

Meeting of the Board
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
December 18, 2014
Room 515 North Office Building
Harrisburg, Pennsylvania
10:31 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, Roll Call and Announcement of Quorum.
2. Approval of the Minutes of the Meeting of November 13, 2014.
3. Approval of Projects.
 - A. Resolution Authorizing the Undertaking of a Project on Behalf of the University of the Sciences in Philadelphia.
 - B. Resolution Authorizing the Undertaking of a Project on Behalf of the Trustees of the University of Pennsylvania.
4. Old Business.
5. New Business.
6. Adjournment.

1. CALL TO ORDER, FILING OF PROOF OF SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING, ROLL CALL AND ANNOUNCEMENT OF QUORUM.

With a quorum of the Board being present, the meeting of the Board of Pennsylvania Higher Educational Facilities Authority was called to order on Thursday, December 18, 2014 at 10:31 a.m. prevailing time, in Room 515 North Office Building, Harrisburg, Pennsylvania. The proof of the Sunshine advertisement and certification in regard to sending the notice of meeting is attached to these minutes and identified as Appendix "A".

Board Members Present

Steven Heuer, (Proxy for Governor Thomas W. Corbett)
Lisa Felix, (Proxy for Senator Andrew E. Dinniman)
Sean Dempsey, (Proxy for Representative Warren E. Kampf)
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)
Jennifer Langan, (Proxy for Treasurer Robert M. McCord)
Christal Pike-Nase, (Proxy for Auditor General Eugene A. DePasquale)
James Henning, (Proxy for Secretary of General Services Sheri L. Phillips)
Ernie Helling, (Proxy for Acting Secretary of Education Carolyn C. Dumaresq)

Board Members Absent

Senator Michael J. Folmer

Authority Personnel Present

Robert Baccon, Executive Director
David Player, Comptroller
Beverly Nawa, Administrative Officer

Also Present

William McCarty, Esquire, Hartman Underhill & Brubaker LLC

Participated Via Conference Call

Margaret Angel, Esquire, Buchanan Ingersoll & Rooney, PC
Brigid Isackman, Assistant Vice President for Finance, University of the Sciences in Philadelphia
Ted Matozzo, Vice President, Merrill Lynch, Pierce, Fenner & Smith
Kevin Cunningham, Esquire, Ballard Spahr LLP
Helen Kreider, Associate Treasurer, University of Pennsylvania
Eric Wild, Managing Director, Morgan Stanley

2. APPROVAL OF THE MINUTES OF THE MEETING OF NOVEMBER 13, 2014.

A copy of the minutes of the meeting of November 13, 2014, was distributed to the Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the PHEFA meeting of November 13, 2014, be and hereby are approved as presented.

Upon **MOTION** by **Mr. Dempsey**, and **SECONDED** by **Mr. Helling**, and after full discussion, the above Resolution was unanimously approved at the PHEFA Board Meeting of December 18, 2014.

3. APPROVAL OF PROJECTS.

A. Resolution Authorizing the Undertaking of a Project on Behalf of the University of the Sciences in Philadelphia.

Mr. Baccon explained that the University of the Sciences in Philadelphia requested that we issue a maximum of \$110,000,000 in Revenue Bonds expected to finance the refunding of all or a portion of our University of the Sciences in Philadelphia Revenue Bonds, Series 2005A and Series 2008.

The University has selected Merrill Lynch, Pierce, Fenner & Smith as the Underwriter and The Bank of New York Mellon Trust Company has been selected to serve as the Trustee. At the request of the University, the Office of General Counsel has appointed Fox Rothschild as the Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the Bonds.

Brigid Isackman, Assistant Vice President for Finance and Ted Matozzo, Vice President, Merrill Lynch are participating by conference call to answer any questions that board members may have.

Chairperson Heuer asked if board members had any questions or comments about the project.

Ms. Langan asked what the projected savings are expected to be.

Mr. Matozzo explained that under current market conditions the projected savings for the 2005 bonds are \$3.1 million or 10% net present value savings and a

portion of the 2008 bonds have a savings of 3%. As they proceed toward pricing and they have a better handle on the market, they will perform an evaluation and make a recommendation to the University as to how to proceed regarding the 2008 bonds.

