

**BOND RESOLUTION
AUTHORIZING
STATE OF MONTANA
THE BOARD OF REGENTS OF HIGHER EDUCATION
MONTANA STATE UNIVERSITY
FACILITIES REFUNDING REVENUE BONDS, SERIES G 2020
TAXABLE FACILITIES REFUNDING REVENUE BONDS, SERIES H 2020**

A RESOLUTION AUTHORIZING, APPROVING AND PROVIDING FOR THE STATE OF MONTANA, THE BOARD OF REGENTS OF HIGHER EDUCATION, MONTANA STATE UNIVERSITY, FACILITIES REFUNDING REVENUE BONDS, SERIES G 2020 AND TAXABLE FACILITIES REFUNDING REVENUE BONDS, SERIES H 2020, TO BE ISSUED FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING REVENUE BONDS OF THE BOARD HERETOFORE ISSUED FOR MONTANA STATE UNIVERSITY, PAYING COSTS OF ISSUANCE THEREOF AND FUNDING A DEBT SERVICE RESERVE FOR THE BONDS; CONFIRMING THE PLEDGE OF NET REVENUES FOR THE REPAYMENT OF THE BONDS; AUTHORIZING, APPROVING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY BY THE BOARD OF SUPPLEMENTAL INDENTURES OF TRUST, A BOND PURCHASE AGREEMENT, THE BONDS AND OTHER RELATED DOCUMENTS; 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 refund and defease 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 the issuance and sale of up to \$139,000,000 aggregate principal amount of revenue bonds designated as “State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Refunding Revenue Bonds, Series G 2020” (the “*Series G 2020 Bonds*”) and “State of Montana, The Board of Regents of Higher Education, Montana State University, Taxable Facilities Refunding Revenue Bonds, Series H 2020” (the “*Series H 2020 Bonds*”), which may include one or more subseries, for the purpose of (i) refunding all or a portion of the revenue bonds of the Board benefitting Montana State University (the “*University*”) as set forth on Exhibit A hereto (the “*Refunded Bonds*”), in order to achieve debt service savings with respect thereto, (ii) paying costs and expenses in connection with the issuance of the Series G 2020 Bonds and the Series H 2020 Bonds (which may include costs relating to bond insurance or other credit enhancements, if determined to be in the best interests of the University) and costs of refunding the Refunding Bonds, and (iii) funding a debt service reserve (if determined to be in the best interests of the University) for the Series G 2020 Bonds and the Series H 2020 Bonds; and

WHEREAS, in connection with the proposed issuance of the Series G 2020 Bonds and the Series H 2020 Bonds, the Board will enter into (1) one or more Supplemental Indentures of Trust

(the “*Supplemental Indentures*”), supplementing and amending the Restated and Supplemental Indenture of Trust, dated as of October 15, 1993, as amended and supplemented (together with the Supplemental Indentures, the “*Indenture*”), between the Board and U.S. Bank National Association, as trustee (the “*Trustee*”), and providing for the issuance of the Series G 2020 Bonds and the Series H 2020 Bonds, (2) if required, a Bond Purchase Agreement (the “*Bond Purchase Agreement*”) between the Board and one or more financial institutions with respect to the sale of the Series G 2020 Bonds and the Series H 2020 Bonds, (3) an Escrow Agreement (the “*Escrow Agreement*”) with U.S. Bank, National Association, as escrow agent, with respect to the payment and discharge of the Refunding Bonds, (4) if required, a Continuing Disclosure Agreement (the “*Continuing Disclosure Agreement*”) among the Board, the University and U.S. Bank National Association, as dissemination agent, and (5) if required, a Preliminary Official Statement (the “*Preliminary Official Statement*”) and a final Official Statement (the “*Final Official Statement*”) in connection with a public offering of the Series G 2020 Bonds and the Series H 2020 Bonds; and

WHEREAS, the Board has determined, and does hereby determine pursuant to this Resolution, to authorize the issuance, sale and delivery of the Series G 2020 Bonds and the Series H 2020 Bonds, and to delegate authority to the Chair of the Board (the “*Chair*”), the Commissioner/Secretary of Higher Education and Secretary to the Board of Regents (the “*Commissioner/Secretary*”), the Vice President Administration and Finance of the University and Counsel to the Board to approve the forms of, and the terms and provisions of 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 does hereby determine pursuant to this Resolution to authorize the preparation, use and distribution of the Preliminary Official Statement in connection with the offering and sale of the Series G 2020 Bonds and the Series H 2020 Bonds and to authorize the preparation, use and distribution 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 offering, issuance, sale and delivery of the Series G 2020 Bonds and the Series H 2020 Bonds is hereby, ratified, approved and confirmed.

