles) derived from projects funded or refunded with the bonds issued under the Master Indenture, and (iii) all surplus sales and services and auxiliary enterprises revenues (as such terms are used in the context of generally accepted accounting principles) derived from residence halls, married student apartments, fraternity and sorority houses, residence dining services, the Arkansas Union, and transit and parking services to the extent such revenues are derived from facilities funded with obligations issued pursuant to the Act (the "Pledged Revenues"); provided, however, that such Pledged Revenues are subject to previous pledges to Existing Obligations as described in Section 6.03 of the Master Indenture and shall not include (A) athletic gate receipts and other revenues derived from intercollegiate athletics at UAF, or (B) any fees authorized or imposed by UAF and dedicated to a specific purpose unrelated to obligations issued pursuant to the Act or to facilities funded with such obligations.

Section 3. In order to provide for the issuance of the Bonds and to prescribe the terms under which the Bonds will be secured, executed, authenticated, accepted and held, the Chairman and Secretary of the Board and the President of the University are hereby authorized to execute all documents necessary for the issuance of the Bonds, including, without limitation:

- (a) a Series Indenture for each issue of Bonds to be dated as of the date of the particular Bonds that are part of such issue, between the Board and the Trustee, setting forth the terms and conditions of such particular Bonds and providing for the issuance of the particular Bonds;
- (b) a Bond Purchase Agreement for each issue of Bonds between the Board and the Underwriters, setting forth the purchase price and the other terms and conditions upon which the issue of Bonds will be sold to the Underwriters; and
- (c) a Continuing Disclosure Agreement for each issue of Bonds between the Board and the Trustee, setting forth certain obligations of the Board to make continuing disclosure of financial information and material events to the secondary municipal marketplace, as set forth in Rule 15c2-12 of the Securities and Exchange Commission.

The Series Indenture, the Bond Purchase Agreement, and the Continuing Disclosure Agreement for an issue of Bonds shall be in substantially the form presented to the Board with such changes as shall be approved by the Chairman or the President. The Board recognizes that certain revisions may be made to a Series Indenture, a Bond Purchase

Agreement and a Continuing Disclosure Agreement prior to the issuance of an issue of Bonds, and hereby authorizes the Chairman or President to approve and accept such revisions, the signature of either on a Bond Purchase Agreement, a Series Indenture and a Continuing Disclosure Agreement for Bonds to constitute proof of their acceptance of such revisions. Specifically, the President or the Chairman is each hereby authorized to (i) accept the final maturity schedule, interest rates and reoffering yields for each issue of the Bonds if he deems such rates, yields and maturity schedule to be appropriate and within the authority granted by this Resolution and execute a Bond Purchase Agreement with the Underwriters and (ii) execute a Continuing Disclosure Agreement. Prior to the sale of an issue of Bonds, the President or the Chairman is hereby authorized to confer with bond counsel in allocating the principal amount of such Bonds between tax-exempt bonds and taxable bonds for federal income tax purposes.

The President is hereby authorized to negotiate an Underwriters' discount with the Underwriters that is not in excess of 0.45% of the par amount of the Bonds of an issue. The purchase price may include original issue premiums and discounts in such amounts as may be approved by the President.

Section 4. The Board hereby authorizes the use of a Preliminary Official Statement in the marketing of each issue of the Bonds and authorizes the production of an Official Statement for each issue of the Bonds. The Preliminary Official Statement is hereby approved in substantially the form presented to the Board. The Board recognizes that certain revisions may be made to the Preliminary Official Statement prior to its delivery to prospective purchasers of each issue of the Bonds, and hereby authorizes the Chairman or the President to approve and accept such revisions, the signature of either on each such Preliminary Official Statement to constitute proof of acceptance of such revisions. The Board hereby authorizes the President to "deem final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission the Preliminary Official Statement with such revisions as may be accepted by the President. The Board hereby further authorizes and approves the production of a final Official Statement for each issue of the Bonds, and authorizes and directs the President to execute and deliver each Official Statement, in such form as he deems acceptable, in connection with the issuance of each issue of the Bonds.

