

ITEM 154-1002-C0312

STATE OF MONTANA)
 : ss
 COUNTY OF LEWIS AND CLARK)

The Board of Regents of Higher Education for the State of Montana (the “*Board of Regents*”) held a lawful meeting of the Board of Regents via teleconference on March 30, 2012, beginning at 9:30 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 the said 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 March 23, 2012 (being approximately seven days before the meeting), (ii) scheduling the meeting to maximize regent availability, in accordance with the By-Laws; (iii) providing the Meeting Notice via email on March 23, 2012 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, the Meeting Notice includes instructions for the public to participate in the teleconference and allows for public comment.

The following were present at the meeting:

Present:

Chair and Regent	Angela McLean
Vice Chair and Regent	Todd Buchanan.

Other Regents:

Regent	Jeffrey Krauss
Regent	Major Robinson
Student Regent	Joseph Thiel
Regent	Paul Tuss
Regent	Pat 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 following proceedings, among others, occurred:

The Regents introduced and considered and discussed the following resolution:

ITEM _____—THE UNIVERSITY OF MONTANA

**BOND RESOLUTION
FOR UP TO
\$46,000,000
STATE OF MONTANA
THE BOARD OF REGENTS OF HIGHER EDUCATION
THE UNIVERSITY OF MONTANA
REFUNDING REVENUE BONDS,
SERIES L 2012 (TAXABLE AND TAX-EXEMPT)**

A RESOLUTION AUTHORIZING, APPROVING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF UP TO \$46,000,000 AGGREGATE PRINCIPAL AMOUNT OF STATE OF MONTANA, THE BOARD OF REGENTS OF HIGHER EDUCATION, THE UNIVERSITY OF MONTANA, REFUNDING REVENUE BONDS, SERIES L 2012 (TAXABLE AND TAX-EXEMPT) FOR THE PURPOSE OF REFUNDING AND DEFEASING CERTAIN OUTSTANDING REVENUE BONDS OF THE BOARD HERETOFORE ISSUED FOR THE UNIVERSITY OF MONTANA, PAYING COSTS OF ISSUANCE OF THE SERIES L 2012 BONDS AND, IF APPLICABLE, FUNDING A DEBT SERVICE RESERVE FUND; AUTHORIZING, APPROVING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY BY THE BOARD OF A SUPPLEMENTAL INDENTURE OF TRUST, CLOSING DOCUMENTS AND CERTIFICATES, AND THE SERIES L 2012 BONDS IN CONNECTION THEREWITH; AUTHORIZING THE PREPARATION AND EXECUTION OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING, AND AN ESCROW AGREEMENT IN CONNECTION THEREWITH; AUTHORIZING THE PREPARATION, DISTRIBUTION AND USE OF A PRELIMINARY OFFICIAL STATEMENT TO BE USED IN CONNECTION WITH THE OFFERING AND SALE OF THE BONDS AND APPROVING AND DIRECTING THE DISTRIBUTION AND USE OF A FINAL OFFICIAL STATEMENT IN CONNECTION THEREWITH; AND PROVIDING FOR RELATED MATTERS

WHEREAS, The Board of Regents of Higher Education for the State of Montana (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 refund and defease bonds issued by the Board of Regents for institutions of the Montana university system; and

WHEREAS, the Board of Regents has determined, and does hereby determine pursuant to this resolution (the “*Resolution*”), to authorize the issuance and sale of revenue bonds designated as “State of Montana, The Board of Regents of Higher Education, The University of Montana, Refunding Revenue Bonds, Series L 2012 (Taxable and Tax-Exempt),” consisting of taxable and tax-exempt subseries (the “*Series L 2012 Bonds*”), in the aggregate principal amount of not to exceed \$46,000,000, for the purpose of refunding certain outstanding revenue bonds of the Board of Regents heretofore issued by the Board of Regents for The University of Montana (the “*University*”), to pay certain costs and expenses in connection with the issuance of the Series L

2012 Bonds and, if applicable, to fund a debt service reserve fund in connection with the issuance of the Series L 2012 Bonds; and

WHEREAS, in connection with the proposed issuance of the Series L 2012 Bonds, there will be prepared (1) a Series L 2012 Eleventh Supplemental Indenture of Trust (the "*Supplemental Indenture*"), supplementing and amending the Indenture of Trust, dated as of November 1, 1993, as supplemented and amended (the "*Master Indenture*" and, collectively with the Supplemental Indenture, the "*Indenture*"), between the Board of Regents and U.S. Bank National Association, as trustee (the "*Trustee*"), and providing for the issuance of the Series L 2012 Bonds, (2) a Bond Purchase Agreement (the "*Bond Purchase Agreement*") between the Board of Regents and D.A. Davidson & Co. (the "*Underwriter*"), as the underwriter of the Series L 2012 Bonds, (3) if necessary, an Escrow Agreement (the "*Escrow Agreement*") between the Board of Regents and U.S. Bank National Association, as escrow agent (in such capacity, the "*Escrow Agent*"), relating to the use of Series L 2012 Bond proceeds and other moneys to refund certain outstanding revenue bonds heretofore issued by the Board of Regents for the University, (4) a Continuing Disclosure Undertaking of the Board of Regents and the University (the "*Continuing Disclosure Undertaking*") 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 offering and sale of the Series L 2012 Bonds; and