Section 2. Exercise of Powers to Issue Bonds; Authorization of Series G 2020 Bonds and Series H 2020 Bonds.

(a) Pursuant to its authority under Article X, Section 9 of the Constitution of the State of Montana, the Board does hereby authorize the issuance and sale of up to \$139,000,000 aggregate principal amount of revenue bonds designated as “State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Refunding Revenue Bonds, Series G 2020” and “State of Montana, The Board of Regents of Higher Education, Montana State University, Taxable Facilities Refunding Revenue Bonds, Series H 2020,” which may include one or more subseries, for the purpose of (i) refunding all or a portion of the Refunded Bonds, (ii) paying costs and expenses in connection with the issuance of the Series G 2020 Bonds and the Series H 2020 Bonds (which may include costs relating to bond insurance or other credit enhancements, if determined to be in the

best interests of the University) and costs of refunding the Refunding Bonds, and (iii) funding a debt service reserve (if determined to be in the best interests of the University) for the Series G 2020 Bonds and the Series H 2020 Bonds.

(b) The Series G 2020 Bonds and the Series H 2020 Bonds shall be issued as fully-registered bonds in denominations of \$5,000 or any integral multiple thereof, shall be dated as provided in the Indenture, shall bear interest from their 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, the aggregate principal amount of the Series G 2020 Bonds and the Series H 2020 Bonds shall not exceed \$139,000,000 (excluding premium or discount on the Bonds), the final maturity date or dates of the Series G 2020 Bonds and Series H 2020 Bonds shall be not later than 30 years from the date of issuance thereof and the issuance of the Series G 2020 Bonds and the Series H 2020 Bonds shall provide net present value savings of at least 3.0% of the principal amount of the Refunded Bonds. The Series G 2020 Bonds and the Series H 2020 Bonds may be sold in one or more public offerings in coordination with one or more underwriters and/or pursuant to one or more direct placements to one or more purchasers, in each case selected by the Commissioner/Secretary and Vice President Administration and Finance of the University, in consultation with the University's financial advisor.

Subject to the foregoing, the series and maturities (or portions thereof) of the Refunded Bonds to be refunded, the aggregate principal amounts of the Series G 2020 Bonds and the Series H 2020 Bonds (which may include one or more subseries), the interest rates on the Series G 2020 Bonds and the Series H 2020 Bonds (which shall be fixed rates), the redemption provisions for the Series G 2020 Bonds and the Series H 2020 Bonds, the selection of one or more underwriters and/or one or more purchasers of the Series G 2020 Bonds and the Series H 2020 Bonds, and the underwriting discount and/or placement fees with respect to the Series G 2020 Bonds and the Series H 2020 Bonds, shall be determined by the Commissioner/Secretary and the Vice President Administration and Finance of the University, in consultation with the University's financial advisor. Issuance of the Series G 2020 Bonds is not conditioned upon the issuance of the Series H 2020 Bonds, and issuance of the Series H 2020 Bonds is not conditioned upon the issuance of the Series G 2020 Bonds.

Section 3. Approval of Supplemental Indentures; Confirmation of Pledge of Net Revenues.

(a) 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 Commissioner/Secretary, the Vice President Administration 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 Section.

(b) In order to secure the payment of principal of, premium, if any, and interest on the Series G 2020 Bonds and the Series H 2020 Bonds, according to their tenor and effect, and to secure the performance and observance by the Board of all covenants expressed or implied in the Indenture and in the Series G 2020 Bonds and the Series H 2020 Bonds, the Board confirms the grant, bargain,

conveyance and assignment in the Indenture of a security interest in the Net Pledged Revenues to the Trustee and its successors in trust and assigns. Net Pledged Revenues shall include the amounts, revenues, income, receipts and monies received by the University as Indirect Cost Recovery Payments (as defined in the Indenture) relating to Research Contracts (as defined in the Indenture) and accounted for as unrestricted revenues allocated to research programs, from which an amount equal to the portion of the annual Debt Service Requirements (as defined in the Indenture) for the Series G 2020 Bonds and the Series H 2020 Bonds allocable to the refunding of the Series N 2012 Bonds and the Series O 2012 Bonds shall be deposited into the Debt Service Fund (as defined in the Indenture) each Fiscal Year (as defined in the Indenture). The pledge of such amounts shall be subject to such terms and conditions as determined by the Commissioner/Secretary and the Vice President Administration and Finance of the University, in consultation with the University's financial advisor and Bond Counsel, and the execution and delivery of the applicable Supplemental Indenture by the Chair to constitute conclusive evidence of the approval of the terms of such pledge for and on behalf of the Board.