Section 5. If the President of the University, upon the advice of the Vice President for Finance of the University or the Vice Chancellor for Finance and Administration of UAF, or in the event of a vacancy, the Interim Vice Chancellor for Finance and Administration of UAF, deems that it is in the best interest of the Board, all or any portion of the Refunding Bonds and the Improvement Bonds may be issued at separate times; provided, however, there shall be no more than two Bond issues authorized under this Resolution. The Series Indenture, the Bond Purchase Agreement, the Continuing

Disclosure Agreement and the Preliminary Official Statement have been prepared and presented to the Board assuming that the Refunding Bonds and the Improvement Bonds will be combined into and sold as one issue at the same time. In the event that the President of the University, as stated in the first sentence of this Section, determines that it is in the best interest of the Board for all or any portion of the Refunding Bonds and the Improvement Bonds to be issued at separate times, the Chairman or the President are each authorized to accept a Series Indenture, a Bond Purchase Agreement, a Continuing Disclosure Agreement and a Preliminary Official Statement for each issue of the Bonds, so long as such documents remain in substantially the form as presented to this meeting, with such changes necessitated by issuing the Bonds at separate times. The signature of the Chairman or President on each of such documents shall evidence approval thereof.

Section 6. The Chairman, Secretary and Assistant Secretary of the Board, and the President of the University are hereby authorized and directed to do any and all lawful things to effect the execution and delivery of the Bonds, the performance of all obligations of the Board and of UAF, and the execution and delivery of all papers, documents, certificates and other instruments of whatever nature that may be necessary or desirable for carrying out the authority conferred by this Resolution or evidencing the authority and its exercise. The Secretary or Assistant Secretary of the Board is hereby authorized to acknowledge and attest the signatures of the Chairman and to execute such other documents as may be required in connection with the issuance of the Bonds.

Section 7. The Board hereby expresses its intent to select J. P. Morgan Securities LLC, as senior managing underwriter, and Raymond James & Co., Inc., Crews & Associates, Inc. and Stephens Inc., as co-managers for the sale of the Bonds (the "Underwriters"). Friday, Eldredge & Clark, LLP has been appointed to act as Bond Counsel for the Improvement Bonds and is hereby appointed to act as Bond Counsel for the Refunding Bonds.

Section 8. The provisions of this Resolution are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Resolution.

Section 9. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

3. Approval to Issue Refunding Bonds, UALR:

Chancellor Joel E. Anderson, University of Arkansas at Little Rock, requested approval to issue bonds to refund the outstanding balance of \$25.6 million for Series 2009 Auxiliary Enterprises Revenue Bonds. At current rates, it is estimated the refunding will

produce approximately \$2.1 million in cash flow savings. Upon motion by Trustee Rutledge and second by Trustee Broughton the following resolution was adopted:

RESOLUTION
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF ARKANSAS

AUTHORIZING THE ISSUANCE OF BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS AUXILIARY ENTERPRISES REVENUE BONDS (UALR CAMPUS), FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS; AUTHORIZING THE EXECUTION OF AN OFFICIAL STATEMENT, BOND PURCHASE AGREEMENT, TRUST INDENTURE AND RELATED DOCUMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Board of Trustees (the "Board") of the University of Arkansas (the "University") is authorized under the Constitution and laws of the State of Arkansas, including particularly Arkansas Code of 1987 Annotated, Title 6, Chapter 62, Subchapter 3 (the "Act") to borrow money for the purpose of constructing and equipping capital improvements to University facilities and to refund bonds issued under the Act to finance such capital improvements; and

WHEREAS, the Board has previously issued its Auxiliary Enterprises Revenue Bonds (UALR Campus), Series 2009 (the "Series 2009 Bonds"), under the Act for the purpose of financing capital improvements on or for the campus of the University of Arkansas at Little Rock ("UALR"); and

