



103 COLLEGE ROAD EAST • PRINCETON, NEW JERSEY 08540  
PHONE 609-987-0880 • FAX 609-987-0850 • anderson@njefa.com

ROGER L. ANDERSON  
*Executive Director*

April 1, 2008

**VIA UNITED PARCEL SERVICE**

Honorable Jon S. Corzine  
Governor  
State House  
125 West State Street  
P.O. Box 001  
Trenton, New Jersey 08625

**ATTN:** Sonia Frontera, Assistant Counsel  
Governor's Authorities Unit

Dear Governor Corzine:

Enclosed please find an original and one copy of the minutes of the meeting of the New Jersey Educational Facilities Authority held on Monday, March 31, 2008.

I hereby certify that it is a true and correct copy of the proceedings.

Sincerely,

Roger L. Anderson  
Secretary

Enclosures



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ROGER L. ANDERSON  
*Executive Director*

**MINUTES OF THE MEETING OF THE  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY  
ON MONDAY, MARCH 31, 2008**

The meeting was called to order at 10:35 a.m. by Chair Altman. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via fax on March 11, 2008, to The Star Ledger, The Times and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

**AUTHORITY MEMBERS PRESENT:**

Vivian Altman, Chair  
Roger B. Jacobs, Esq.  
Felice K. Vazquez, Esq.  
Laurence M. Downes, Chair, Commission on Higher Education (represented by Kevin J. Collins)  
R. David Rousseau, Acting State Treasurer (represented by David Eater)

**AUTHORITY MEMBERS ABSENT:**

None

**STAFF PRESENT:**

Roger L. Anderson, Executive Director  
Barbara Cannon, Deputy Executive Director  
Mary Jane Darby, Director of Project Management  
Sheryl Stitt, Director of Communications  
Donald Uyhazi, Controller  
Marie Mueller, Controller Designate  
Katherine Newell, Esq., Senior Advisor  
Kristen Middleton, Assistant Controller  
Debra Paterson, Project Manager  
Vito Galluccio, Project Manager  
Gary Vencius, Senior Accountant  
Nichole Doxey, Communications Specialist  
Jamie O'Donnell, Accountant

Denise Carroll, Administrative Assistant  
Linda Hazley, Office Manager  
Sheila Toles, Exec. Assistant/Human Resources Specialist

**ALSO PRESENT:**

Anthony Inverso, Phoenix Advisors, LLC  
Cathy A. Bell, Loop Capital Markets, LLC  
Charles Visconsi, Morgan Stanley  
Craig Hrinkevich, A.G. Edwards & Sons, Inc./Wachovia  
David Milkosky, Ernst & Young  
Edward Bambach, Retired NJEFA Executive Director  
Gerald Lundgren, JP Morgan Securities  
Harper Watters, UBS Financial Services, Inc.  
James Fearon, Esq., Gluck Walrath, LLP  
James Ness, Powell Capital Markets, Inc.  
Jason Troxell, PNC Capital Markets, Inc.  
John Bitar, Windels, Marx Lane & Mittendorf, LLP  
John J. Scally, Jr., Esq., Drinker, Biddle & Reath, LLP  
Julie Eilers, Powell Capital Markets, Inc.  
Katherine Clupper, Public Financial Management, Inc.  
Kavin Mistry, Esq., Deputy Attorney General  
Kent Pieri, Sovereign Bank  
Kimberly White, Wachovia Bank, N.A.  
Kirwan Elliott, Public Financial Management, Inc.  
Linda Fan, Prager, Sealy & Co., LLC  
Lisa Gorab, Esq., Wilentz, Goldman & Spitzer  
Mark Liff, Merrill Lynch & Co.  
Noreen White, Acacia Financial Group, Inc.  
Rafael Perez, Esq., Cozen O'Connor  
Randy Nelson, Ernst & Young  
Robert English, HRH Metro Northeast, LLC  
Rochelle Powell, Prager, Sealy & Co., LLC  
Sakinah Rahman, Wachovia Bank, N.A.  
Sonia Frontera, Esq., Governor's Authorities Unit  
Thomas Holt, Bank of America  
Timothy Egan, Citigroup Global Markets, Inc.

