



MEMORANDUM

TAB E

May 8, 2020

USHE – Series 2020 Student Loan Revenue Bonds

State law (53B-13) empowers the Board to make or purchase student loan notes and other debt obligations and to issue and sell bonds for such purposes. The Utah Higher Education Assistance Authority (UHEAA) requests Board authorization for the Student Loan Purchase Program to:

- Request bondholders of certain outstanding bonds to consent to amend the related Indenture to permit the refinancing of the bonds issued thereunder
- Terminate the existing interest rate exchange agreement on the 2010EE bonds
- Enter into a Warehouse Loan, Security and Servicing Agreement up to \$327,500,000 with Royal Bank of Canada (the “Warehouse Agreement”), in order to provide short-term financing to facilitate the refinancing
- Issue up to \$327,500,000 of refunding revenue student loan bonds to provide permanent refinancing of the existing bonds where future savings opportunities exist and include language intended to facilitate a movement from historical LIBOR, as needed

The economic benefits from this transaction include an estimated \$21 million reduction in the amount of student loan revenue bonds outstanding, the termination of two interest rate exchange agreements with an estimated \$12 million termination payment from the counterparties to the Board, and the release of an estimated \$60 to \$75 million portfolio of FFELP loans and up to \$20 million of cash from the lien of the Series 1993 Indenture to the Board’s balance sheet. These economic benefits will be integral in supporting the Program’s operations and improving access to post-secondary education in the State of Utah.

A copy of the request letter from UHEAA, the approving resolution, and a financing summary from the financial advisor are attached. Representatives from UHEAA, Gilmore and Bell (bond counsel), and Hilltop Securities (financial advisor) will attend the meeting to provide additional information and answer questions from the Board.

Commissioner’s Recommendations

The Commissioner recommends approval of the proposed Authorizing Resolution to seek consent to amend the existing Indenture, terminate the interest rate exchange agreement, enter into a Warehouse Agreement, and issue bonds to refinance the existing revenue bonds as proposed.

Attachments

April 29, 2020

Dr. David R. Woolstenhulme
Interim Commissioner, Utah System of Higher Education
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, UT 84101-1284

Dear Interim Commissioner Woolstenhulme:

The purpose of this letter is to inform you of the Utah Higher Education Assistance Authority's plans to submit a resolution (the "Resolution") to the State Board of Regents of the State of Utah (the "Regents" or the "Board") to be considered during its May 15, 2020 virtual meeting, to seek bondholder consent to amend the existing 1993 Indenture, to permit the early redemption of certain bonds, to terminate existing interest rate exchange agreements, to enter into a Warehouse Loan agreement, and to issue up to \$327,500,000 of revenue bonds to refund existing bonds where future savings opportunities exist.

Background

Within the Board's outstanding 1993 General Indenture, the Board has certain 2010EE bonds totaling \$146,300,000 that bear a fixed interest rate of five percent. In order to match these bonds with variable rate student loan assets, the Board previously entered into interest rate exchange agreements and swapped the fixed rate to a variable rate indexed to LIBOR. Additionally, under the 1993 trust, the Board has \$67,911,000 of LIBOR indexed taxable floating rate notes and \$39,100,000 of tax-exempt auction rate certificates. The Board seeks approval to refinance the entire trust to take advantage of economic gains should market conditions prove favorable.

Transaction Requirements

To refinance the 1993 Indenture bonds, the Board would seek consent from certain bondholders to permit the release of the eligible loans from the indenture and allow the early redemption of all the bonds. In conjunction with this refinance, the Board would terminate the existing interest rate exchange agreements. Currently, termination of the interest rate exchange agreements would provide a positive economic return to the Board.

In order to facilitate a short term refinancing, the Board is also seeking approval to enter into a Warehouse Loan, Security and Servicing Agreement ("Warehouse Agreement") between the Board and the Royal Bank of Canada. This Warehouse Agreement would be a temporary facility not to

exceed one year while the permanent financing is completed.