WHEREAS, the Series 2009 Bonds are currently in the outstanding principal amount of \$25,600,000, and the Series 2009 Bonds maturing after October 1, 2019 are subject to optional redemption by the Board without penalty on and after October 1, 2019; and

WHEREAS, it has been found and determined, based on the advice of the staff of the University and UALR, that the Board can, based on current market conditions, recognize net present value savings by the refunding of all or portions of the outstanding Series 2009 Bonds (the "Refunding"), and that the Refunding should be financed by the Board's Auxiliary Enterprises Revenue Bonds (UALR Campus) (the "Bonds"), the proceeds of the sale thereof to be used for accomplishing the Refunding and paying the costs of issuing the Bonds; and

WHEREAS, the Bonds will be general obligations of the Board, and payment of debt service on the Bonds will be specifically secured by "Revenues" which include

particularly, without limitation, auxiliary enterprises revenues derived from the operation of residence halls or other student housing facilities operated by UALR, athletic gate receipts and other revenues derived from intercollegiate athletics at UALR, and revenues derived from the operations of bookstores and other auxiliary enterprises at UALR, but excluding tuition and fee revenues collected by UALR and sales and services revenues of educational departments of UALR; and

WHEREAS, in order to proceed with the financing, it is necessary for the Board (i) to authorize the issuance and marketing of the Bonds; (ii) to designate Stephens Inc. as underwriter for the Bonds (the "Underwriter"), (iii) to authorize the President of the University to deem final the Preliminary Official Statement for the Bonds and to authorize its use; (iv) to authorize the pricing of the Bonds and the execution of a Bond Purchase Agreement for the Bonds with the Underwriter in connection therewith; and (v) to authorize the execution of a Trust Indenture (hereinafter described) for the Bonds and related documents, all relating to the security and issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS:

Section 1. After receiving advice and the recommendation of the Chancellor of UALR or the Vice Chancellor for Finance and Administration of UALR, all or any portion of the Series 2009 Bonds may be refunded if such refunding would produce an aggregate net present value savings of at least three percent (3%) of the principal balance of the Series 2009 Bonds being refunded. In the event that such net present value savings threshold is met, the Bonds are hereby authorized to be issued to accomplish the Refunding of the Series 2009 Bonds selected for the Refunding. The Bonds shall have a final maturity date not later than the final maturity date of the Series 2009 Bonds being refunded. Any Series 2009 Bonds being refunded that mature after October 1, 2019 shall be called for redemption on such date.

The Bonds shall have in their name a series designation based on the year issued and, if there are multiple series, the name shall contain a letter to differentiate series, beginning with "A". The Bonds may be issued in multiple series if advantageous for planning purposes or if necessitated for federal income tax purposes. The description in the name of each series of Bonds shall also include the word "Refunding."

The Bonds shall be issued in an aggregate principal amount not greater than the amount needed to accomplish the Refunding and to pay the estimated costs of issuing the Bonds and accomplishing the Refunding.

Section 2. In order to provide for the issuance of the Bonds and to prescribe the terms under which the Bonds will be secured, executed, authenticated, accepted and held, the Chairman, Secretary and Assistant Secretary of the Board and the President of the University are hereby authorized and directed to execute all documents necessary to the issuance of the Bonds, including, without limitation:

- (a) a Trust Indenture (the "Trust Indenture") to be dated as of the date of the Bonds, between the Board and Simmons First National Bank, N.A., as trustee (the "Trustee"), setting forth the terms and conditions of the Bonds and providing for the issuance of the Bonds;
- (b) a Bond Purchase Agreement between the Board and the Underwriter, setting forth the purchase price and the other terms and conditions upon which the Bonds will be sold to the Underwriter; and
- (c) a Continuing Disclosure Agreement between the Board and the Trustee, setting forth certain obligations of the Board to make continuing disclosure of financial information and material events to the secondary municipal marketplace, as set forth in Rule 15c2-12 of the Securities and Exchange Commission.