**ITEMS OF DISCUSSION**

**1. Approval of the Minutes of the Meeting of February 27, 2008**

The minutes of the meeting of February 27, 2008 were delivered via United Parcel Service to Governor Jon S. Corzine under the date of February 29, 2008. Mr. Jacobs moved that the minutes of the meeting be approved as presented; the motion was seconded by Mr. Eater and passed unanimously.

2. **Report on Pending Projects**

Ms. Darby, Director of Project Management, reported that there are several projects for which various colleges and universities have requested Authority financing. Ms. Darby briefly described the projects and reported that the projects are under review and at various stages of development.

A summary of the projects to be financed, together with estimated financing amounts and proposed sale dates, is appended as Exhibit I.

3. **Market Update – Public Financial Management, Inc.**

Ms. Clupper provided the members with a market update report that included commentary on current market conditions.

4. **Adoption of Reimbursement Resolution for New Jersey City University**

Mr. Anderson reported that, in connection with the restructuring of New Jersey City University's auction rate securities that the members authorized at the February 27, 2008 meeting, the University is considering terminating its outstanding swaps. He explained that any payment in connection with such termination could be financed with the restructuring bonds, but that the University may want to terminate its swaps early, if the University can time the termination when the net payments would be fairly low.

Mr. Anderson requested and recommended the members' approval of the resolution that will allow the University to reimburse itself, from bond proceeds, for such expenditures incurred prior to the issuance of the bonds.

Mr. Jacobs moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
DECLARING ITS OFFICIAL INTENT WITH RESPECT TO THE REIMBURSEMENT  
OF EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF TAX-EXEMPT  
BONDS

The motion was seconded by Mr. Collins and passed unanimously.

The adopted resolution is appended as Exhibit II.

5. **Approval of Resolution and Form of Legal Documents for the Sale of NJEFA Revenue Bonds, The William Paterson University of New Jersey Issue, Series 2008 C, In an Amount Not to Exceed \$100,000,000**

Mr. Anderson reported the details of the proposed Series 2008 C bonds in an amount not to exceed \$100,000,000 on behalf of The William Paterson University of New Jersey. The proceeds of the issue will be used to provide funds for the expansion of the existing Science Hall, including, but not limited to, the addition of modular research spaces, classrooms, and teaching labs; the refunding of all or a portion of the Authority's outstanding Series 1998 D, Series 1999 D and Series 2000 A bonds; capitalized interest on a portion of the project (if any); and certain costs of issuance.

The financing is structured as a fixed rate transaction with a true interest cost not to exceed 7.00%. The issue is tentatively scheduled to be priced the week of May 5, 2008 and to close the week of May 12, 2008.

Mr. Bitar of Windels, Marx Lane & Mittendorf, LLP, Bond Counsel, described the resolution presented for approval.

Mr. Eater moved the adoption of the following entitled resolution:

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$100,000,000  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY REVENUE BONDS, THE  
WILLIAM PATERSON UNIVERSITY OF NEW JERSEY ISSUE, SERIES 2008 C

The motion was seconded by Mr. Collins and passed unanimously.

The term sheet and adopted resolution are appended as Exhibit III.

6. **Approval of Resolution and Form of Legal Documents for the Sale of NJEFA Revenue Bonds, The College of New Jersey Issues, Series 2008 D-1, Series 2008 D-2A, Series 2008 D-2B and Series 2008 D-3, In an Amount Not to Exceed \$300,000,000**

Mr. Anderson reported the details of the proposed Series 2008 D-1, Series 2008 D-2A, Series 2008 D-2B and Series 2008 D-3 bonds in an amount not to exceed \$300,000,000 on behalf of The College of New Jersey. The proceeds of the issue will be used to provide funds for the refunding of all of the outstanding Series 1999 A bonds (including certain termination expenses in respect to the related interest rate swap agreement); the refunding of all of the outstanding Series 2002 D bonds; and costs of issuance. Mr. Anderson explained that the financing was approved at the February 27, 2008 meeting as part of the general restructuring resolution but the letter of credit banks, however, have asked for a maximum rate higher than was previously authorized.