The long-term financing of the Board’s 1993 Indenture would be complete with the issuance of the Series 2020 bonds, in an aggregate principal amount not to exceed \$327,500,000. The proposed variable interest rate on the 2020 bonds will be indexed to LIBOR however, the 2020 bonds will also include language intended to facilitate a movement from historical LIBOR, as needed. The proceeds of the 2020 bonds will permanently refinance the loans currently held under the 1993 Indenture, pay costs of the Indenture amendments, terminate the Interest Rate Exchange Agreements, fund capitalized interest, and make any required deposit to debt service reserves and pay costs of issuance of the 2020 Notes and related expenses.

The Board’s obligations under the Warehouse Agreement and the 2020 indentures shall be payable from the revenues and other monies generated from the student loan assets held under the Warehouse Agreement and the related 2020 Indenture and are not a general obligation or liability of the Board or the State of Utah. The not-to-exceed parameters of the transactions are outlined in the table below:

	Warehouse Agreement	1993 Indenture Refinance
Principal amount not to exceed (including costs of issuance and capitalized interest)	\$327,500,000	\$327,500,000
Interest rate not to exceed	Variable Rate as provided in the Agreement but not to exceed 25% per annum	Variable Rate as provided in the Indenture but not to exceed 25% per annum
Discount from par not to exceed	N/A	20% In the aggregate
Underwriter’s discount not to exceed (as a discount or fee)	N/A	0.625%
Final maturity from date of issue not to exceed	1 year	40 years
Expiration of the Board authorization	2 years	2 years

Economic Advantages

If the asset-backed markets stabilize and return to pre-COVID-19 levels, the execution of this transaction would allow the Board to realize economic benefits in the following categories:

- As much as a \$21 million reduction of total outstanding bonds against the financed FFELP student loan portfolio.
- A release of \$60 to \$75 million of unencumbered FFELP student loans from the indenture to the Board's balance sheet. The associated revenue stream from these unencumbered loans along with an expected cash release of up to \$20 million from the transaction, will be used to support the Board's operations and advance its mission of improving access to post-secondary education in the State of Utah as the FFELP portfolio amortizes over the next 5 to 10 years.
- The interest rate exchange agreements are in a net positive position for the Board and a termination of these agreements would result in a termination payment to the Board estimated in a pre-COVID-19 financial market at \$12 million.

The 1993 indenture and the proposed 2020 structure are both a variable rate financing structure indexed to LIBOR. As such, the anticipated benefits cannot be expressed as a Net Present Value savings percentage typical with a fixed rate financing. Please feel free to call me if you or others have questions about the details of this funding request.

Sincerely,



David A. Feitz
Executive Director, UHEAA

cc: David A. Feitz, Executive Director
Richard Amon
Blake Wade
Lee Donner

Lee Donner

Regional Managing Director

Date: April 23, 2020

To: David Feitz, Executive Director of UHEAA

Cc: David Schwanke, Deputy Executive Director of UHEAA

Subject: Refinancing Opportunity with Respect to Certain Bonds Issued under the State Board of Regents of the State Of Utah Series 1993 General Indenture

In our role as Financial Advisor to the State Board of Regents of the State of Utah (the “Board”) Hilltop Securities, Inc. (HTS) participated in an analysis of the potential economic advantages of and legal course of action to refinancing/restructuring most, if not all, of the outstanding bonds issued under the Board’s Series 1993 Indenture. This analysis occurred prior to the market disruption created by the onset of the COVID-19 pandemic, so the projected economic benefits are not achievable under current market conditions. However, if the asset-backed financing markets stabilize and interest rates for Federal Family Education Loan Program loan financings return to levels similar to what was available pre-COVID-19, the Board could, dependent on actual market conditions and investor appetite at the point of offering, potentially achieve economic benefits in the following categories and ranges:

- Reduction of the outstanding debt against the FFELP portfolio being financed by as much as \$21 million,
- Cash released to UHEAA’s balance sheet in the range of \$15 to \$20 million, which could, combined with the revenue stream from unpledged student loans on the Board’s balance sheet (see next item), be sufficient to offset the expected revenue declines (resulting from the pay-down of the Board’s student loan portfolios) and non-declining servicing and operating costs over the next 5 years,
- Unencumbered FFELP loans released to UHEAA’s balance sheet of as much as \$60 to \$75 million in principal balance

HTS recommends that the Board take all necessary steps to be prepared to launch a bondholder consent solicitation offer and subsequent refinancing of the Series 1993 trust at the point that market conditions permit reasonable economic benefits to be achieved. Since both the Series 1993 debt and the restructured debt are/would be variable rate, those benefits cannot be expressed as a Net Present Value Savings number as is typical in a fixed rate refunding. The economic benefits achieved would be in

