





UNIVERSITY OF CONNECTICUT

June 28, 2017

TO: Members of the Board of Trustees

FROM: Scott A. Jordan 
Executive Vice President for Administration and Chief Financial Officer

Jeremy Teitelbaum 
Interim Provost and Executive Vice President for Academic Affairs

RE: Twenty-Fourth Supplemental Indenture Authorizing University of Connecticut
General Obligation Bonds for Refunding Purposes

RECOMMENDATION:

That the Board of Trustees approves the Twenty-Fourth Supplemental Indenture, substantially in the form attached hereto, authorizing University of Connecticut General Obligation Refunding Bonds secured by the State of Connecticut Debt Service Commitment from time to time at such expected debt service savings and terms as future market conditions may warrant at the time of sale.

BACKGROUND:

The Twenty-fourth Supplemental Indenture authorizes the issuance of refunding bonds and also amends the Master Indenture to make certain updates consistent with certain regulatory and market practices for refunding bonds issued after the date hereof. The University of Connecticut's (the "University") General Obligation Refunding Bonds authorized by the UCONN 2000 Act (Sections 10a-109a to 10a-109y, inclusive, of the Connecticut General Statutes, as amended) are secured by a Master Indenture of Trust by and between the University and U.S. Bank National Association, dated as of November 1, 1995, as amended (the "Master Indenture") which provides that each refunding issue of bonds be issued pursuant to a refunding supplemental indenture.

This Supplemental Indenture provides that the exact amount of the refunding bonds be determined at the time of issuance by the State Treasurer in conjunction with the University depending on the debt service savings, market conditions and other factors. This Supplemental Indenture replaces the Eighth Supplemental Indenture, which had authorized refunding bonds and is now thirteen years old, and also amends the Master Indenture for refunding bonds issued after the date hereof, for certain updates and clarifications consistent with current market practice and regulations. The changes include deleting certain limitations previously placed on lease-financing any land or building outside the Storrs campus; updating the continuing disclosure process consistent with

Office of the Executive Vice President for
Administration and Chief Financial Officer
352 MANSFIELD ROAD, UNIT 1122
GULLEY HALL
STORRS, CT 06269-1122
PHONE 860.486.3455
FAX 860.486.1070

regulatory and market changes; modifying the notice of defeasance provisions to allow electronic notices to suffice and eliminating the necessity to publish in a newspaper and making certain delegations concerning disclosure to the Executive Vice President for Administration and Chief Financial Officer.

This recommendation, if approved, will serve as the Board of Trustees' resolution for approval of the Twenty-fourth Supplemental Indenture and for refunding bonds to be issued in accordance therewith. The resolution, with supplemental information, as appropriate, will be sent to the Governor for approval. If the Governor chooses not to exercise his statutory authority to approve or disapprove the resolution within 30 days of its submission, it will be deemed approved in accordance with the Act.

UNIVERSITY OF CONNECTICUT

as Issuer

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

TWENTY-FOURTH SUPPLEMENTAL INDENTURE

AUTHORIZING

THE UNIVERSITY OF CONNECTICUT
GENERAL OBLIGATION REFUNDING BONDS

(Secured by the State Debt Service Commitment)

Dated as of _____

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**TWENTY-FOURTH SUPPLEMENTAL INDENTURE
AUTHORIZING THE ISSUANCE OF
THE UNIVERSITY OF CONNECTICUT
GENERAL OBLIGATION REFUNDING BONDS
(SECURED BY THE STATE DEBT SERVICE COMMITMENT)**

ARTICLE I

Definitions and Statutory Authority

101. **Twenty-fourth Supplemental Indenture.** This Twenty-fourth Supplemental Indenture authorizing General Obligation Refunding Bonds (the “Bonds”) is supplemental to, and constitutes a Supplemental Indenture within the meaning of, and is adopted in accordance with Article X of the General Obligation Master Indenture of Trust between the University of Connecticut (the “University”) and the Trustee dated as of November 1, 1995, the form of which was approved by the State Bond Commission as required by Section 10a-109g of the General Statutes of Connecticut as amended and supplemented to the date hereof (the “Master Indenture”).