The Trust Indenture, the Bond Purchase Agreement, and the Continuing Disclosure Agreement shall be in substantially the form presented to the Board with such changes as shall be approved by the Chairman or the President. The Board recognizes that certain revisions may be made to the Trust Indenture, the Bond Purchase Agreement and the Continuing Disclosure Agreement prior to the issuance of the Bonds, and hereby authorizes the Chairman or President to approve and accept such revisions, the signature of either on the Bond Purchase Agreement, the Trust Indenture and the Continuing Disclosure Agreement to constitute proof of their acceptance of such revisions. Specifically, the President or the Chairman is hereby authorized to (i) accept the final maturity schedule, interest rates and reoffering yields for the Bonds if he deems such rates, yields and maturity schedule to be appropriate and within the authority granted by this Resolution in order to achieve the minimum net present value savings and execute the Bond Purchase Agreement with the Underwriter, and (ii) execute the Continuing Disclosure Agreement. Prior to the sale of the Bonds, the President or the Chairman is hereby authorized to confer with Friday, Eldredge & Clark, LLP, as bond counsel, in allocating the principal amount of the Bonds between tax-exempt bonds and taxable bonds if advantageous for planning purposes or necessitated for federal income tax purposes.

The President is hereby authorized to negotiate an Underwriter's discount with the Underwriter that is not in excess of 0.35% of the par amount of the Bonds. The

purchase price may include original issue premiums and discounts in such amounts as may be approved by the President.

Section 3. The Board hereby authorizes the use of a Preliminary Official Statement in the marketing of the Bonds and authorizes the production of an Official Statement for the Bonds. The Preliminary Official Statement is hereby approved in substantially the form presented to the Board. The Board recognizes that certain revisions may be made to the Preliminary Official Statement prior to its delivery to prospective purchasers, and hereby authorizes the Chairman or the President to approve and accept such revisions, the signature of either on the Preliminary Official Statement to constitute proof of acceptance of such revisions. The Board hereby authorizes the President to "deem final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission the Preliminary Official Statement with such revisions as may be accepted by the President. The Board hereby further authorizes and approves the production of a final Official Statement for the Bonds, and authorizes and directs the President to execute and deliver the Official Statement, in such form as he deems acceptable, in connection with the issuance of the Bonds.

Section 4. The Chairman, Secretary and Assistant Secretary of the Board, and the President of the University are hereby authorized and directed to do any and all lawful things to effect the execution and delivery of the Bonds, the performance of all obligations of the Board and of UALR, and the execution and delivery of all papers, documents, certificates and other instruments of whatever nature that may be necessary or desirable for carrying out the authority conferred by this Resolution or evidencing the authority and its exercise. The Secretary or Assistant Secretary of the Board is hereby authorized to acknowledge and attest the signatures of the Chairman and to execute such other documents as may be required in connection with the issuance of the Bonds.

Section 5. The Board hereby expresses its intent to retain Stephens Inc., as Underwriter for the Bonds. The Board hereby expresses its intent to retain Friday, Eldredge & Clark, LLP, Little Rock, Arkansas, as Bond Counsel for the Bonds ("Bond Counsel"). The President of the University and the Vice President for Finance of the University, in consultation with the Chancellor of UALR and the Vice Chancellor for Finance and Administration of UALR, are authorized to negotiate the terms and conditions of and agreements with Bond Counsel, and to execute such agreement as they determine are necessary and in the best interest of the University. If such negotiations are unsuccessful, the President shall so inform the Board, and the Board will identify other bond counsel with whom the President of the University and the Vice President for Finance of the University, in consultation with the Chancellor of UALR and the Vice Chancellor for Finance and Administration of UALR, shall negotiate. Upon the conclusion of successful negotiations, Bond Counsel will complete documentation for the issuance of

the Bonds upon such schedule and in such manner as the President of the University shall direct.

Section 6. The provisions of this Resolution are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Resolution.

Section 7. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

There being no further business to come before the Board, upon motion by Trustee Rogers and second by Trustee Rutledge, the meeting was adjourned at 2:55 p.m.

Respectfully Submitted,

/s/

Morril Harriman, Secretary