This communication is for information only, not an offer, solicitation or recommendation, nor an official confirmation of any financial transaction. It is not to be considered research. The information is considered to be reliable, but Hilltop Securities Inc. does not warrant its completeness or accuracy, prices and availability are subject to change without notice. Clients should consult their own advisors regarding any accounting, legal or tax aspects. Investors are instructed to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

the form of: (1) a significant reduction in the amount of student loan revenue bonds outstanding, (2) termination of two interest rate exchange agreements with a termination payment from the counterparties to the Board, and (3) the release of a portfolio of FFELP loans and some cash from the lien of the Series 1993 Indenture to the Board's balance sheet as described above.

A handwritten signature in cursive script, appearing to read "Lee Janner". The signature is written in black ink on a white background.

This communication is for information only, not an offer, solicitation or recommendation, nor an official confirmation of any financial transaction. It is not to be considered research. The information is considered to be reliable, but Hilltop Securities Inc. does not warrant its completeness or accuracy, prices and availability are subject to change without notice. We may trade, have long or short positions, or act as a market maker in any financial instrument discussed herein. Clients should consult their own advisors regarding any accounting, legal or tax aspects. Investors are instructed to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

STUDENT LOAN BOND RESTRUCTURE AUTHORIZATION

May 15, 2020

The State Board of Regents of the State of Utah (to be known as the Utah Board of Higher Education as of July 1, 2020) met in regular session by electronic means, on May 15, 2020, commencing at 9:00 a.m. The following members were present:

Harris H. Simmons	Chair
Nina Barnes	Vice Chair
Jessie B. Anderson	Member
Lisa-Michele Church	Member
Wilford W. Clyde	Member
Sanchaita Datta	Member
Alan E. Hall	Member
Marlin K. Jensen	Member
Ronald W. Jibson	Member
Patricia Jones	Member
Steven J. Lund	Member
Crystal Maggelet	Member
Sheva Mozafari	Student Regent
Christina Ortega	Member
Robert W. Prince	Member
Mark R. Stoddard	Member
Thomas Wright	Member

Absent:

Also Present:

David R. Woolstenhulme	Interim Commissioner of Higher Education
Geoffrey Landward	Secretary

After the meeting had been duly convened and called to order by the Chair, the roll had been called with the above result, the Chair announced that one of the purposes of the meeting was the consideration of various matters on the agenda.

The following resolution was introduced in written form and pursuant to motion made by Regent _____ and seconded by Regent _____, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH (THE "BOARD") RELATING TO THE REFINANCING OF CERTAIN OUTSTANDING BONDS AND NOTES OF THE BOARD'S STUDENT LOAN PROGRAM AND AUTHORIZING AMENDMENTS TO BE MADE, EXECUTION OF A SUPPLEMENTAL INDENTURE AND OTHER DOCUMENTS AND SOLICITATION OF CONSENTS IN CONNECTION THEREWITH; AUTHORIZING THE EXECUTION OF A WAREHOUSE LINE OF CREDIT AND RELATED DOCUMENTS TO FURTHER SUCH REFINANCING; AUTHORIZING THE ISSUANCE AND SALE OF STUDENT LOAN BACKED NOTES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$327,500,000; AUTHORIZING THE EXECUTION OF ONE OR MORE INDENTURES OF TRUST AND NOTE PURCHASE AGREEMENTS AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE PREPARATION AND USE OF AN OFFERING MEMORANDA; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the State Board of Regents of the State of Utah (the "Board") is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended; and

WHEREAS, pursuant to Chapter 13, Title 53B, Utah Code Annotated 1953, as amended (the "Act"), the Board is empowered to make or purchase student loan notes and other debt obligations reflecting loans to students under its Student Loan Program and, in order to provide funds for such purposes, the Board is duly authorized to issue and sell bonds pursuant to the provisions of the Act; and

WHEREAS, the Board has previously entered into a General Indenture dated as of August 1, 1993 (the "1993 General Indenture") and Supplemental Indentures First through Eighteenth (the "1993 Supplemental Indentures" and, collectively with the 1993 General Indenture, the "1993 Indenture"), pursuant to which the Board has issued multiple series of its Student Loan Revenue Bonds and Notes (collectively, the "1993 Indenture Bonds"); and