The financing is structured as a floating rate, negotiated sale, with letters of credit, a new swap and an initial interest rate not to exceed 7%. The issue is tentatively scheduled to be priced and to close the week of April 28, 2008.

Mr. Fearon of Gluck Walrath, LLP, Bond Counsel, described the resolution presented for approval.

Mr. Jacobs moved the adoption of the following entitled resolution:

RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY REVENUE BONDS, THE COLLEGE OF NEW JERSEY  
ISSUES, SERIES 2008 D-1, SERIES 2008 D-2A, SERIES 2008 D-2B AND SERIES  
2008 D-3

The motion was seconded by Mr. Collins and passed unanimously.

The term sheet and adopted resolution are appended as Exhibit IV.

7. **Approval of Resolution Amending the Resolution Authorizing Restructuring of Certain Variable Rate Bonds**

Mr. Anderson reported that the current resolution amends the general restructuring resolution approved at the February 27, 2008 meeting.

Mr. Anderson advised the members that, in order to be able to satisfy the terms and conditions being imposed by banks for letters of credit, it is necessary for the Authority to amend the parameters previously set forth in Section 6(b) of the February 27, 2008 restructuring resolution.

Mr. Eater moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
AMENDING THE RESOLUTION AUTHORIZING RESTRUCTURING OF CERTAIN  
VARIABLE RATE BONDS

The motion was seconded by Mr. Jacobs and passed unanimously.

The adopted resolution is appended as Exhibit V.

8. **Approval of Resolution Authorizing Restructuring of Certain Variable Rate Bonds Issued on Behalf of Institute for Defense Analyses**

Mr. Anderson explained that this resolution is similar to the general restructuring resolution approved at the February 27, 2008 meeting and that it allows restructuring of bonds issued on behalf of the Institute for Defense Analyses. The 2000 Series D bonds issued for the Institute are variable rate demand obligations insured by Ambac Assurance Corporation and have suffered from the spillover effects of the sub-prime mortgage crisis. The Institute is investigating restructuring alternatives for the various bonds it has issued across the country to finance different facilities, and Mr. Anderson advised that the Authority wants to be able to move forward and to assist the Institute to mitigate the adverse borrowing costs in the manner determined by the Institute.

Ms. Vazquez moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES  
AUTHORITY AUTHORIZING RESTRUCTURING OF CERTAIN VARIABLE  
RATE BONDS

The motion was seconded by Mr. Collins and passed unanimously.

The adopted resolution is appended as Exhibit VI.

9. **Approval of Resolution Authorizing Entry into a Solar Energy Conversion Services Agreement for Provision of Services at The Richard Stockton College of New Jersey**

Ms. Newell reported that the Authority, in connection with the issuance of the Series 2005 F bonds on behalf of The Richard Stockton College of New Jersey, has title to the College's multipurpose recreation facility known as Big Blue. The College wishes to provide electricity for Big Blue through solar power energy services provided by Marina Energy. She reported

that the services require the construction and installation of a solar power facilities plant on Big Blue and that the College has requested consent to enter into a solar power agreement and a sub-lease with Marina Energy to gain access until construction of the plant is completed. Ms. Newell noted that the College has advised the Authority that utilization of solar energy is expected to result in a reduction of operating costs for the College. Accordingly, the Authority has determined that it is advisable to enter into the Solar Power Agreement as well as the sub-lease.

Mr. Eater moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING ENTRY INTO A SOLAR ENERGY CONVERSION SERVICES  
AGREEMENT FOR PROVISION OF SERVICES AT THE RICHARD STOCKTON  
COLLEGE OF NEW JERSEY

The motion was seconded by Mr. Jacobs and passed unanimously.

The adopted resolution is appended as Exhibit VII.

10. **Report of the Authority's Audit Committee and Adoption of Resolution Accepting the Financial Statements and Auditors' Report for 2007**

Ms. Altman reported that the Audit Committee, consisting of Felice Vazquez, Kevin Collins and Nancy Style, met with Randy Nelson of Ernst & Young, the Authority's external auditors on March 24, 2008 to discuss and review the proposed financial statements and auditors' report for the calendar year ended December 31, 2007. Upon discussion with Mr. Nelson, Mr. Collins and Ms. Vazquez recommended the members' approval of the financial statements.

