

**ADDENDA TO THE AGENDA
UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

May 8, 1993

SECTION II - FINANCIAL MATTERS

E. APPROVAL OF RESOLUTION FOR STUDENT FEE BONDS

Approval of the following resolution for student fee bonds is recommended.

WHEREAS, the Board of Trustees (the "Board") of the University of Southern Indiana (the "University") has heretofore determined that a necessity exists to (i) currently refund its Student Fee Bonds, Series A (the "Series A Bonds") in the original principal amount of \$6,230,000 dated November 1, 1985, (ii) advance refund its Student Fee Bonds, Series B (the "Series B Bonds") in the original principal amount of \$8,775,000 dated November 1, 1988, (iii) refinance its Promissory Note dated January 22, 1992 (the "1992 Note") in the principal amount of \$9,000,000 (the refunding of the Series A Bonds and Series B Bonds and refinancing of the 1992 Note referred to collectively as the "Refunding"), and (iv) finance the completion of construction of the Health Professions Building and related site preparation and the expansion of the central campus boiler and chiller plant (the "Project"); and

WHEREAS, the financing of the Refunding and the Project has been authorized by the 1991 Indiana General Assembly.

WHEREAS, the University has previously entered into a Trust Indenture dated as of November 1, 1985 (the "Indenture") with The Merchants National Bank of Terre Haute, as Trustee, pursuant to which it has authorized the issuance of and has issued its Series A Bonds; and

WHEREAS, the University has previously entered into, as a supplement to the Indenture, a First Supplement and Amendatory Indenture dated as of November 1, 1988 (the "First Supplemental Indenture") with The Merchants National Bank of Terre Haute, as Trustee, pursuant to which it has authorized the issuance of and has issued its Series B Bonds; and

WHEREAS, the University has previously entered into a Loan Agreement dated as of January 1, 1992 (the "Loan Agreement") with Fifth Third Bank of Central Indiana, pursuant to which it issued the 1992 Note; and

WHEREAS, the Board now desires to investigate the possibility of issuing additional bonds pursuant to the Indenture to finance the Refunding and a portion of the costs of the Project; and

WHEREAS, the Board now desires to authorize the Treasurer of the University (the "Treasurer") to investigate, develop and evaluate a proposed plan (the "Plan of Financing") for submission to the Finance Committee of the Board (the "Committee") to finance the Refunding and the Project and to obtain any further approvals required for such Plan of Financing;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Treasurer is hereby authorized to investigate, develop and evaluate a Plan of Financing and to present that Plan of Financing for approval to the Committee.

Section 2. The Board hereby authorizes the Committee to approve the Plan of Financing or a portion thereof and to authorize the execution and delivery of the University of Southern Indiana, Student Fee Bonds, in one or more series (the "Bonds") and the documents referred to in Sections 3, 4, 5, 6, 7 and 8 hereinafter, provided that the following conditions are met:

- (a) The total amount of the Bonds shall not exceed the sum of
 - (i) \$14,540,000 for the Project, included refinancing of the interim note.
 - (ii) amount necessary to accomplish refunding for Series A and Series B Bonds.

(iii) amounts necessary to pay costs of issuance and other costs incidental to the issuance of the Bonds, including interest during the construction period, and up to six months beyond the expected date of the Project,

(iv) amounts necessary, if any, to pay costs of bond insurance or debt service reserve surety bonds,

(v) underwriters' and original issue discount, if any, as permitted by law and Section 7 hereof,

(vi) any amounts necessary to provide for a debt service reserve fund.

(b) The Bonds shall be sold at a rate or rates fixed to maturity producing a true interest cost of 7% per annum or less; and

(c) The final maturity on the Bonds shall not extend beyond October 1, 2018.

Section 3. Subject to the conditions in Section 2 hereof, the Chairman or Vice Chairman of the University, or either of them, is hereby authorized to execute and deliver a Bond Purchase Agreement in substantially the form approved by the Committee, with these changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Subject to the conditions in Section 2 hereof, the Chairman or Vice Chairman of the University, or either of them, is hereby authorized to execute and deliver, and the Secretary or Assistant Secretary of the University, or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on a Second Supplemental and Amendatory Indenture (the "Second Supplemental Indenture") and a Third Supplemental Indenture (the "Third Supplemental Indenture") (together with the First Supplemental Indenture, the "Supplemental Indentures"), which supplements and amends the Indenture, in substantially the form approved by the Committee, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Subject to the conditions in Section 2 hereof, the Chairman or Vice Chairman of the University, or either of them, is hereby authorized to execute and deliver, and the Secretary or Assistant Secretary of the University, or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on an Escrow Deposit Agreement (the "Escrow Agreement"), in substantially the form approved by the Committee, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to distribute or to direct the underwriters of the Bonds to distribute a preliminary Official Statement, in substantially the form approved by the Committee, to prospective purchasers of the Bonds and to deem as final for purposes of applicable SEC rules any official statement.

Section 7. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to execute and deliver the form of any final Official Statement as approved by the Committee, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to prepare forms of the Bonds as approved by the Committee and to cause the same to be executed by the proper officers of the University as provided in the Supplemental Indentures and the Indenture. Upon execution of the Bonds, the Treasurer shall deliver the Bonds to the Trustee for authentication, and upon their authentication, the Treasurer is authorized and directed to deliver the Bonds to the purchasers thereof upon payment of the purchase price, which price shall reflect the underwriters' discount of not more than 1%, and an original issue discount, if any, as permitted by law.

Section 9. Subject to the conditions in Section 2 hereof, the Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary and Assistant Secretary of the University are, and each of them is, hereby authorized and directed to perform any and all further acts, to execute any and all further documents (including a rebate agreement) or certificates and to publish any notice required to complete the execution and delivery of the Bonds, the Second Supplemental Indenture, the Third Supplemental Indenture, the Escrow Agreement, the Bond Purchase Agreement, the Official Statement and other matters referred to herein.

Section 10. The Board hereby appoints as underwriters for the Bonds for all other bonds subject to the Plan of Financing to be developed by the Treasurer, pursuant to Section 1 hereof, the underwriters listed in Exhibit A attached hereto.

UNIVERSITY OF SOUTHERN INDIANA

By: _____

By: _____

Dated: _____, 1993

Underwriters

Smith Barney, Harris Upham & Co., Inc.
Raffensperger, Hughes & Co., Inc.

G. APPROVAL OF RESOLUTION TO ACCEPT DONATION OF PERRY TOWNSHIP SCHOOL NO. 3

WHEREAS, the Federal Highway Administration has determined that the construction of an interchange connecting Eickhoff-Koressel Road with State Road 62 in Vanderburgh County, Indiana will have an adverse effect on Perry Township School No. 3, a property that is eligible for inclusion in the National Register of Historic Places; and

WHEREAS, the Indiana Department of Transportation, the Vanderburgh County Commissioners, and the University of Southern Indiana have participated in the consultation on this project; and

WHEREAS, the Vanderburgh County Commissioners have acquired title to Perry Township School No. 3 and subsequently transferred it to Westwood Garden Club; and

WHEREAS, the Westwood Garden Club has been soliciting funds to provide for the costs of moving, rehabilitating and restoring the school building and is willing to make those funds available for the project; and

WHEREAS, the University of Southern Indiana wishes to facilitate the construction of the interchange project and the moving, rehabilitating, and restoring of the school building; and

NOW , THEREFORE, BE IT RESOLVED that the University of Southern Indiana accept the gift of the Perry Township School No. 3 from the Westwood Garden Club.

Approval of the preceding resolution is recommended.