

***DRAFT 09/27/2022*****ITEM \_\_\_\_\_—MONTANA STATE UNIVERSITY****RESOLUTION RELATING TO THE  
REFUNDING OR REMARKETING OF  
STATE OF MONTANA  
THE BOARD OF REGENTS OF HIGHER EDUCATION  
MONTANA STATE UNIVERSITY  
FACILITIES REFUNDING REVENUE BONDS  
SERIES F 2018**

A RESOLUTION CONCERNING THE REFUNDING AND REMARKETING OF THE STATE OF MONTANA, THE BOARD OF REGENTS OF HIGHER EDUCATION, MONTANA STATE UNIVERSITY, FACILITIES REFUNDING REVENUE BONDS SERIES F 2018; AUTHORIZING, APPROVING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF STATE OF MONTANA, THE BOARD OF REGENTS OF HIGHER EDUCATION, MONTANA STATE UNIVERSITY, FACILITIES REFUNDING REVENUE BONDS, SERIES J 2023, TO BE ISSUED FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE SERIES F 2018 BONDS; AND OTHERWISE AUTHORIZING THE REMARKETING OF THE SERIES F 2018 BONDS; AUTHORIZING THE TERMINATION OF INTEREST RATE AGREEMENTS; AND DELEGATING TO MONTANA STATE UNIVERSITY AND THE COMMISSIONER OF HIGHER EDUCATION THE POWER AND AUTHORITY TO MAKE CERTAIN DETERMINATIONS IN CONNECTION WITH THE FOREGOING

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 and to refund and defease revenue bonds issued by the Board for institutions of the Montana university system; and

WHEREAS, the Board has heretofore issued its State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Refunding Revenue Bonds, Series F 2018 (the “Series F 2018 Bonds”), which were issued with multimodal interest rate provisions, and which currently accrue interest at a fixed interest rate and are subject to mandatory repurchase by the Board on September 1, 2023;

WHEREAS, the Series F 2018 Bonds were issued for the purpose of refunding the Board’s State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities revenue Bonds, Series J 2005 (the “Series J 2005 Bonds”); and

WHEREAS, Montana State University (the “University”) has had discussions with the University’s financial advisors in connection with the multimodal interest rate provisions of the Series F 2018 Bonds and the interest rate agreements entered into by the Board initially for the purpose of hedging interest rate exposure with respect to the Series J 2005 Bonds and which now hedge interest rate exposure with respect to the Series F 2018 Bonds (the “Interest Rate Agreements”); and

WHEREAS, the Board 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, Montana State University, General Revenue Bonds, Series J 2023” which may include one or more series or subseries and which may be tax-exempt and/or taxable, for the purpose of refunding all or a portion of the Series F 2018 Bonds, paying costs associated with the termination of the Interest Rate Agreements and costs and expenses in connection with the issuance of the Series J 2023 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 funding a debt service reserve (if determined to be in the best interests of the University) for the Series J 2023 Bonds; and

WHEREAS, in the event that the University and the Commissioner of Higher Education and Secretary to the Board of Regents (the “Commissioner”) determine that the issuance of the Series J 2023 Bonds and the refunding of the Series F 2018 Bonds will not satisfy the parameters set forth in this Resolution or are not otherwise in the best interests of, and economic benefit to, the University under then current conditions in the municipal bond and other credit markets, the Board does hereby determine, pursuant to this Resolution, to authorize and direct the Commissioner and the Vice President of Administration and Finance of the University to take all actions (not inconsistent with the express provisions of this Resolution) necessary or desirable, and in the best interests of, and economic benefit to, the Board and the University, in connection with remarketing of the Series F 2018 Bonds and addressing the September 1, 2023 mandatory repurchase of the Series F 2018.

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 actions heretofore taken by the Board or the University in connection with the issuance, sale and delivery of the Series J 2023 Bonds and the remarketing of the Series F 2018 Bonds (not inconsistent with the provisions of this Resolution) are hereby, ratified, approved and confirmed.

Section 2. Exercise of Powers to Issue Bonds; Authorization of Series J 2023 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 offering, issuance and sale of general revenue bond designated as “State of Montana, The Board of Regents of Higher Education, Montana State University, General Revenue Bonds, Series J 2023” for the purpose of refunding all or a portion (as determined by the University and the Commissioner to be in the best interests of the University) of the Series F 2018 Bonds, paying costs associated with the termination of the Interest Rate Agreements and costs and expenses in connection with the issuance of the Series J 2023 Bonds (which may include costs relating to bond insurance or other credit enhancements, if determined by the Commissioner and the Vice President of Administration and Finance for the University to be in the best interests of the University) and funding debt service reserve (if determined by the Commissioner and the Vice President of Administration and Finance for the University to be in the best interests of the University) for the Series J 2023 Bonds. The University shall be permitted to apply (i) cash on-hand to pay costs and expenses in connection with the issuance of the Series J 2023 Bonds, in such amount as the University and the Commissioner shall determine and (ii) cash on-hand received by the University pursuant to the Interest Rate Agreements to the termination of the Interest Rate Agreements, in such amount as the University and the Commissioner shall determine but not to exceed \$3,000,000..