Mr. Henning asked if the maturity date is going to be extended.

Mr. Matozzo said that there would not be an extension of the maturity date.

Chairperson Heuer asked if board members had any other questions or comments, and hearing none, he asked for a motion and a second to approve the project.

**RESOLUTION OF THE
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
AUTHORIZING
THE UNDERTAKING OF A PROJECT ON BEHALF OF THE
UNIVERSITY OF THE SCIENCES IN PHILADELPHIA**

DOCKET NO. 653

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Pennsylvania Higher Educational Facilities Authority (the “Authority”) shall undertake a project (the “Project”) on behalf of the University of the Sciences in Philadelphia (the “University”) generally anticipated to consist of the financing of one or more of the following components: (i) the refunding or refinancing of all or a portion of the Authority’s \$40,545,000 original aggregate principal amount of University of the Sciences in Philadelphia Revenue Bonds, Series 2005A (the “2005A Bonds”); (ii) the refunding or refinancing of all or a portion of the Authority’s \$67,400,000 original aggregate principal amount of the University of the Sciences in Philadelphia Revenue Bonds, Series 2008 (the “2008 Bonds” and, together with the 2005A Bonds, the “Refunded Bonds”); and (iii) in connection therewith, any or all of the following: (A) the funding of a reserve fund to secure debt service on such obligations, and (B) the payment of costs of issuance, including any credit enhancement, if required. At the request of the University, the Office of General Counsel has appointed Fox Rothschild LLP as the bond counsel.

2. In order to finance the Project, the Authority will enter into one or more supplements to its existing Trust Indenture, dated as of January 1, 2005, between the Authority and J.P. Morgan Trust Company, National Association (as predecessor bond trustee to The Bank of New York Mellon Trust Company, N. A.) as bond trustee (the “Trustee”), as supplemented and amended by the First Supplemental Trust Indenture dated as of May 15, 2006, as further supplemented and amended by the Second Supplemental Trust Indenture dated as of May 1, 2008, and as further supplemented and amended by the Third Supplemental Trust Indenture dated as of September 1, 2012 (collectively, the “Indenture”) and/or one or more new indentures. The Authority shall issue up to \$110,000,000 (such amount not including original issue premium) in aggregate principal amount of bonds in one or more series (which may be issued on the same or different dates) to be designated “Pennsylvania Higher Educational Facilities Authority University of the Sciences in Philadelphia Revenue Bonds, Series of _____” with the appropriate year and alphabetical series designation, as applicable (the “Bonds”). The Bonds shall have a term not to exceed 40 years and shall bear interest at a fixed or variable rate acceptable to the University, shall mature in such principal amounts and at such times, and shall be subject to redemption and purchase, as applicable, all as approved by the Executive Director of the Authority in consultation with the University and further provided in one or more Bond Purchase Agreements hereinafter defined.

In the event the University requests that the Bonds of any series bear a variable rate rather than a fixed rate of interest, the Executive Director of the Authority is hereby authorized to approve the initial interest rate to be borne by such Bonds and the variable interest rate formula to be used in determining interest due on the Bonds thereafter, and to appoint an indexing agent, marketing agent, one or more broker-dealers and an auction agent and/or a remarketing agent and to take such other action as may be required in connection with a variable interest rate.

The Bonds shall be issued in such denominations and form and under such terms as shall be set forth in one or more supplements to the Indenture and/or a new indenture and approved by the Executive Director. The execution of the Bonds with the manual or facsimile signature of the President of the Authority or other authorized officer together with a manual or facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director of the Authority is hereby authorized and directed to deliver the Bonds to the Trustee under the applicable indenture for authentication and to execute and deliver instructions to the Trustee to deliver the Bonds when so authenticated, on behalf of the Authority, to or upon the order of the purchaser thereof against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the applicable indenture.