102. **Definitions.** All terms defined, and the rules of construction set forth, in Article I of the Master Indenture shall have the same meanings in this Twenty-fourth Supplemental Indenture as such terms are given in such Article I except that, as used in this Twenty-fourth Supplemental Indenture, the following terms shall have the following respective meanings, unless the context shall otherwise require:

“**Authorized Officer’s Certificate**” means a copy of a resolution of the Board of Trustees certified by an Authorized Officer.

“**Authorized Officer for Sale Purposes**” means the Authorized Officer, who shall be an officer, official or trustee serving on the financial affairs committee of the Board of Trustees.

“**Bond Insurance Policy**” means the municipal bond insurance policy, if any, issued by the Bond Insurer that guarantees payment of principal of and interest on the Bonds and constitutes a Bond Facility under the Master Indenture.

“**Bond Insurer**” means a financial guaranty insurance company, if any, or any successor thereto which insures the Bonds as provided in the Certificate of Determination.

“**Bonds**” means any series of bonds issued pursuant to this Twenty-fourth Supplemental Indenture.

“**Certificate of Determination**” means the certificate of determination of the Treasurer required by section 502 hereof and otherwise referenced herein.

“**Escrow Agent**” means for purposes of the Master Indenture and this Twenty-fourth Supplemental Indenture, the bank or trust company named as the Escrow Agent for a particular series of Bonds pursuant to the applicable Certificate of Determination.

“Escrow Deposit Agreement” means an escrow deposit agreement relating to a series of the Bonds entered into by the University and the Escrow Agent.

“Insured Bonds” means any series or certain maturities in any series of bonds to be insured by a municipal bond new issue insurance policy to be issued simultaneously with the delivery of Bonds by the Bond Insurer.

“Official Statement” means the official statement of the University relating to the applicable series of Bonds.

“Preliminary Official Statement” means the preliminary official statement of the University relating to the applicable series of Bonds.

“Principal” or **“principal”** means the principal amount of each Bond payable at maturity.

“Principal Amount” means the outstanding principal of a Bond.

“Underwriters” means the initial purchasers of the applicable series of Bonds pursuant to a bond purchase agreement duly executed by the University, the Treasurer and such purchasers.

103. **Authority for the Twenty-fourth Supplemental Indenture.** This Twenty-fourth Supplemental Indenture is entered into by the University and the Trustee pursuant to the provisions of the Act and the Master Indenture.

ARTICLE II

Authorization, Terms and Issuance of Bonds

201. **Authorization of Bonds, Maximum Amount, Delegation, Designation and Pledge.** Bonds entitled to the benefit, protection and security of the Act and the Master Indenture, and constituting Bonds to be secured by the State Debt Service Commitment are hereby authorized to be issued in one or more series from time to time under the Master Indenture and pursuant to the Act in the aggregate principal amounts not to exceed the aggregate of the principal, redemption premium, if any, of and interest on the then Outstanding Bonds plus the amount of the Costs of Issuance to be funded from the proceeds of such series of Bonds.

The exact amount of the series of Bonds to be issued under this Twenty-fourth Supplemental Indenture is hereby delegated to and is to be determined by a certificate of, the Authorized Officer for Sale Purposes and the Treasurer of the State, such certificates to provide that the issuance of a series of the Bonds is reasonably expected to achieve, as a result of the sale of such series of Bonds and the investment and application of the proceeds thereof, net debt service savings.