WHEREAS, the Board of Regents has determined to approve the issuance, sale and delivery of the Series L 2012 Bonds by the adoption of this Resolution, and to delegate authority to the Chair of the Board of Regents (the "*Chair*"), the Vice President for Administration and Finance of the University, and Counsel to the Board of Regents to approve the forms of, and the terms and provisions of the Supplemental Indenture, the Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Undertaking, the Preliminary Official Statement, and the Final Official Statement; and the Board of Regents has determined to authorize the use and distribution of the Preliminary Official Statement in connection with the offer and sale of the Series L 2012 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 of Regents or the University in connection with the issuance, sale and delivery of the Series L 2012 Bonds is hereby, ratified, approved and confirmed.

Section 2. Exercise of Powers to Issue Bonds; Authorization of Series L 2012 Bonds.
(a) Pursuant to its authority under Article X, Section 9 of the Constitution of the State of Montana, the Board of Regents 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 revenue bonds, and does hereby authorize the issuance of a series of revenue bonds of the Board of Regents designated as "State

of Montana, The Board of Regents of Higher Education, The University of Montana, Refunding Revenue Bonds, Series L 2012 (Taxable and Tax-Exempt),” consisting of taxable and tax-exempt subseries, for the purpose of refunding all or a portion of its outstanding (i) State of Montana, The Board of Regents of Higher Education, The University of Montana Facilities Improvement and Refunding Revenue Bonds, Series F 1999 (the “*Series F Refunded Bonds*”), (ii) State of Montana, The Board of Regents of Higher Education, The University of Montana Facilities Improvement Revenue Bonds, Series G 2002 (the “*Series G Refunded Bonds*”), and (iii) State of Montana, The Board of Regents of Higher Education, The University of Montana Facilities Improvement and Refunding Revenue Bonds, Series I 2004 (the “*Series I Refunded Bonds*” and, collectively with the Series F Refunded Bonds and the Series G Refunded Bonds, the “*Refunded Bonds*”); paying costs of issuance of the Series L 2012 Bonds; and, if applicable, funding a debt service reserve fund pertaining thereto.

(b) The Series L 2012 Bonds shall be issued as fully-registered bonds in the denominations of \$5,000 or any integral multiple 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 L 2012 Bonds shall not exceed \$46,000,000, (ii) the maturity date or dates of the Series L 2012 Bonds shall not extend beyond May 15, 2033, (iii) the net effective rate of interest payable on taxable Series L 2012 Bonds shall not exceed 4.5% per annum; (iv) the net effective rate of interest payable on tax-exempt Series L 2012 Bonds shall not exceed 4.25% per annum; and (v) the issuance of the Series L 2012 Bonds shall provide net present value savings of at least 5%.

(c) The Series L 2012 Bonds shall be payable, shall be subject to redemption prior to maturity, and shall be in substantially the form, as provided in the Indenture.

Section 3. Approval of Supplemental Indenture. The Board of Regents hereby authorizes the execution and delivery of the Supplemental Indenture in substantially the form used in connection with the State of Montana, The Board of Regents of Higher Education, The University of Montana Refunding Revenue Bonds, Series K 2010 (Taxable and Tax-Exempt) issued by the Board of Regents for the University (the “*Series K 2010 Bonds*”), but with such changes as shall be consistent with the terms and provisions of this Resolution and as the Chair, the University, the Underwriter, bond counsel to the University and the Board of Regents (“*Bond Counsel*”), and counsel to the Board of Regents (“*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 Supplemental Indenture for and on behalf of the Board of Regents. 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 of Regents upon, the Supplemental Indenture in the form approved pursuant to this paragraph.

Section 4. Approval of Escrow Agreement. In order to provide for the payment and discharge of the Refunded Bonds, the Board of Regents hereby authorizes, as necessary, 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, the Underwriter, 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 5. Approval of Bond Purchase Agreement. The Board of Regents hereby authorizes the execution and delivery of the Bond Purchase Agreement, in substantially the form used in connection with the Series K 2010 Bonds, but with such changes as shall be consistent with the terms and provisions of this Resolution and as the Chair, the University, the Underwriter, 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 Bond Purchase Agreement for and on behalf of the Board of Regents. 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 of Regents upon the Bond Purchase Agreement, in the form approved pursuant to this paragraph.