3. The proceeds from the sale of the Bonds shall be loaned to the University pursuant to the terms of the Loan and Security Agreement between the Authority and the Trustee, dated as of January 1, 2005, as amended and supplemented by a First Supplemental Loan and Trust Agreement dated as of May 15, 2006, as further amended and supplemented by a Second Supplemental Loan and Trust Agreement dated as of May 1, 2008, and as further amended and supplemented by a Third Supplemental Loan and Trust Agreement dated as of September 1, 2012 (collectively, the "Loan Agreement"), and/or one or more new loan agreements between the Authority and the University. The proceeds from the sale of the Bonds shall be applied by the University for and towards the costs of the Project, including (a) the payment of all or a portion of the costs of issuance of the Bonds, including without limitation, printing and reproduction costs, fees and expenses of bond counsel and the underwriter, fees and expenses of the Trustee, financial advisory fees, and administrative costs and expenses of the Authority, all upon submission of the proper documentation thereof, (b) the payment of issuance costs, and, as applicable, insurance premiums, letter of credit fees relating to the Bonds or other credit enhancement, and (c) the funding of reserve or other funds established under the applicable indenture.

4. The President, any Vice President, the Executive Director is hereby authorized to negotiate with the underwriter hereinafter appointed for an acceptable proposal for the purchase of each series of the Bonds issued hereunder, to enter into one or more purchase agreements (each, a "Bond Purchase Agreement") for such purpose in accordance with the terms of this resolution and the President, any Vice President, the Executive Director is hereby authorized to execute and deliver each Bond Purchase Agreement on behalf of the

Authority and to take such further action as may be required or proper to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of any documents to which the Authority is a party and which are required to be executed and delivered in connection with the financing of the Project and the issuance of the Bonds authorized hereunder, including but not limited to, the applicable indentures and loan agreements, any remarketing agreement, marketing agent agreement, broker-dealer agreements, indexing agent agreement and/or auction agent agreement if any series of Bonds shall bear interest at a variable rate, provided that all such documents shall be in such form as shall be acceptable to Bond Counsel, the Office of General Counsel, the Attorney General of the Commonwealth and Authority Counsel and as shall be approved by the Executive Director of the Authority.

6. The President, any Vice President or the Executive Director of the Authority shall be, and each of them is hereby, authorized and directed to execute, acknowledge and deliver in the name of and on behalf of the Authority, and the Secretary or Assistant Secretary of the Authority shall be and each of them is hereby authorized and directed to attest and affix the official seal of the Authority to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of the forms of said documents.

7. The form of any preliminary official statements and/or final official statements which may be used in connection with the sale and issuance of the Bonds shall be approved by the Executive Director of the Authority with the advice of Bond Counsel and Authority Counsel. The Executive Director each shall be and hereby is authorized and directed to execute any such final official statements, and such execution by the Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval of the form of such documents. The Authority is hereby authorized to circulate and distribute copies of any such documents in connection with the offering of the Bonds.

8. The Bank of New York Mellon Trust Company, N. A. shall be and hereby is authorized to act as Trustee under the applicable indenture in connection with the issuance of the Bonds and Merrill Lynch, Pierce, Fenner & Smith Incorporated is hereby appointed and authorized to act as underwriter for the Bonds. At the request of the University, the Office of General Counsel has appointed Fox Rothschild LLP to serve as bond counsel.

9. The appropriate officers of the Authority are hereby authorized to take such further action, including without limitation, calling the Refunded Bonds for redemption, and to execute and deliver in the name of and on behalf of the Authority any and all other documents and certificates, in addition to those specified above, as shall be required in connection with the issuance of the Bonds, the refunding of the Refunded Bonds, and the implementation of these resolutions.

10. The appropriate officers of the Authority, including the President, any Vice President and the Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the Bonds (collectively, the "Bond Documents") requested by the University and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidence by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Pennsylvania Higher Educational Facilities Authority Act of 1967, as amended, and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

Upon **MOTION** by **Mr. Dempsey**, and **SECONDED** by **Mr. Henning**, and after full discussion, the above Resolution was unanimously approved at the PHEFA Board Meeting of December 18, 2014.