The Bonds shall be designated as and shall be distinguished from other Bonds by the additional title “20__ Refunding Series A” or such other designation or designations of “Refunding Series __” inserting the applicable number and letter, respectively, reflecting the year and series issued, as provided in the Certificate of Determination, pursuant to and subject to the terms,

conditions and limitations established in the Master Indenture, this Twenty-fourth Supplemental Indenture, an Authorized Officer's Certificate and the Treasurer's Certificate of Determination. In accordance with the Act, the amount of the State Debt Service Commitment in each fiscal year is hereby pledged for the punctual payment of the Special Debt Service Requirements on the Bonds as the same arise and shall become due and payable.

202. **Purposes.** The Bonds will be issued and used to provide funds for deposit in the following funds and accounts (i) the applicable Series Account of the Redemption Fund which shall be held and maintained by the Trustee, for the payment of the Redemption Price of the bonds being refunded, or if such bonds are not then subject to redemption, for transfer to an escrow account pursuant to an Escrow Deposit Agreement and (ii) the Cost of Issuance Account of the Bond Proceeds Fund, which, pursuant to Section 602 of the Master Indenture unless otherwise provided by a Supplemental Resolution, shall be held and maintained by the Treasurer, to pay or provide for the costs of issuance of a series of the Bonds. The Treasurer and University shall cause the proceeds from the sale of each series of the Bonds to be so deposited in the Redemption Fund and the Bond Proceeds Fund.

203. **Interest Payments.** Each series of Bonds shall bear interest from their respective dates, payable on the date or dates, and at the rates as shall be determined by the Treasurer in the applicable Certificate of Determination. Except as otherwise may be provided in such Certificates, interest shall be computed on the basis of a 360-day year consisting of 12 months of 30 days each.

204. **Form, Denomination, Numbers and Letters.** Each series of Bonds shall be in fully registered form and shall initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Each series of Bonds shall be in denominations to be determined by the Treasurer in the Certificate of Determination. Each series of Bonds shall be lettered "AR-___" or such other letters provided in the Certificate of Determination. Each such letter shall be followed by the number of the Bonds. Each series of Bonds shall be numbered consecutively from one upward in order of issuance.

205. **Places of Payment and Paying Agent.** So long as all of a series of the Bonds are registered in the name of Cede & Co., as nominee of DTC, or any other nominee of DTC or its successor as securities depository, Principal, Sinking Fund Installments, if any, Redemption Price of and interest on such series of the Bonds shall be payable from the Trustee to DTC or its successor as securities depository for such series the Bonds, as determined by the Treasurer in the applicable Certificate of Determination. If any of the Bonds shall no longer be registered in the name of a nominee of DTC or any successor securities depository or its nominee, interest on such Bonds shall be payable by check mailed to the registered owners of such Bonds, and Principal, Sinking Fund Installments, if any, or Redemption Price of such Bonds shall be payable at the principal corporate trust office of the Paying Agent for such Bonds.

206. **Sale.** Pursuant to Sections 7(e) and (f) of the Act, the Treasurer is authorized by the Act to sell the Bonds by negotiation or public competitive sale, in such manner, at such price or prices, at such time or times, in one or more series, and on such terms and conditions as the Treasurer shall determine to be in the best interests of the State and University. The terms and particulars of each such sale, the receipt of each proposal and each award of a series of the Bonds

and all other action appropriate or necessary in connection therewith shall be set by the Treasurer, including the selection of the Trustee pursuant to Article VIII of the Indenture, in conjunction with the Authorized Officer for Sale Purposes to whom such matters are hereby delegated and shall be recited in the Treasurer's Certificate of Determination, and confirmed by the Authorized Officer for Sale Purposes.

207. **Execution.** The Bonds shall be signed in the name of the University by the manual or facsimile signature of its President and the seal of the University (or a facsimile thereof) shall be affixed, imprinted, engraved or otherwise reproduced thereon and attested by an Authorized Officer. The Bonds shall be authenticated manually by the Trustee in accordance with the provisions of the Master Indenture.