Mr. Nelson reported that Ernst & Young issued an unqualified or "clean" opinion on the Authority's financial statements, together with a Management Letter citing "no material weaknesses", and that the Authority is in excellent shape. Accordingly, Ms. Altman requested a motion to adopt the financial statements and auditors' report for 2007.

Mr. Eater moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
ACCEPTING AND ADOPTING THE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT FOR 2007

The motion was seconded by Ms. Vazquez and passed.

Mr. Jacobs opposed the motion.

The adopted resolution is appended as Exhibit VIII.

11. **Report on Operating and Construction Fund Statements**

Mr. Uyhazi, Controller, reviewed the Results of Operations and Budget Variance Analysis and reported on the status of construction funds and related investments.

Mr. Jacobs moved that the reports be accepted as presented; the motion was seconded by Mr. Collins and passed unanimously.

The reports are appended as Exhibit IX.

**12. Legislative Update**

Ms. Stitt reported that, on March 17, 2008, Senator Lesniak proposed S-1609 for introduction. The bill contains recommendations of the State Commission on Investigation as well as proposed amendments to the Authority's statutes. Ms. Stitt plans to meet with Senator Lesniak's staff and the Office of Legislative Services to address certain concerns with the bill.

**13. Directors' Update**

Ms. Darby gave a report on a recent swap termination on behalf of The Richard Stockton College of New Jersey.

Ms. Stitt reported on the redesign of the Authority's website.

Ms. Newell reported that the Other Post Employment Benefits (OPEB) trust has been signed with the Bank of New York as Trustee. Ms. Newell also reported that the Authority received an opinion from Ballard, Spahr, Andrews & Ingersoll that income on the OPEB trust is exempt from federal income tax. Mr. Anderson reported the Authority is planning to fund the trust initially with \$2 million.

**14. Resolution of Appreciation to Donald D. Uyhazi**

Ms. Altman introduced Edward Bambach, the first Executive Director of the Authority. Mr. Bambach wished Mr. Uyhazi all the best on his retirement from the Authority after more than 21 years of service. Mr. Perez, who was also an Executive Director of the Authority, thanked Don for all of his hard work and dedication. Ms. Altman thanked Don for helping the Authority run smoothly all these years and invited Ms. Cannon to read a resolution in Mr. Uyhazi's honor.

Mr. Uyhazi thanked the members, former Executive Directors and Authority staff for their support. He also gave honorable mention to the Accounting staff for all their hard work.

Mr. Jacobs moved the adoption of the following entitled resolution:

RESOLUTION OF APPRECIATION TO DONALD D. UYHAZI

The motion was seconded by Mr. Collins and passed unanimously.

The adopted resolution is appended as Exhibit X.

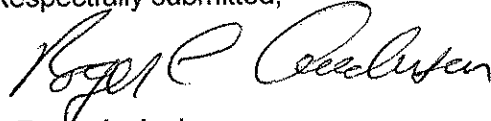
**15. Next Meeting Date**

Chair Altman announced that the next meeting will be held on Wednesday, April 23<sup>rd</sup> at Rider University and reminded everyone that Ms. Cannon has confirmed the September 24, 2008 meeting at the College of Saint Elizabeth.



Mr. Jacobs moved that the meeting be adjourned at 11:25 a.m.; the motion was seconded by Mr. Eater and passed unanimously.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Roger L. Anderson". The signature is written in a cursive style with a large initial "R" and "A".