EXHIBIT A

UNIVERSITY OF THE SCIENCES IN PHILADELPHIA

| <u>Docket Number</u> | <u>County</u> | <u>Project Description</u> | <u>Maximum Amount to be Financed</u> |
|-----------------------------|----------------------|---|---|
| 653 | Philadelphia | The financing of one or more of the following components: (i) the refunding or refinancing of all or a portion of the Authority's \$40,545,000 original aggregate principal amount of University of the Sciences in Philadelphia Revenue Bonds, Series 2005A; (ii) the refunding or refinancing of all or a portion the Authority's \$67,400,000 original aggregate principal amount of the University of the Sciences in Philadelphia Revenue Bonds, Series 2008; and (iii) in connection therewith, any or all of the following: (A) the funding of a reserve fund to secure debt service on such obligations, and (B) the payment of costs of issuance, including any credit enhancement, if required. | \$110,000,000 (such amount not including original issue premium) |

Term: Not more than 40 years.

Rate: Variable or Fixed.

Rating/Insurance: Insurance or Rated.

Underwriter: Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Bond Counsel: At the request of the University, the Office of General Counsel has appointed Fox Rothschild LLP.

Trustee: The Bank of New York Mellon Trust Company, N.A.

Minority, Female and/or Veteran Participation in this Financing: To be determined by the University in consultation with the Executive Director of the Authority.

Approved at the PHEFA Board meeting of December 18, 2014.

3. APPROVAL OF PROJECTS (CONTINUED).

B. Resolution Authorizing the Undertaking of a Project on Behalf of the Trustees of the University of Pennsylvania.

Mr. Baccon explained that the Trustees of the University of Pennsylvania requested that we issue a maximum of \$450,000,000 in Revenue Bonds to refund our Trustees of the University of Pennsylvania Revenue Bonds Series A & C of 2005, Series A, B & C of 2009, Series of 2010 and Series A of 2011.

The University will select one or more Underwriters after consultation with the Executive Director. The Bank of New York Mellon Trust Company has been selected as the Trustee for the Bonds. At the request of the University, the Office of General Counsel has appointed Ballard Spahr as the Bond Counsel.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the bonds.

Kevin Cunningham, Esquire, Ballard Spahr and Helen Kreider, Associate Treasurer of the University are participating by conference call to answer any questions that board members may have.

Chairperson Heuer asked if board members had any questions or comments about the project.

Mr. Henning asked what the expected savings are and if there is going to be an extension of the maturity.

Mr. Eric Wild introduced himself as the lead underwriter on the project from Morgan Stanley. He explained that there are two components to the project, the first being the economic portion where the maturity is not changing, but the rate is being lowered. This is approximately half of the issue. Based on current rates it is generating approximately \$27,000,000 in net present value savings or 14% of the refunded par, which is very significant.

Mr. Wild also explained that the other component is a restructuring or debt extension of the 2009A bonds. In 2009 the bonds were issued with very short maturities, due to market conditions at the time. The idea is to reamortize those longer, which is how the University would have proceeded that the market been better in 2009. That will be a debt extension with a maturity of approximately 30 years.

Chairperson Heuer asked if board members had any other questions or comments, and hearing none, he asked for a motion and a second to approve the project.

**RESOLUTION OF THE
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
AUTHORIZING**

**THE UNDERTAKING OF A PROJECT ON BEHALF OF
THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA**

DOCKET NO. 654

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Pennsylvania Higher Educational Facilities Authority (the “Authority”) shall undertake the financing of a project (the “Project”) on behalf of The Trustees of the University of Pennsylvania (the “University”) consisting of (i) the refinancing of certain outstanding indebtedness of the University, including all or a portion of the Authority’s The Trustees of the University of Pennsylvania Revenue Bonds Series A of 2005, Series C of 2005, Series A of 2009, Series B of 2009, Series C of 2009, Series of 2010 and Series A of 2011 (collectively, the “Refunded Bonds”); and (ii) the payment of costs of issuing the Bonds; provided, however, that the Executive Director of the Authority, at the request of the University, shall have the power to add, delete or substitute for any component of the Project but only to the extent permitted by The Pennsylvania Higher Educational Facilities Authority Act of 1967, as amended, and the Federal income tax laws from time to time in effect.