208. **Delivery and Application of Bond Proceeds.** After their execution as provided herein and in the Master Indenture, the Bonds shall be delivered to the Trustee for authentication as provided in the Master Indenture and shall thereupon be delivered to the applicable Underwriters upon receipt by the Trustee of the purchase price therefor in accordance with the documents of sale and upon satisfaction of the conditions contained therein and in the Master Indenture. The proceeds of each series of the Bonds shall be deposited in the applicable Series Account of the Redemption Fund and the Costs of Issuance Account, as more particularly set forth in the Certificate of Determination of the Treasurer.

209. **Defeasance.** Pursuant to Section 1001(1)(b) of the Master Indenture, for purposes of each series of the Bonds and any bonds issued under the Master Indenture after the date hereof, Section 1402 of the Master Indenture at the end of the second sentence, item (c) is hereby amended in its entirety as follows.

(c) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, the University shall have given the Trustee in form satisfactory to it irrevocable instructions to mail at least once, or to publish at least twice at an interval of not less than seven days between publications in an Authorized Newspaper, as soon as practicable, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, on said Bonds.

210. **UConn Infrastructure Improvement Program.** Pursuant to Sections 1001(1)(b) and 1001(6) of the Master Indenture, for purposes of each series of the Bonds and any bonds issued under the Master Indenture after the date hereof, Section 909(C) is deleted in its entirety.

211. **Continuing Disclosure Undertaking.** Pursuant to Sections 1001 (1) and 1512 of the Master Indenture, for purposes of the Bonds and for any bonds issued under the Master Indenture after the date hereof, Article XV is hereby deleted in its entirety.

ARTICLE III

Form of the Bonds

301. **Form of the Bonds.** The Bonds shall be substantially in the form set forth in the Master Indenture with such additions or deletions anticipated by this Twenty-fourth Supplemental Indenture as are set forth in the Certificate of Determination.

ARTICLE IV

Tax Covenant

401. **Tax Exemption.** In order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Bonds, the University hereby covenants to comply with the provisions of the Code, and any regulations or rulings issued thereunder, applicable to the Bonds. Further, the University covenants that it will not take any action or fail to take any action that would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code. In fulfilling the covenants set forth in this Section, the University hereby agrees to instruct all parties acting by or on behalf of the University or in any manner with respect to the Bonds regarding all acts necessary to satisfy and fulfill such covenants.

ARTICLE V

Miscellaneous

501. **No Recourse.** No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Twenty-fourth Supplemental Indenture against any member of the Board of Trustees, nor the State Bond Commission or any officer of the University or the State or any person executing any series of the Bonds and neither the members of the Board of Trustees or the State Bond Commission nor officers of the University or the State nor any person executing any series of the Bonds, or with respect to execution of documents hereinafter mentioned, including the Preliminary Official Statement, the Official Statement and any Bond Purchase Agreement, Tax Regulatory Agreement or documents in connection with the authorization, issuance and sale of any series of the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance or execution thereof. Pursuant to Section 19 of the Act, the provisions of Sections 4-165 and 5-141d of the General Statutes shall apply to any employee or official of the University or other State agency who is discharging his duties or acting within the scope of his employment in furtherance of the UCONN 2000 Infrastructure Improvement Program.

502. **Delegation of Authority to Treasurer and to Authorized Officer for Sale Purposes or the Executive Vice President for Administration and Chief Financial Officer.**

(A) The Treasurer is delegated, pursuant to the Act on behalf of the University and subject in all respects to the Master Indenture, the authority to determine with respect to each series of Bonds the date or dates and maturities (provided, however, that such Bonds shall mature not later than the bonds being refunded); provisions for either serial or term bonds, sinking fund requirements, if any; due dates of interest; denominations; the terms, if any, of optional or extraordinary redemption, with or without premium; time or times of sale (subject to the cash flow requirements of the University to cover the cost of the UCONN 2000 Infrastructure Improvement Program) and manner of sale; interest rates and limitations with respect thereto; provisions for receipt and deposit or investment of the good faith deposit pending delivery; and such other terms and conditions of the Bonds and of the issuance and sale thereof as the Treasurer may determine to be in the best interests of the State and University. The Treasurer shall file a Certificate of Determination with the University and Secretary of the State Bond Commission on or before the date of delivery of each series of the Bonds setting forth the details and particulars of such series of Bonds determined by her in accordance with this delegation. Such Certificate of Determination shall be delivered to the Trustee on or before the date of closing of such Bonds.