Section 6. Approval of Continuing Disclosure Undertaking. The Board of Regents hereby authorizes the execution and delivery of the Continuing Disclosure Undertaking, in substantially the form used in connection with the Series K 2010 Bonds, but with such changes as shall be consistent with the terms and provisions of this Resolution and as the Chair, the University, the Underwriter, Bond Counsel and Counsel to the Board of Regents shall approve, the execution and delivery thereof by the Chair of the Board of Regents and the Vice President for Administration and Finance of the University to constitute conclusive evidence of the approval of the form, terms and provisions of the Continuing Disclosure Undertaking for and on behalf of the Board of Regents and the University, respectively. The Chair of the Board of Regents and the Vice President for Administration and Finance of the University are hereby authorized to execute and deliver the Continuing Disclosure Undertaking, in the form approved pursuant to this paragraph.

Section 7. Approval and Use of Preliminary Official Statement and Final Official Statement. The Board of Regents hereby authorizes the preparation of the Preliminary Official Statement, in substantially the form used in connection with the Series K 2010 Bonds, but with such changes as shall be necessary to provide updated financial and operating information with respect to the University and consistent with the terms and provisions of this Resolution and as the Chair, the University, the Underwriter, Bond Counsel and Counsel to the Board of Regents shall approve, the approval by the Chair or the Vice President for Administration 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 of Regents and the University. The Underwriter is hereby authorized and directed to use and distribute the Preliminary Official Statement in connection with the offering and sale of the Series L 2012 Bonds. The Preliminary Official Statement, when supplemented and completed to include the maturity dates, principal amounts and interest rates of the Series L 2012 Bonds, together with any other information

required or permitted by law, shall constitute the Final Official Statement of the Board of Regents and the University with respect to the Series L 2012 Bonds, and the Chair of the Board of Regents and the Vice President for Administration 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 8. Approval of Series L 2012 Bonds and Execution. The execution and delivery by the Board of Regents of the Series L 2012 Bonds, in the form contained in the Indenture, is hereby authorized. The Chair is hereby authorized and directed to execute the Series L 2012 Bonds, and the Commissioner/Secretary is hereby authorized and directed to attest such signature, and the seal of the Board of Regents is hereby authorized and directed to be affixed to the Series L 2012 Bonds.

Section 9. Order for Authentication. The Series L 2012 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 of Regents executed by its Chair and directing the authentication and delivery of the Series L 2012 Bonds by the Trustee. Upon receipt of such written order, the Trustee shall authenticate and register the Series L 2012 Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and shall deliver the Series L 2012 Bonds, when duly executed and authenticated, to the Underwriter in accordance with the written instructions therefor executed on behalf of the Board of Regents by the Chair, which instructions the Chair is hereby authorized and directed, for and in the name and on behalf of the Board of Regents, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Series L 2012 Bonds in accordance with the provisions of the Bond Purchase Agreement, upon satisfaction of all conditions required for delivery of the Series L 2012 Bonds under this Resolution, the Bond Purchase Agreement and the Indenture.

Section 10. Authorization for Further Action. The members and officers of the Board of Regents 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 L 2012 Bonds, including, without limitation, the execution and delivery of any agreement to maintain the tax status of the applicable Series L 2012 Bonds and all other closing documents, certificates and opinions authorized or required to be delivered in connection with the issuance, sale and delivery of the Series L 2012 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 L 2012 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 of Regents 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 11. Resolution Irrepealable. After any of the Series L 2012 Bonds are issued, this Resolution shall be and remain irrepealable until the Series L 2012 Bonds and the interest thereon shall have been fully paid, cancelled and discharged as provided in the Indenture.

Section 12. 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 13. 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 14. Effective Date. This Resolution shall be in full force and effect upon its passage and approval.

PASSED, ADOPTED AND APPROVED this 30th day of March, 2012.

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:

Those Abstaining:

Those Voting Nay:

Those Absent:

Not less than a majority of The Board of Regents of Higher Education for the State Montana 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 for the State Montana considered other matters not concerning the Series L 2012 Bonds described in the foregoing Resolution.

STATE OF MONTANA)
 : SS
COUNTY OF LEWIS AND CLARK)

I, the duly appointed, qualified and acting Commissioner of Higher Education and Secretary to the Board of Regents of Higher Education for the State Montana (the “*Board of Regents*”), do hereby certify that the foregoing is a true, correct and complete copy of the record of proceedings of the Board of Regents, insofar as such proceedings relate to the Resolution therein contained, had and taken at a lawful and regular meeting of the Board of Regents held on March 30, 2012, commencing at 9:30 a.m., as recorded in the regular official book of the proceedings of the Board of Regents kept in my office; said proceedings were duly had and taken as therein shown, the meeting therein shown was duly held, and the persons therein named were present at said 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 for the State of Montana this 30th day of March, 2012.

Commissioner of Higher Education
and Secretary to the Board of Regents

[SEAL]

EXHIBIT A

[MEETING NOTICE]