WHEREAS, the Board desires to refinance all or a portion of the 1993 Indenture Bonds in order to achieve debt service savings and other objectives of the Board (the "Refinance"); and

WHEREAS, in order to facilitate the Refinance, the Board has determined that certain amendments should be made to the 1993 Indenture and desires to execute one or

more Supplemental Indentures (collectively referred to herein as the “Supplemental Indenture”) to make such amendments (the “Amendments”); and

WHEREAS, the 1993 Indenture may be amended on the conditions provided therein and the Board desires to seek the consent of holders of certain of the 1993 Indenture Bonds to the Amendments; and

WHEREAS, in connection with the issuance of certain of the 1993 Indenture Bonds, the Board has entered into Interest Rate Exchange Agreements (collectively, the “Interest Rate Exchange Agreement”) and the Board desires to authorize the termination of the Interest Rate Exchange Agreement in connection with the Refinance and if determined to be necessary or advantageous to make amendments thereto; and

WHEREAS, in order to facilitate the Refinance, the Board anticipates the need to enter into a Warehouse Loan, Security and Servicing Agreement by and among the Board, and Royal Bank of Canada and others to be named therein (the “Warehouse Agreement”); and

WHEREAS, the Board desires to provide long term financing for the Board’s student loans held under the 1993 Indenture and in furtherance thereof, the Board considers it desirable and necessary for the benefit of the residents of the State of Utah to authorize and approve the issuance and sale of the Board’s Student Loan Backed Notes (to be issued in one or more series, from time to time, which may include both senior and subordinate notes, and with such other series designations that may be determined) (the “2020 Notes”) in an aggregate principal amount of not to exceed \$327,500,000 pursuant to one or more Indentures of Trust (each a “2020 Indenture” and collectively, the “2020 Indentures”) between the Board and The Bank of New York Mellon Trust Company, N.A. or another trustee selected by the Board (the “Trustee”); and

WHEREAS, the Board desires to use the proceeds of the 2020 Notes to (i) refinance all or a portion of the loans currently held under the 1993 Indenture and other loans of the Board and any cost of the Amendments and terminating the Interest Rate Exchange Agreement, (ii) fund capitalized interest and any required deposit to debt service reserves and (iii) pay costs of issuance of the 2020 Notes, execution of the Amendments and the Warehouse Agreement and related expenses; and

WHEREAS, the Board’s obligations under the Warehouse Agreement, the 2020 Notes, and the 2020 Indentures shall be payable solely from revenues and other moneys pledged therefor in the Warehouse Agreement and the related 2020 Indenture and shall not constitute nor give rise to a general obligation or liability of the Board or the State of Utah or constitute a charge against their general credit; and

WHEREAS, there has been presented to the Board at this meeting forms of (i) a Note Purchase Agreement (each a “Note Purchase Agreement”) between the Board and RBC Capital Markets, LLC as underwriter (the “Underwriter”), (ii) the 2020 Indenture, (iii) a Preliminary Offering Memorandum (each a “Preliminary Offering Memorandum”) for use in the marketing of the 2020 Notes; (iv) the Warehouse Agreement; (v) the

Supplemental Indenture; and (vi) other documents, all relating to the Refinance, the Amendments (including consent solicitation documentation and agreements) and the 2020 Notes (collective, the “Refinance Documents”); and

WHEREAS, pursuant to Section 53B-13-104(9) of the Act, the Board desires to grant to the Chair, Vice Chair and/or the Chair of the Finance and Facilities Committee of the Board the authority to approve the final terms of the Warehouse Agreement, the Amendments and the Supplemental Indenture, the Interest Rate Exchange Agreement termination or amendment, the 2020 Indenture, the Note Purchase Agreement, the Preliminary Offering Memorandum, the final principal amounts, terms, maturities, interest rates, redemption provisions and purchase prices at which the 2020 Notes shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth in this Resolution; and

WHEREAS, to permit flexibility in meeting the objectives of the Board, the Board desires to also authorize the 2020 Notes to be issued in multiple series and from time to time for a period of up to two years following adoption of this Resolution, so long as the amount outstanding does not at any one time exceed the limit established by this Resolution; and

WHEREAS, pursuant to the provisions of Senate Bill 111 of the 2020 General Legislative Session (“Senate Bill 111”), the name of the Board is expected to be changed to the Utah Board of Higher Education and the Board desires to authorize any changes to the documents authorized herein or otherwise necessary to reflect the revised name of the Board, when and if effective.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF REGENTS OF THE STATE OF UTAH, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All action heretofore taken (not inconsistent with the provisions of this resolution) by the Board and the officers of the Board directed toward the Refinance, the Amendments, the execution of the Warehouse Agreement and the issuance of the 2020 Notes are hereby ratified, approved and confirmed.

Section 3. The Board hereby approves the forms of the Refinance Documents, including (without limitation) that the 2020 Notes may be issued in multiple series and with a separate 2020 Indenture for one or more Series and by means of separate Preliminary Offering Memoranda and final offering memoranda and Note Purchase Agreements relating thereto, so long as the amount outstanding at any one time does not exceed the limit established in this Resolution.

Section 4. The Board hereby authorizes, approves and directs the use and distribution of one or more Preliminary Offering Memoranda in substantially the form before the Board at this meeting in connection with the offering and sale of the 2020

Notes. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and the Secretary of the Board (each reference to such officers including revised titles following implementation of Senate Bill 111) are hereby authorized to approve and deliver on behalf of the Board one or more final Offering Memoranda (each an “Offering Memorandum”) in substantially the same form and with substantially the same content as the form of the Preliminary Offering Memorandum before the Board at this meeting with any such alterations, changes or additions as may be necessary to finalize each Offering Memorandum. The preparation, use and distribution of each Offering Memorandum is also hereby authorized.

Section 5. The form of the 2020 Indenture substantially as presented to this meeting is in all respects authorized, approved and confirmed. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and the Secretary of the Board are hereby authorized to execute and deliver 2020 Indentures in substantially the same form and with substantially the same content as the forms of such document presented to this meeting for and on behalf of the Board with such alterations, changes or additions as may be authorized by Section 13 hereof or necessary to confirm the terms of each Series of the 2020 Notes.

Section 6. The Board hereby approves the Amendments (including taking the actions necessary to solicit and receive the consents needed for the Amendments) and the Supplemental Indenture, in substantially the form presented to this meeting, is in all respects authorized, approved and confirmed. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and the Secretary of the Board are hereby authorized to execute and deliver one or more Supplemental Indentures in the form and with substantially the same content as presented to this meeting for and on behalf of the Board with such alterations, changes or additions as may be authorized by Section 13 hereof or necessary to implement the Amendments.

Section 7. The Board hereby authorizes the actions necessary for the termination and/or amendment of the Interest Rate Exchange Agreement and the Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and the Secretary of the Board are hereby authorized to approve the final terms of such termination and/or amendment and execute and deliver any documents required therefor.

Section 8. The Warehouse Agreement, in substantially the form before the Board at this meeting, is in all respects authorized, approved and confirmed. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee are hereby authorized to execute and deliver the Warehouse Agreement and the related fee letter and valuation agent agreements in the form and with substantially the same content as before the Board at this meeting for and on behalf of the Board with such alterations, changes or additions as may be authorized by Section 13 hereof. The indebtedness incurred under the Warehouse Agreement shall be within the parameters set forth on Exhibit D, all as approved by the Chair, Vice Chair and/or Chair of the Finance and Facilities Committee. In addition, without limiting the foregoing, the Board is hereby authorized to pledge all or any portion of the student loans held by the Board under the 1993 Indenture to payment of its obligations under the Warehouse Agreement.

Section 9. For the purpose of providing funds to (i) Refinance all or a portion of the loans held under the 1993 Indenture or otherwise by the Board and to pay costs of the Amendments and the Interest Rate Exchange Agreement termination, (ii) fund capitalized interest and any required deposits to debt service reserves and (iii) pay costs of issuance of the 2020 Notes, execution of the Amendments and the Warehouse Agreement and related expenses, the Board hereby authorizes the issuance of the 2020 Notes in the aggregate principal amount of not to exceed \$327,500,000. The 2020 Notes may be issued from time to time, in one or more series, including both senior and subordinate notes, and with such other series designations that may be determined. The 2020 Notes shall mature on such date or dates, be subject to redemption, and bear interest at the rates, as shall be approved by the Chair, Vice Chair and/or Chair of the Finance and Facilities Committee of the Board, all within the parameters set forth on Exhibit D attached hereto and incorporated herein by reference. The issuance of the 2020 Notes shall be subject to the final advice of Note Counsel and to the approval of the office of the Attorney General of the State of Utah.

Section 10. The form, terms and provisions of the 2020 Notes and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the respective 2020 Indenture. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and the Secretary of the Board are hereby authorized to execute and seal by manual or facsimile signature the 2020 Notes and to deliver the 2020 Notes to the Trustee for authentication. All terms and provisions of the 2020 Indenture and the 2020 Notes are hereby incorporated in this Resolution. The appropriate officials of the Board are hereby authorized to execute and deliver to the Trustee the written order of the Board for authentication and delivery of the 2020 Notes in accordance with the provisions of the related 2020 Indenture.

Section 11. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee of the Board are hereby authorized to execute and deliver a Note Purchase Agreement for one or more Series, in substantially the form and with substantially the same content as presented at this meeting for and on behalf of the Board with final terms as may be established for the related 2020 Notes and such alterations, changes or additions as may be authorized by Section 13 hereof. Pursuant to Section 53B-13-104(9) of the Act, the Chair, Vice Chair and/or Chair of the Finance and Facilities Committee of the Board, are each hereby authorized to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, rate determination methods and purchase price (including notes sold at a premium or discount) with respect to the 2020 Notes for and on behalf of the Board by the execution of the related Note Purchase Agreement and 2020 Indenture and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution.

Section 12. The appropriate officers of the Board, including without limitation the Chair, Vice Chair, Chair of the Finance and Facilities Committee, Commissioner of Higher Education, Associate Commissioner for Student Financial Aid, Executive Director of UHEAA, Deputy Executive Director of UHEAA and Secretary (including revised titles following implementation of Senate Bill 111) are hereby authorized to (i)

take all action necessary or reasonably required by the Amendments, the Warehouse Agreement, the 1993 Indenture, the Note Purchase Agreements and the 2020 Indentures to carry out, give effect to and consummate the Refinance and the transactions as contemplated hereby and are authorized to take all action necessary in conformity with the Act and (ii) execute and deliver for and on behalf of the Board any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 13. The appropriate officials of the Board, including without limitation the Chair, Vice Chair and/or Chair of the Finance and Facilities Committee are authorized to make any alterations, changes or additions to the Warehouse Agreement, the Supplemental Indenture, the 2020 Indentures, the 2020 Notes, the Note Purchase Agreements, the Preliminary Offering Memoranda, the Offering Memoranda, or any other document herein authorized and approved which may be necessary to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Board of the provisions of the laws of the State of Utah or the United States, all within the parameters established herein.

Section 14. Upon execution and delivery, the Warehouse Agreement shall and upon their issuance, the 2020 Notes of each Series and the obligations of the Board under the related 2020 Indenture will, constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Warehouse Agreement or the related 2020 Indenture and such 2020 Notes, as applicable. No provision of this Resolution, the Warehouse Agreement, the 2020 Notes, the 2020 Indentures, the Note Purchase Agreements, or any other instrument authorized hereby, shall be construed as creating a general obligation of the Board, or of creating a general obligation of the State of Utah or any political subdivision thereof, not as incurring or creating a charge upon the general credit of the Board, the State of Utah or any political subdivision thereof.

Section 15. After the Warehouse Agreement has been executed and delivered and the proceeds of advances thereunder have been made available to the Board and/or upon the issuance of any Series of the 2020 Notes and execution of the 2020 Indenture related thereto, this Resolution shall be and remain irrevocable until the aggregate outstanding amounts thereunder, all interest thereon and all other obligations thereunder or with respect thereto have been fully discharged in accordance with the terms and provisions of the Warehouse Agreement, the 2020 Notes and the related 2020 Indenture, as applicable.

Section 16. If and when Senate Bill 111 takes effect, changing the name of the Board to the "Utah Board of Higher Education" the Board hereby authorizes any changes to the documents authorized herein or otherwise necessary to reflect the revised name of the Board.

Section 17. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.

Section 18. All resolutions of the Board 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, resolution or ordinance or part thereof.

Section 19. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE STATE BOARD OF REGENTS OF THE
STATE OF UTAH THIS 15TH DAY OF MAY, 2020.

STATE BOARD OF REGENTS OF THE
STATE OF UTAH

(SEAL)

Chair

ATTEST:

Secretary

After the conduct of other business not pertinent to the above, the meeting was, on motion duly made and seconded, adjourned.

(SEAL)

Chair

ATTEST:

Secretary

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Geoffrey Landward, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah.

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of said Board held on May 15, 2020 and of a resolution adopted at said meeting, as said minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of said Board this May 15, 2020.

Secretary

(SEAL)

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Geoffrey Landward, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah, do hereby certify, according to the records of said State Board of Regents in my official possession, and upon my own knowledge and belief, that:

(a) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice was given of the agenda, date, time and place of the May 15, 2020 public meeting held by the Members of the State Board of Regents by causing a Notice of Public Meeting, in the form attached hereto as Schedule 1 to be: (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah, at least 24 hours prior to the convening of such meeting, said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the State Board of Regents until the convening of the meeting; (ii) published on the Utah Public Notice Website (<http://pmn.utah.gov>), at least 24 hours prior to the convening of such meeting; and (iii) provided at least 24 hours prior to the convening of such meeting, to the Deseret News and The Salt Lake Tribune, newspapers of general circulation within the geographic jurisdiction of the State Board of Regents, pursuant to their subscription to the Utah Public Notice Website (<http://pmn.utah.gov>), and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the State Board of Regents;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2019-2020 Annual Meeting Schedule of the State Board of Regents was given, specifying the date, time and place of the regular meetings of the State Board of Regents scheduled to be held during said years, by causing a Notice of Annual Meeting Schedule for the State Board of Regents, in the form attached hereto as Schedule 2, to be (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah in November 2018; (ii) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year, and (iii) provided to a newspaper of general circulation within the geographic jurisdiction of the State Board of Regents pursuant to its subscription to the Utah Public Notice Website (<http://pmn.utah.gov>); and

(c) the State Board of Regents has adopted written procedures governing the holding of electronic meetings in accordance with Section 52-4-207 Utah Code Annotated 1953, as amended (a copy of which is attached hereto as Exhibit C). In accordance with said Section and the aforementioned procedures, notice was given to each member of the State Board of Regents and to members of the public at least 24 hours before the meeting to allow members of the State Board of Regents and the public to participate in the meeting, including a

description of how they could be connected to the meeting. The State Board of Regents held the meeting (the anchor location) in the building where it normally meets and provided space and facilities at the anchor location so that interested persons and the public could attend and participate.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the State Board of Regents of the State of Utah, this May 15, 2020.

Secretary

(SEAL)

EXHIBIT A

NOTICE OF PUBLIC MEETING

EXHIBIT B

NOTICE OF ANNUAL MEETING SCHEDULE

EXHIBIT C

ELECTRONIC MEETING POLICY

EXHIBIT D

PARAMETERS FOR WAREHOUSE AGREEMENT

The indebtedness incurred under the Warehouse Agreement shall be:

in an aggregate principal amount of not to exceed \$327,500,000,

bear interest at variable rates as provided in the Warehouse Agreement and other documents related thereto and at rates which shall not at any time exceed 25% per annum and to be due and payable in not more than one year from the date of execution thereof

PARAMETERS OF THE 2020 NOTES

Principal amount not to exceed	\$327,500,000
--------------------------------	---------------

Interest Rate for the Notes shall be at variable rates as provided in the Indenture but not to exceed at any one time	25% per annum
-----------------------------------------------------------------------------------------------------------------------	---------------

2020 Notes shall be sold to the Underwriter, with an underwriter's discount of not to exceed (as a discount or fee) of the face amount of the 2020 Notes.	0.625%
-----------------------------------------------------------------------------------------------------------------------------------------------------------	--------

Discount from par not to exceed	20.0% (in the aggregate, with respect to all Notes issued)
---------------------------------	------------------------------------------------------------

Final maturity not to exceed	Forty (40) years from the date thereof
------------------------------	----------------------------------------

May be non-callable or callable at the option of Board as determined at the time of sale