(B) The Treasurer is also delegated pursuant to this Twenty-fourth Supplemental Indenture, the authority to consolidate any issue of Bonds authorized hereunder with any issue of bonds authorized and issued pursuant to a Supplemental Indenture approved by the Board of Trustees. The Treasurer shall set forth the particulars of such consolidation in the applicable Certificate of Determination.

(C) The Treasurer is also delegated, pursuant to the Act and, in accordance with Section 4(a)(5) of the Act pursuant to certain provisions of Section 3-20 of the General Statutes of the State of Connecticut, as amended, the authority to enter into agreements in consultation with the University (through an Authorized Officer) with respect to the issuance and sale of each series of the Bonds, including financial advisory agreements, bond purchase agreements, tax regulatory agreements, and agreements with respect to security for each series of Bonds.

(D) The Authorized Officer for Sale Purposes or the Executive Vice President for Administration and Chief Financial Officer is hereby delegated and the Treasurer is further delegated, pursuant to the Act, the authority to approve the final terms of and publication and distribution of the Official Statement in connection with the offering and sale of a series of the Bonds and to sign and certify that the Preliminary Official Statement is an official statement that the University deems final as of its date for purposes of Rule 15c-2-12 of the Securities and Exchange Commission ("Rule 15c-2-12"), except for certain permitted omissions described in paragraph (b)(1) of Rule 15c-2-12. The mailing, publication and distribution of each such Preliminary Official Statement is hereby approved. The Treasurer, in conjunction with the Authorized Officer for Sale Purposes or the Executive Vice President for Administration and Chief Financial Officer, is further authorized and directed to sign any amendment or supplement or certificate with respect to any Official Statement or any Preliminary Official Statement that may, in the Treasurer's judgment, be necessary or appropriate on or before the date of delivery of a series of the Bonds.

(E) Subsequent to adoption of the resolution of the Board of Trustees authorizing the Twenty-fourth Supplemental Indenture, the Authorized Officer for Sale Purposes

is hereby authorized to make such changes, insertions, deletions or provisions to the Twenty-fourth Supplemental Indenture, not materially inconsistent with the intent of the provisions of the Twenty-fourth Supplemental Indenture as so adopted as may be necessary or appropriate to respond to the requirements of the Governor, the Treasurer, the Underwriters of a series of Bonds, the Bond Insurer, if any, or the rating agencies with respect to the Twenty-fourth Supplemental Indenture as evidenced by approval of the Certificate of Determination and may rely on a Counsel's Opinion for advice with respect to the foregoing. In addition, any Authorized Officer is authorized and directed to sign other documents ancillary to the authorization, issuance and delivery of the Bonds within the scope of such Authorized Officer's duties at the University and under the Act.

IN WITNESS WHEREOF, the University of Connecticut has caused this Twenty-fourth Supplemental Indenture to be signed by its President and sealed the same with its seal attested by an Authorized Officer, and the Trustee, for itself and its successor or successors, has caused this Twenty-fourth Supplemental Indenture to be signed and sealed by its duly authorized officer and has by its execution hereof signified its acceptance of the trust hereby created and imposed.

THE UNIVERSITY OF CONNECTICUT

By: _____
Susan Herbst
Its President

(SEAL)

ATTEST:

By: _____
Scott A. Jordan
Its Executive Vice President for Administration
and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Date: _____

By: _____
Name:
Title: