

FCR 4

Office of the President
June 17, 2021

Members, Board of Trustees:

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE
AND SALE OF GENERAL RECEIPTS REFUNDING OBLIGATIONS OF
THE UNIVERSITY OF KENTUCKY, PURSUANT TO THE TRUST
AGREEMENT DATED AS OF NOVEMBER 1, 2005

Recommendation: that the Board of Trustees approve a Resolution authorizing the issuance, in one or more installments, of General Receipts Refunding Bonds (“Bonds”) or entering into a General Receipts Lease or Leases (“Lease”), or any combination thereof (the “Refunding Obligations”) in the principal amounts or respective principal amounts required to accomplish the refunding of certain outstanding General Receipts Obligations under the Trust Agreement (collectively, the “Prior Obligations”), to be designated as “University of Kentucky General Receipts Refunding Bonds” or “General Receipts Lease,” and shall bear such further series designations that is appropriate to the order of issuance thereof, and to be dated as of a date determined by the Treasurer.

The Resolution approves the issuance of Refunding Obligations that are sold between July 1, 2021 and June 30, 2022 for the purpose of refunding the Prior Obligations when favorable financial results may be realized through redeeming and refunding the Prior Obligations.

The Resolution also approves the offering for sale of the Refunding Obligations in one or more installments, on a date or dates to be determined by the Treasurer of the University, upon the advice of the Financial Advisor to the University. The Resolution further authorizes the acceptance of the bid or bids for the sale of the Refunding Obligations by the Treasurer. The exact principal amount of Refunding Obligations to be sold will be determined on the date or dates of sale as the amount required to (i) refund the Prior Obligations, and (ii) pay the costs of issuing the Refunding Obligations.

Furthermore, this Resolution ratifies, approves and authorizes any and all actions taken and yet to be taken related to the sale and delivery of the Obligations designated “General Receipts Refunding Bonds, 2022 Series A,” offered and sold pursuant to FCR 2 dated June 19, 2020, which will refund the outstanding General Receipts Bonds, 2014 Series B maturing on or after April 1, 2023.

Background: There may be opportunities where favorable financial results can be achieved through redeeming and refunding Prior Obligations. The Refunding Obligations issued to refund the Prior Obligations may be sold as separate series and may be sold at different times, depending on market conditions.

The Board adopted a resolution approving a Trust Agreement dated as of November 1, 2005 (the “Trust Agreement”) authorizing the issuance, from time to time, of Obligations (as defined in the Trust Agreement) to finance and refinance capital projects. The Refunding Obligations will be issued under the Trust Agreement. The Resolution

authorizes the issuance of the Refunding Obligations, establishes certain specific terms of the Refunding Obligations, provides for a competitive sale of Bonds or solicitation of proposals for Leases, including approval of the forms of a Notice of Bond Sale, Official Terms and Conditions of Bond Sale, Official Bid Form, Official Statement and Request for Proposal, and authorizes Supplemental Trust Agreements, Escrow Agreements and Continuing Disclosure Agreements related to the Refunding Obligations.

Action taken: Approved Disapproved Other _____

SERIES RESOLUTION

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE OF GENERAL RECEIPTS REFUNDING OBLIGATIONS OF THE UNIVERSITY OF KENTUCKY, PURSUANT TO THE TRUST AGREEMENT DATED AS OF NOVEMBER 1, 2005

WHEREAS, the University of Kentucky (herein called the "University"), a public body corporate and an educational institution and agency of the Commonwealth of Kentucky, by resolution adopted by the Board of Trustees of the University on September 20, 2005 (herein called the "General Bond Resolution"), and by a Trust Agreement, dated as of November 1, 2005, as supplemented (herein called the "Trust Agreement"), comprised in part of the General Bond Resolution, has provided for the issuance from time to time of Obligations (as defined in the Trust Agreement) of the University secured by a pledge of the University's "General Receipts" (as defined in the Trust Agreement), each such issue to be authorized by a Series Resolution, as required by the Trust Agreement; and

WHEREAS, by authority of Sections 162.340 to 162.380 of the Kentucky Revised Statutes, Chapter 56 of the Kentucky Revised Statutes and Sections 58.010 to 58.140 of the Kentucky Revised Statutes (collectively, the "Act"), the University is authorized to issue its obligations to pay all or part of the costs of educational buildings, and to secure said obligations by a pledge of and lien on all or such part of the revenues and receipts of the University; and

WHEREAS, the University, under the General Bond Resolution and certain Series Resolutions (as defined in the Trust Agreement) adopted by the Board, has previously issued, and there are outstanding, certain General Receipts Bonds under the Trust Agreement (collectively, the "Prior Bonds"), which Prior Bonds are subject to redemption in accordance with their respective terms; and

WHEREAS, the Board of Trustees, in order to achieve favorable financial results that might arise between July 1, 2021 and June 30, 2022 through redeeming and refunding Prior Obligations, desires to provide for issuance and sale of University of Kentucky General Receipts Refunding Bonds ("Bonds") or entering into a General Receipts Lease Agreement ("Lease" and together with the Bonds, "Obligations") and for other matters in connection therewith, by the adoption of this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, AS FOLLOWS:

SECTION 1. Definitions and Interpretations. All words and terms defined in Section 1 of the Trust Agreement and all interpretations therein provided shall have the same meanings, respectively, and be subject to the same interpretations as therein provided where used in this Resolution, unless the context or use clearly indicates another or different meaning or intent, except that this Resolution is sometimes herein called and may be known as the "Refunding Resolution," the Obligations authorized by this Resolution are referred to herein (and in the Supplemental Trust Agreement or Supplemental Trust Agreements hereby authorized) as the "Refunding Obligations" and the terms "hereof," "hereby," "hereto," "herein," and "hereunder," and similar terms, mean this Resolution.

SECTION 2. Authority. This Resolution is adopted pursuant to the General Bond Resolution, the Trust Agreement, and the Act.

SECTION 3. Authorization, Designation and Purpose of Refunding Obligations. It is hereby declared to be necessary to, and the Board shall, issue, sell and deliver from time to time, as provided and authorized herein, Refunding Obligations in the principal amount or respective principal amounts required to accomplish the refunding of the Prior Bonds, which shall be issued as General Receipts Bonds in one or

more series or as a General Receipts Lease or Leases, or any combination thereof (the "Refunding Obligations"). Such Obligations shall be designated as "University of Kentucky General Receipts Refunding Bonds" or "General Receipts Lease," may be issued in one or more series and shall bear such further series designation or designations as the Fiscal Officer (as defined in the Trust Agreement) deems appropriate. Such Obligations shall be issued for the purpose of (i) refunding all or a portion of the Prior Bonds, and (ii) paying costs of issuance in connection with such Refunding Obligations. The proceeds from the sale of such Obligations shall be deposited and allocated as provided in Section 6 hereof.

In the event subsequent to the date of adoption of this Resolution, the conditions of the municipal bond market shall be such that the Fiscal Officer determines it is necessary to defer the refunding of all, or any of the Prior Bonds until a later date, the authorization contained in this Section 3 shall extend to the issuance of a separate subseries of Obligations for the purpose of refunding all or a portion of the Prior Bonds ("Series Refunding Obligations"), bearing such series or subseries designations as the Fiscal Officer may subsequently determine. Unless renewed by a later Series Resolution, the authorizations set forth herein shall be effective for Obligations offered or sold on or before June 30, 2022, whether or not the Obligations are actually delivered by such date.

Furthermore, there is hereby further ratified, authorized and approved, all actions heretofore or hereafter to be taken that are related to the offering, sale and delivery of the Obligations designated "General Receipts Refunding Bonds, 2022 Series A," which will refund the outstanding General Receipts Bonds, 2014 Series B maturing on or after April 1, 2023.

SECTION 4. Terms and Provisions Applicable to the Refunding Obligations.

(a) Form, Numbering and Designation. The Refunding Obligations shall be issued in the form of fully registered Obligations as approved by the Fiscal Officer, shall be numbered from 1 upwards, by series, and shall bear such series designations as the Fiscal Officer deems appropriate.

(b) Denomination and Dates. The Refunding Obligations shall be in such denominations as requested by the Original Purchaser (hereafter defined), and shall be dated on the date or dates determined by the Fiscal Officer and may be issued in installments (each installment being a part of the Refunding Obligations, as applicable, herein authorized) with maturity dates approved by the Fiscal Officer, having a final maturity that is no later than the last day of the fiscal year in which the refunded Prior Bonds are scheduled to mature.

(c) Interest. The Refunding Obligations shall bear interest from their respective dates payable on dates approved by the Fiscal Officer, beginning on a date approved by the Fiscal Officer, at the rate or rates per annum determined pursuant to Section 5 hereof.

(d) Maturities. The Refunding Obligations shall mature on such dates, in the years and in the principal amounts set forth in the maturity schedule approved by the Fiscal Officer pursuant to Section 5 hereof.