Section 4. 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 G 2020 Bonds and the Series H 2020 Bonds, with such terms and provisions consistent with this Resolution as the Chair, the Commissioner/Secretary, the Vice President Administration 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 Section.

Section 5. Approval of Escrow Agreement. In order to provide for the payment and discharge of the Refunded Bonds, 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 Commissioner/Secretary, the Vice President Administration 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 Section.

Section 6. Approval of Continuing Disclosure Agreement. In connection with a public offering of the Series G 2020 Bonds and the Series H 2020 Bonds, the Board hereby authorizes the execution and delivery of a Continuing Disclosure Agreement, with such terms and provisions consistent with this Resolution as the Chair, the Commissioner/Secretary, the Vice President Administration 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 Section.

Section 7. Approval and Use of Preliminary Official Statement and Final Official Statement. In connection with a public offering of the Series G 2020 Bonds and the Series H 2020 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 Commissioner/Secretary, the Vice President Administration and Finance of the University and Counsel to the Board shall approve, the approval by the Vice President Administration and Finance of the University to constitute conclusive evidence of the approval of the form of the Preliminary Official Statement for and on behalf of the Board and the University. The Vice President Administration 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. Underwriter(s) selected in connection with a public offering of the Series G 2020 Bonds and Series H 2020 Bonds are 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 G 2020 Bonds and Series H 2020 Bonds, 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 G 2020 Bonds and Series H 2020 Bonds, and the Chair and the Vice President 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(s).

Section 8. Execution and Delivery of Series G 2020 Bonds and Series H 2020 Bonds. The execution and delivery by the Board of the Series G 2020 Bonds and the Series H 2020 Bonds, in the form contained in the applicable Supplemental Indenture, are hereby authorized. The Series G 2020 Bonds and the Series H 2020 Bonds shall be executed on behalf of the Board with the facsimile 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 9. Order for Authentication. The Series G 2020 Bonds and the Series H 2020 Bonds, when executed as provided in Section 7 above, shall be delivered to the Trustee for authentication, accompanied by a written order of the Board executed by the 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 G 2020 Bonds and the Series H 2020 Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and, when duly executed and authenticated, shall deliver the Series G 2020 Bonds and the Series H 2020 Bonds to the underwriter(s) and/or the purchaser(s) thereof in accordance with the written instructions therefor executed by the Commissioner/Secretary on behalf of the Board, which instructions the Commissioner/Secretary 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 G 2020 Bonds and the Series H 2020 Bonds in accordance with the provisions of the Bond Purchase Agreement, upon satisfaction of all conditions required for delivery of the Series G 2020 Bonds and the Series H 2020 Bonds under this Resolution, the Bond Purchase Agreement and the Indenture.

Section 10. 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 G 2020 Bonds and the Series H 2020 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 that shall be necessary or reasonably required in connection with the redemption and discharge of the Refunding Bonds. If the Chair or the Commissioner/Secretary shall be unavailable to execute and attest the Series G 2020 Bonds, the Series H 2020 Bonds or the other documents that they are hereby authorized to execute and attest, the same may be (i) executed by the Vice Chair of the Board or any Regent and (ii) attested by any assistant to the Commissioner/Secretary or any Regent.

Section 11. Resolution Irrepealable. After any of the Series G 2020 Bonds or Series H 2020 Bonds are issued, this Resolution shall be and remain irrepealable until such Series G 2020 Bonds and/or such Series H 2020 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 _____ day of March, 2020.

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

State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Refunding Revenue Bonds, **Series N 2012**, issued in the original aggregate principal amount of \$20,460,000 and presently outstanding in the aggregate principal amount of \$16,520,000

State of Montana, The Board of Regents of Higher Education, Montana State University, Taxable Facilities Refunding Revenue Bonds, **Series O 2012**, issued in the original aggregate principal amount of \$28,365,000 and presently outstanding in the aggregate principal amount of \$12,110,000

State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Improvement Revenue Bonds, **Series A 2013**, issued in the original aggregate principal amount of \$55,480,000 and presently outstanding in the aggregate principal amount of \$51,175,000

State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Improvement Revenue Bonds, **Series C 2016**, issued in the original aggregate principal amount of \$16,455,000 and presently outstanding in the aggregate principal amount of \$15,855,230.23

State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Improvement Revenue Bonds, **Series E 2018**, issued in the original aggregate principal amount of \$44,800,000 and presently outstanding in the aggregate principal amount of \$43,960,000