2. In order to finance the Project, the Authority will enter into one or more trust indentures and/or will enter into one or more supplements to the Indenture of Trust dated as of January 15, 1987 (collectively, the “Indenture”) with The Bank of New York Mellon Trust Company, N.A., as successor trustee or with such other trustee (the “Trustee”) as appointed by the University and approved by the Executive Director of the Authority, such approval to be evidenced by his or her execution of the Indenture pursuant to which the Authority shall issue up to \$450,000,000 (exclusive of original issue discount or premium) in aggregate principal amount of bonds in one or more series which may be tax-exempt or taxable and which may be issued on the same or different dates to be designated “Pennsylvania Higher Educational Facilities Authority The Trustees of the University of Pennsylvania Revenue Bonds” with an appropriate series designation (the “Bonds”). The Bonds shall have a term not to exceed 40 years and shall bear interest at fixed or variable rates acceptable to the University, shall mature in such principal amounts and at such times, and shall be subject to redemption all as approved by the Executive Director of the Authority in consultation with the University and further provided in the Bond Purchase Agreement (defined below).

3. If deemed advantageous by the University in connection with the issuance of one or more series of the Bonds, the proper officers of the Authority are hereby authorized to purchase or cause to be purchased, and the Trustee is hereby authorized to accept, a letter of credit or a similar instrument securing the payment, when due, of the principal and/or purchase price of and interest on such series of Bonds, and the Trustee is further authorized to accept a liquidity facility, letter of credit or a similar instrument for the payment of the purchase price of one or more series of Bonds upon tender for purchase, if applicable.

4. In the event the University requests that the Bonds of any series bear a variable rate rather than a fixed rate of interest, the Executive Director of the Authority is hereby authorized to approve the initial interest rate to be borne by such Bonds and the variable interest rate calculation method to be used in determining interest due on the Bonds thereafter, and to appoint an indexing agent, market agent and/or remarketing agent and to take such other action as may be required in connection with a variable interest rate, or in connection with Bonds bearing interest at fixed interest rates, including the authorization of any remarketing agreement or credit facility agreement or similar agreement.

5. The Bonds shall be limited obligations of the Authority, payable only from payments made by the University under the Loan Agreement (defined below). The Bonds shall be issued in such denominations and form and with such terms as shall be set forth in the Indenture used in connection with the issuance of the Bonds and approved by the Executive Director of the Authority. The execution of the Bonds with the manual or facsimile signature of the President of the Authority together with the official seal or a facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Executive Director, Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director of the Authority is hereby authorized to deliver the Bonds to the Trustee under the Indenture for authentication, and to execute and deliver instructions to the Trustee to deliver the Bonds when so authenticated, on behalf of the Authority, to or upon the order of the purchaser thereof, against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture.

6. The proceeds from the sale of the Bonds shall be loaned to the University pursuant to the terms of one or more loan agreements and/or pursuant to one or more supplements to the loan agreement between the Authority and the University dated as of January 15, 1987 (collectively the "Loan Agreement"), and shall be applied by the University for and toward the costs of the Project including (a) the payment of all or a portion of the costs of issuance of the Bonds, including without limitation, printing and reproduction costs, fees and expenses of bond counsel, underwriters' counsel and the underwriters, fees and expenses of the Trustee, and administrative costs and expenses of the University and the Authority, all upon submission of the proper documentation thereof; and (b) the funding of funds established under the Indenture.

7. The President, any Vice President, or the Executive Director is hereby authorized on behalf of the Authority to negotiate with the underwriters, hereinafter appointed, for an acceptable proposal, for the purchase or placement of any series of the Bonds issued hereunder, to enter into one or more purchase agreements or placement agreements (collectively, the "Bond Purchase Agreement") for such purpose in accordance with the terms of this Resolution and the President, any Vice President, the Secretary or any Assistant Secretary, or the Executive Director of the Authority is hereby authorized to execute and deliver the particular Bond Purchase Agreement on behalf of the Authority and to take such further action as he or she deems necessary or advisable to carry out the obligations of the Authority thereunder.

8. The Authority does hereby authorize the refunding of the Refunded Bonds. In connection with the refunding of the Refunded Bonds, the Authority is hereby authorized to enter into one or more escrow deposit agreements (the "Escrow Agreement") with the University and The Bank of New York Mellon Trust Company, N.A., as escrow agent.