(e) Redemption Terms and Prices. The Refunding Obligations shall be subject to optional and mandatory redemption on such dates and terms as approved by the Fiscal Officer, with the advice of the Financial Advisor (hereinafter identified) and set forth in the related Supplemental Trust Agreement. If less than all of the outstanding Refunding Obligations, as applicable, are called for redemption at one time, they shall be called in the order of the maturities and series as directed by the Fiscal Officer. If less than all of the outstanding Refunding Obligations of one maturity are to be called, the selection of such Refunding Obligations or portions of Refunding Obligations of such maturity to be called shall be made by

lot in the manner provided in the Trust Agreement. Notice of call for redemption of Refunding Obligations shall be given in the manner provided in the Trust Agreement.

(f) Other Provisions. The Refunding Obligations may, at the option of the Fiscal Officer, be secured by municipal bond insurance or similar instrument issued by a financial or insurance institution acceptable to the Fiscal Officer.

(g) Place of Payment and Paying Agents. The principal, interest and any redemption premium on registered Refunding Obligations shall be payable by check or draft, as provided in the Trust Agreement.

(h) Execution. The Refunding Obligations shall be executed in the manner provided in the General Bond Resolution.

SECTION 5. Award and Sale of Refunding Obligations. The Refunding Obligations shall be offered publicly for sale upon the basis of competitive bids at such time as the Fiscal Officer, upon advice of the Financial Advisor to the University, shall designate.

If Bonds are to be issued, the Fiscal Officer is hereby authorized and directed to cause an appropriate form or forms of a Notice of Sale of Bonds to be published in conformity with Chapter 424 of the Kentucky Revised Statutes. Such notice shall be published at least once not less than seven nor more than twenty-one days prior to the scheduled date of sale of the respective installments of the Refunding Obligations.

The forms of Notice of Bond Sale, Official Terms and Conditions of Sale of Bonds, Bid Form and Official Statement relating to any Bonds or a request for proposals related to a Lease Agreement, shall be in such form as approved by Bond Counsel for the University, by the Financial Advisor, by the General Counsel of the University and by the Fiscal Officer.

Bidders shall be advised that the fee of the Financial Advisor for services rendered with respect to the sale of Refunding Obligations is contingent upon the issuance and delivery of the respective installment of the Refunding Obligations.

Upon the date and at the respective hour set forth for the submission and consideration of purchase bids, or proposals as provided in the instruments hereinabove approved, bids or proposals shall be reviewed as provided in such instruments. If there shall be one or more bids or proposals which conform in all respects to the prescribed terms and conditions, such bids shall be compared, and the Fiscal Officer, upon the advice of the Financial Advisor, is authorized to accept the best of such bids or proposals, as measured in terms of the lowest interest cost to the Board, as calculated in the manner prescribed in the Official Terms and Conditions of Sale of Bonds, or as determined to be in the best financial interests of the University as described in a request for proposals. Calculations shall be performed as are necessary to determine the exact amount of the applicable installment of Refunding Obligations that are required to be issued in order to (i) refund the Prior Bonds (if the Fiscal Officer determines that it is economical to refund the Prior Bonds) and (ii) pay the costs of issuing the Refunding Obligations and the final principal amount, interest rates and maturities of the Refunding Obligations shall thereupon be established, as prescribed in the Official Terms and Conditions of Sale of Bonds or request for proposals.

SECTION 6. Allocation of Proceeds of Refunding Obligations. All of the proceeds from the sale of the Refunding Obligations and other lawfully available funds of the University shall be received and

received for by the Fiscal Officer and shall be deposited and allocated as set forth in the applicable Supplemental Trust Agreement approved hereby.

SECTION 7. Additional Covenants with Respect to Internal Revenue Code of 1986, as Amended. This Board hereby finds and determines that all of the proceeds from the sale of the Refunding Obligations will be needed for the purposes set forth in Section 6 hereof. This Board hereby covenants for and on behalf of the University, that, unless it is determined by the Fiscal Officer with the advice of bond counsel to the University that compliance with the requirements of the Code cannot be accomplished with respect to a particular installment of the Obligations, it will restrict the use of the proceeds of the Refunding Obligations in such manner and to such extent, if any, and take such other actions as may be necessary, in view of reasonable expectations at the time of issuance of such Refunding Obligations, so that the Refunding Obligations will not constitute obligations the interest on which is subject to federal income taxation or “arbitrage bonds” under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations prescribed under such Sections. The Fiscal Officer or any other officer of the University having responsibility with respect to issuance of the Refunding Obligations is hereby authorized and directed to give an appropriate certificate for inclusion in the transcript of proceedings with respect to the Refunding Obligations, setting forth the facts, estimates and reasonable expectations pertinent under said Sections 103(b)(2) and 148 of the Code. The Fiscal Officer is hereby authorized and directed to create a Rebate Account (which shall be held by either the University or the Trustee, at the discretion of the Fiscal Officer) if the Fiscal Officer determines such account is necessary so that the University complies with the rules concerning “rebate” as set forth in the Code, as they apply to the Refunding Obligations.

SECTION 8. Supplemental Trust Agreements. The Chairman of the Board is authorized and directed to execute, acknowledge and deliver to the Trustee, in the name of and on behalf of the University, one or more Supplemental Trust Agreements pursuant to the Trust Agreement and in connection with the issuance of each series or subseries of the Refunding Obligations, in the prescribed form, with such changes therein not substantially adverse to the University as may be permitted by the Act and the Trust Agreement and approved by the officer executing the same on behalf of the University. The approval of such changes, and that such changes are not substantially adverse to the University, shall be conclusively evidenced by the execution of such Supplemental Trust Agreement by such officer.

SECTION 9. Official Statements. The Chairman is hereby authorized and directed to execute and deliver an Official Statement with respect to each series or subseries of the Refunding Obligations for the purpose of making available to potential investors the information therein contained, which describes the interest rates and other terms to be borne by and the price to be paid for the related Refunding Obligations, and such other information with respect to the University and the Refunding Obligations, necessary in the judgment of the Chairman with the advice of the Fiscal Officer and the Financial Advisors. The Chairman and the Fiscal Officer are each hereby authorized to deem each Preliminary Official Statement and final Official Statement “near final” and “final” for purposes of Securities Exchange Commission Rule 15c2-12, as amended and interpreted from time to time, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Rule”).

SECTION 10. Compliance With Rule 15c2-12. The Board of Trustees hereby agrees, to comply with the provisions of the Rule. In order to comply with the Rule, related Continuing Disclosure Agreements in the usual and customary form are hereby authorized and approved, with such modifications and additions as may be approved by the officer of the University executing the same. The Chairman and the Fiscal Officer are each hereby authorized to execute and deliver such Continuing Disclosure Agreements.

SECTION 11. Escrow Trust Agreements. The Chairman of the Board and the Fiscal Officer are each separately authorized and directed, if the refunding of the Prior Bonds is determined to be economically feasible, to execute, acknowledge and deliver to the Trustee, in the name of and on behalf of the University, one or more Escrow Trust Agreements relating to the defeasance of the Prior Bonds under the provisions of the General Bond Resolution, in substantially the form described to this Board, as may be permitted by the Act or required by the General Bond Resolution, and approved by the officer executing the same on behalf of the University. The approval of the final Escrow Trust Agreements shall be conclusively evidenced by the execution of such Escrow Trust Agreements by such officer.

SECTION 12. Open Meetings. This Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 13. Further Authorization. That the proper and appropriate officers of the Board and of the University, to the extent authorized by law, are hereby authorized to execute and deliver the closing certificates, if any, with such modifications thereto as may be required by the purchasers of the Refunding Obligations and approved by special bond counsel to the University as well as such other documents, certificates and statements as may be so required and so approved in connection with sale and delivery of the Refunding Obligations.

SECTION 14. Provisions in Conflict are Repealed. All resolutions or parts thereof in conflict with the provisions of this Resolution are hereby rescinded to the extent of such conflict.

SECTION 15. Effective Date. This resolution shall take effect from and after its passage.

SECTION 16. Copy to be Filed with Trustee. A certified copy of this Resolution shall be filed with the Trustee

Adopted June ___, 2021.

Chairman, Board of Trustees
University of Kentucky

(SEAL)

Attest:

Secretary, Board of Trustees

CERTIFICATION

The undersigned, Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, hereby certifies that the foregoing is a true copy of a Resolution adopted by the Board of Trustees of said University at a meeting held on June 17, 2021, as recorded in the official Minute Book of said Board of Trustees, which is in my custody and under my control, that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.800 to 61.850, that a quorum was present at said meeting, and that the aforesaid Resolution is of record in the office of the Board, has not been modified, amended, or rescinded, and is in full force and effect at this date.

WITNESS my signature and the Seal of said Board this ____ day of _____, 2021.

Secretary, Board of Trustees
University of Kentucky

(SEAL)