(b) The Series J 2023 Bonds shall be issued as fully-registered bonds in denominations as shall be provided in the Supplemental Indenture, and shall bear interest from the dates and at the rates and shall mature on the dates and in the principal amounts as shall be provided in the Supplemental Indenture. Notwithstanding the foregoing, (i) the maturity date or dates of the Series J 2023 Bonds shall not extend beyond the final maturity date of the Series F 2018 Bonds and (ii) the true interest cost for the Series J 2023 Bonds shall not exceed 6.0% per annum. Subject to the foregoing, the principal amounts of the Series J 2023 Bonds (which may include one or more series or subseries), the interest rates on the Series J 2023 Bonds (which may be fixed and/or variable rates and which may be tax-exempt and/or taxable rates), the redemption provisions (if any) for the Series J 2023 Bonds, and the underwriter discount and/or bank origination fees with respect to the Series J 2023 Bonds shall be determined by the Commissioner and the Vice President for Administration and Finance of the University. The Series J 2023 Bonds may be sold to one or more underwriters in a public offering and/or one or more financial institutions in a private placement transaction (each, a “Purchaser”), as determined by the Vice President of Administration and Finance for the University to be in the best interests of the University, with the advice of the University’s financial advisor.

(c) In connection with the issuance of the Series J 2023 Bonds, there shall be prepared (1) a Series J 2023 Supplemental Indenture of Trust (the “Supplemental Indenture”), supplementing and amending the Amended and Restated Indenture of Trust dated as of October 1, 2021 (as heretofore supplemented and amended, the “Indenture”) between the Board and U.S. Bank National Association, as trustee (the “Trustee”), and providing for the issuance of the Series J 2023 Bonds, (2) a Bond Purchase Agreement (the “Bond Purchase Agreement”) between the Board and the Purchaser, (3) in connection a public offering of the Series J 2023 Bonds, a Continuing Disclosure Agreement among the Board, the University and U.S. Bank National Association, as dissemination agent (the “Continuing Disclosure Agreement”), and (4) in connection with a public offering of the Series J 2023 Bonds, a Preliminary Official Statement (the “Preliminary Official Statement”) and a final Official Statement (the “Final Official Statement”) for use by the Purchaser in connection with the offering and sale of the Series J 2023 Bonds.

Section 3. Approval of Supplemental Indenture. The Board hereby authorizes the execution and delivery of the Supplemental Indenture, with such terms and provisions consistent with this Resolution as the Chair, the Commissioner and the Vice President for Administration and Finance of the University shall approve, the execution and delivery thereof by the Chair and the Commissioner to constitute conclusive evidence of the approval of the form, terms and provisions of the Supplemental Indenture for and on behalf of the Board. The Chair and the Commissioner are hereby authorized to execute and deliver the Supplemental Indenture in the form approved pursuant to this paragraph.

Section 4. Approval of Bond Purchase Agreement. The Board hereby authorizes the execution and delivery of the Bond Purchase Agreement, with such terms and provisions consistent with this Resolution as the Chair, the Commissioner and the Vice President for Administration and Finance of the University shall approve, the execution and delivery thereof by the Chair, the Commissioner 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 Bond Purchase Agreement for and on behalf of the Board. The Chair, the Commissioner and the Vice President for Administration and Finance of the University are hereby authorized to execute and deliver the Bond Purchase Agreement in the form approved pursuant to this paragraph.

Section 5. Approval of Continuing Disclosure Agreement. In connection with a public offering of Series J 2023 Bonds, the Board hereby authorizes the execution and delivery of the Continuing Disclosure Agreement, with such terms and provisions consistent with this Resolution as the Chair, the Commissioner and the Vice President for Administration and Finance of the University shall approve, the execution and delivery thereof by the Chair, the Commissioner 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 Agreement for and on behalf of the Board and the University. The Chair, the Commissioner and the Vice President for Administration and Finance of the University are hereby authorized to execute and deliver the Continuing Disclosure Agreement in the form approved pursuant to this paragraph.

Section 6. Approval and Use of Preliminary Official Statement and Final Official Statement. In connection with a public offering of Series J 2023 Bonds, the Board hereby authorizes the preparation of the Preliminary Official Statement consistent with the terms and provisions of this Resolution and as the Vice President for Administration and Finance of the University shall approve, the approval by the Vice President for Administration and Finance of the University shall 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 for Administration and Finance of the University is further authorized to deem the Preliminary Official Statement final for purposes of complying with Securities and Exchange Commission Rule 15c2-12. The Purchaser in a public offering is hereby authorized to use and distribute the Preliminary Official Statement in connection with the offering and sale of the Series J 2023 Bonds. Such Preliminary Official Statement, when supplemented and completed to include the maturity dates, principal amounts, interest rates, and redemption provisions (if any) of the Series J 2023 Bonds, together with any other information required or permitted by applicable law, shall constitute the Final Official Statement of the Board and the University with respect to the Series J 2023 Bonds, and the Chair 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 Purchaser in a public offering.

Section 7. Approval of Series J 2023 Bonds and Execution. The execution and delivery by the Board of the Series J 2023 Bonds, in the form contained in the Supplemental Indenture, is hereby authorized. The Series J 2023 Bonds shall be executed on behalf of the Board with the facsimile signature of the Chair and attested by the facsimile signature of the Commissioner.

Section 8. Order for Authentication. The Series J 2023 Bonds, when executed by 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 J 2023 Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and, when duly executed and authenticated, shall deliver the Series J 2023 Bonds, to the Purchaser in accordance with the provisions of the Bond Purchase Agreement, upon satisfaction of all conditions required for delivery of the Series J 2023 Bonds under this Resolution, the Bond Purchase Agreement and the Indenture.

Section 9. Authorizations and Delegations Pertaining to the Remarketing of Series F 2018 Bonds. In the event that the University and the Commissioner determine that the issuance of the Series J 2023 Bonds and the refunding of the Series F 2018 Bonds will not satisfy the parameters set forth in this Resolution or are not otherwise in the best interests of, and economic benefit to, the University under then

current conditions in the municipal bond and other credit markets, the Board hereby authorizes and directs the University and the Commissioner to take all actions (not inconsistent with the express provisions of this Resolution) necessary or desirable, and in the best interests of, and economic benefit to, the Board and the University, in connection with remarketing of the Series F 2018 Bonds and addressing the September 1, 2023 mandatory repurchase of the Series F 2018 Bonds, including without limitation (a) determining to proceed with a public or private remarketing and selection of one or more underwriters or direct purchasers with respect thereto, as applicable; and (b) taking all actions and entering into all agreements, instruments, certifications and other documents necessary or desirable to consummate the selected remarketing transactions. In connection therewith, the Board hereby determines to delegate authority to the Commissioner and Vice President for Administration and Finance of the University to approve the forms of, and the terms and provisions of, such agreements, instruments, certifications and other documents, and the execution and delivery thereof by the Chair, the Commissioner and the Vice President for Administration and Finance of the University, as applicable, shall constitute conclusive evidence of the approval of the form, terms and provisions thereof by, for and on behalf of the Board and the University, respectively.

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, as the case may be, the issuance of the Series J 2023 Bonds or the remarketing of the Series F 2018 Bonds, including, without limitation, the execution and delivery of all closing documents, certificates and opinions. If the Chair, the Commissioner or the Vice President for Administration and Finance of the University shall be unavailable to execute and/or attest the Series J 2023 Bonds or the other documents that they are hereby authorized to execute and attest, the same may be executed by the Vice Chair of the Board or any Regent and the Associate Vice President for Administration and Finance of the University and/or attested by any assistant to the Commissioner or any Regent.

Section 11. Interest Rate Agreements. The Board previously entered into the Interest Rate Agreements initially for the purpose of hedging interest rate exposure with respect to the Series J 2005 Bonds and which now hedge interest rate exposure with respect to the Series F 2018 Bonds. The University has had discussions with the University's financial advisors in connection with the multimodal interest rate provisions of the Series F 2018 Bonds and the Interest Rate Agreements. The Board does hereby determine, pursuant to this Resolution, to authorize the Commissioner and the Vice President for Administration and Finance of the University to take all actions necessary or desirable, and in the best interests of, and economic benefit to, the Board and the University, in connection with the Interest Rate Agreements, including the termination of such agreements. The University shall be permitted to apply proceeds of the Series J 2023 Bonds and/or cash on-hand received by the University pursuant to the Interest Rate Agreements to the termination of the Interest Rate Agreements, in such amount as the University and the Commissioner shall determine but not to exceed \$3,000,000. Any termination of the Interest Rate Agreements may occur in connection with or separate from the issuance of the Series J 2023 Bonds or the remarketing of the Series F 2018 Bonds.

Section 12. Resolution Irrepealable. After any of the Series J 2023 Bonds are issued, or the effectuation of the remarketing and restructuring of the Series F 2018 Bonds, this Resolution shall be and remain irrepealable until the Series J 2023 Bonds and the interest thereon or the Series F 2018 Bonds and the interest thereon, as the case may be, shall have been fully paid, cancelled and discharged as provided in the Indenture.

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 November 2022.

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

By \_\_\_\_\_  
Chair

ATTEST:

By \_\_\_\_\_  
Commissioner of Higher Education and  
Secretary to the Board of Regents