9. The Authority does hereby authorize the execution and delivery of the following documents relating to the issuance of Bonds of any series authorized hereunder and the financing of the Project: the Indenture, the Loan Agreement, the Escrow Agreement, any remarketing agreement, market agent agreement and/or indexing agent agreement or other agreement or instrument described in this Resolution; and any other document to which the Authority is a party and which is required and useful in connection with the financing of the Project; all in such form as shall be acceptable to bond counsel, the Attorney General of the Commonwealth, the Office of General Counsel, and Authority counsel and as shall be approved by the Executive Director of the Authority.

10. The President, the Vice President or the Executive Director of the Authority, and each of them is hereby authorized to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary and each of them is hereby authorized to attest and affix the official seal of the Authority to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

11. Any preliminary official statement and/or final official statement which may be used in connection with the offer and sale of the Bonds shall be in such form as shall be approved, solely for the purpose of distribution, by the Executive Director of the Authority with the advice of bond counsel. The Executive Director of the Authority is hereby authorized to execute one or more preliminary official statements and/or final official statements in the name and on behalf of the Authority, and such execution by the Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval of such documents solely for the purpose of distribution. The circulation and distribution of copies of any such documents in connection with the offer and sale of the Bonds is hereby authorized.

12. The underwriters or purchasers of the Bonds shall be appointed by the University and approved by the Executive Director of the Authority, such approval to be evidenced by his or her execution of the Bond Purchase Agreement. Any underwriter or purchaser so appointed and approved shall be authorized to act as the underwriter or purchaser of the Bonds. At the request of the University, the Office of General Counsel has appointed Ballard Spahr LLP as Bond Counsel. The Executive Director of the Authority is hereby authorized to approve upon the recommendation of the University, additional professionals for the Bonds, including a tender agent or agents, indexing agent, market agent and/or remarketing agent, if necessary.

13. The appropriate officers of the Authority are hereby authorized to take such further action and to execute and deliver in the name and on behalf of the Authority any and all other documents and certificates, in addition to those specified above, as they shall deem

necessary or advisable in connection with the issuance of the Bonds and the implementation of these Resolutions.

14. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefor pursuant to the Indenture, which by the terms of such Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture.

15. The appropriate officers of the Authority are, and each of them is, hereby authorized to execute and deliver in the name and on behalf of the Authority such other documents and to take such other action as they shall deem necessary in order to effectuate the financing of the Project, the execution, delivery and receipt of the Indenture, the Loan Agreement, the Escrow Agreement and the Bond Purchase Agreement, the distribution of one or more preliminary official statements and/or final official statements and the issuance and sale of the Bonds, all in accordance with these Resolutions.

16. The appropriate officers of the Authority, including the President, any Vice President and the Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the Bonds (collectively, the "Bond Documents") requested by the University and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidence by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Pennsylvania Higher Educational Facilities Authority Act of 1967, as amended, and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

17. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Ms. Langan**, and after full discussion, the above Resolution was unanimously approved at the PHEFA Board Meeting of December 18, 2014.

EXHIBIT A

TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA

| <u>Docket Number</u> | <u>Counties Where Facilities are Located</u> | <u>Project Description</u> | <u>Maximum Amount to be Financed</u> |
|-----------------------------|---|--|---|
| 654 | Philadelphia, Pennsylvania; Chester, Pennsylvania | (i) The refinancing of certain outstanding indebtedness of the University and (ii) the payment of costs of issuing the Bonds | \$450,000,000 |

Term: Up to 40 years.

Rate: Variable or Fixed.

Rating/Credit Enhancement: The Bonds are expected to be rated Aa2 by Moody's and AA+ by S&P. Prior to the issuance, a determination will be made whether to obtain a letter of credit or other credit enhancement or liquidity enhancement if deemed beneficial by the University.

Underwriters: The underwriters of the Bonds shall be appointed by the University and approved by the Executive Director of the Authority.

Bond Counsel: At the request of the University, the Office of General Counsel has appointed Ballard Spahr LLP as Bond Counsel.

Minority, Female and/or Veteran Participation in this Financing: To be determined by the University in consultation with the Executive Director of the Authority.

Trustee: The Bank of New York Mellon Trust Company, N.A., as the existing trustee under the Indenture, or another trustee to be appointed by the University and approved by the Executive Director of the Authority.

Approved at the PHEFA Board Meeting of December 18, 2014.

4. OLD BUSINESS.

Chairman Heuer asked if there was any old business to come before the Board, and hearing none, he moved to new business.

5. NEW BUSINESS.

Chairman Heuer asked if there was any new business to come before the Board, and hearing none, he asked for a motion to adjourn.

6. ADJOURNMENT.

There being no further business to come before the Board at this time, upon **MOTION** by **Ms. Langan**, and **SECONDED** by **Ms. Pike-Nase**, the PHEFA Board Meeting was adjourned at 10:38 a.m.

SUNSHINE ACT MEETING NOTICES

Thursday, December 11, 2014

If you need an accommodation due to a disability,

please contact the ADA contact name listed below.

SPECIAL: State Public School Building Authority and PA Higher Educational

Facilities Authority Meetings: December 18, 2014, 10:30

AM. North Office Bldg., Rm. 515, HBG.

Contact Name: Bev Nawa 975-2204

PA Municipal Retirement Board Meetings: January 29, 2015,
9:30AM.

Penn State Eastgate Center, 1010 N. Seventh St., Suite 301, HBG. Add'l

meeting scheduled: 5/21/15, 7/16/15, 9/17/15, and 11/19/15, same time and

location as **above**.

Contact Name: Wanita Campbell 783-
1916

DEP Environmental Quality Board Meetings: February 17, 2015,

9:00AM. RCSOB, Rm. 105, 400 Market St., HBG. Add'l meetings

scheduled: 3/17/15,

4/21/15, 5/20/15, 6/16/15, 7/21/15, 8/18/15, 9/15/15, 10/20/15, 11/17/15, and
12/15/15,

**same time and location as
above.**

Contact Name: Laura Edinger 783-
8727

PA Municipal Retirement Board Meetings: March 18, 2015, 9:30AM. Holiday
Inn

East, HBG. Also scheduled: 3/19/15 at 8 AM, same location as
above.

Contact Name: Wanita Campbell 783-
1916]]>

Appeared in: **Patriot-News** on Thursday,
12/11/2014

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meeting of the Board to be Held
December 18, 2014

Notice was in letterform, as follows:

This letter advises that a meeting of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will be held on **Thursday, December 18, 2014**, at **10:30 a.m.**, in **Room 515 North Office Building, Harrisburg**, Pennsylvania, for the purpose of: (a) approving certain projects for financing; and, (b) consideration of such other matters as may properly come before the Board.

Enclosed herewith is a copy of the notice that has been posted on the bulletin board in the Authority office, in accordance with Act No. 213, 1957.

I would appreciate it if you would make the appropriate notation on the attached slip, indicating whether or not you plan to be present at the meetings and return same to us.

Sincerely,

/s/ Robert Baccon

Robert Baccon
Executive Director

Enclosures

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Appendix A

Harrisburg, PA

I CERTIFY that the notice on the previous page for the December 18, 2014, meetings was dispatched to the following on December 2, 2014, at the addresses indicated, constituting all of the members of the Board of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority.

Thomas W. Corbett, Governor of Pennsylvania
225 Main Capitol Building, Harrisburg, PA
Steven S. Heuer, Proxy for Governor Corbett
333 Market Street – 18th Floor, Harrisburg, PA
Michael J. Folmer, Designated by the President Pro Tempore of the Senate
170 Main Capitol Building, Harrisburg, PA
Andrew E. Dinniman, Designated by the Minority Leader of the Senate
183 Main Capitol Building, Harrisburg, PA
Warren E. Kampf, Designated by the Speaker of the House of Representatives
422 Irvis Office Building, Harrisburg, PA
Anthony M. DeLuca, Designated by the Minority Leader of the House of Representatives
115 Irvis Office Building, Harrisburg, PA
Robert M. McCord, State Treasurer
129 Finance Building, Harrisburg, PA
Eugene A. DePasquale, Auditor General
229 Finance Building, Harrisburg, PA
Sheri L. Phillips, Secretary of General Services
515 North Office Building, Harrisburg, PA
Carolyn C. Dumaresq, Acting Secretary of Education
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 2nd day of December 2014.

/s/ Robert Baccon

Robert Baccon, Executive Director
State Public School Building Authority
Pennsylvania Higher Educational Facilities Authority