Roger L. Anderson  
Secretary

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
REPORT ON PENDING PROJECTS  
March 31, 2008**

<u>Institution</u>	<u>Project</u>	<u>Estimated Size of Issue</u>	<u>Estimated Pricing Date</u>
<b><u>Private Institutions</u></b>			
Drew University	Refunding of Certain Existing Indebtedness	\$10 Million	April 2008 (closing)
Institute for Advanced Study	Refunding of Certain Existing Indebtedness	\$15 Million	April 2008
College of Saint Elizabeth	Debt Restructuring	\$27 Million	2nd Q 2008
Seton Hall University	Debt Restructuring	\$80 Million	2nd Q 2008
Princeton University	Acquisition, Construction, Renovation, Installation and Repair of Various Academic, Athletic, Residential and Administrative Facilities on the Main Campus and Forrestal Campus	\$350 Million	2nd Q 2008
Institute for Defense Analyses	Debt Restructuring	\$15 Million	TBD
<b><u>Public Institutions</u></b>			
Rowan University	Debt Restructuring	\$35 Million	April 2008 (closing)
New Jersey City University	Debt Restructuring	\$70 Million	April 2008
The College of New Jersey	Debt Restructuring	\$285 Million	2nd Q 2008
Kean University	Debt Restructuring	\$156 Million	2nd Q 2008
The William Paterson University of New Jersey	Renovation and Expansion of the Science Building	\$85 Million	2nd Q 2008

**EXHIBIT I**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
REPORT ON PENDING PROJECTS**

**March 31, 2008**

<u>Institution</u>	<u>Project</u>	<u>Estimated Size of Issue</u>	<u>Estimated Pricing Date</u>
The Richard Stockton College of New Jersey	Renovation and / or Construction of Campus Center and College Walk and Site and Roadway Improvements and Debt Restructuring	\$130 Million	June 2008
University of Medicine and Dentistry of New Jersey	Refinancing of Certain Existing Indebtedness and Various Renovation, Infrastructure, Utility, and Construction Projects on the University's Campus	TBD	TBD
<u>Programs</u>			
Tax-Exempt Leasing Program	Equipment Leasing for Public/Private Colleges/Universities in New Jersey	Varies	Varies

RESOLUTION OF THE NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY DECLARING ITS OFFICIAL INTENT  
WITH RESPECT TO THE REIMBURSEMENT OF  
EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF  
TAX-EXEMPT BONDS

WHEREAS, New Jersey City University (the "University") has advised the New Jersey Educational Facilities Authority (the "Authority") that the University intends to implement a project (the "Project") consisting of restructuring the Authority's: (a) New Jersey City University Issue, Series 2003 A issued in the aggregate principal amount of \$47,850,000, currently outstanding in the aggregate principal amount of \$47,650,000 (the "2003 A Bonds"); (b) New Jersey City University Issue, Series 2005 A issued in the aggregate principal amount of \$21,575,000, currently outstanding in the aggregate principal amount of \$20,250,000 (the "2005 A Bonds"); (c) New Jersey City University Issue, Series 2006 C issued and outstanding in the aggregate principal amount of \$5,950,000 (the "2006 C Bonds" and together with the 2003 A Bonds and the 2005 A Bonds, the "Restructured Bonds"); and

WHEREAS, in connection with the Project, the University has requested the Authority to terminate certain swaps related to certain of the Restructured Bonds; and

WHEREAS, the University has advised that it intends to finance the Project in part through the issuance of tax-exempt bonds or obligations (the "Bonds") by the Authority in one or more series and in one or more transactions over the next three years, the proceeds of which will be loaned to the University;

WHEREAS, the University has advised that it expects to incur termination fees in connection with terminating certain of such swaps (the "Termination Fees"); and

WHEREAS, the University has advised that it may pay the Termination Fees prior to the issuance of the Bonds with funds of the University which are not proceeds of tax-exempt bonds;

WHEREAS, the University desires to preserve its right to treat an allocation of proceeds of the Bonds to the reimbursement of the Termination Fees paid prior to the issuance of the Bonds as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended ("Code").

NOW, THEREFORE, BE IT RESOLVED by the Members of the Authority as follows:

Section 1. The Authority reasonably expects the University to reimburse its expenditure of Termination Fees paid prior to the issuance of the Bonds with proceeds of the Bonds.

Section 2. This resolution is intended to be and hereby is a declaration of official intent to reimburse the expenditures for Termination Fees paid prior to the issuance of the Bonds with the proceeds of the Bonds in accordance with Treasury Regulations Section 1.150-2.

Section 3. The maximum principal amount of Bonds expected to be issued to finance the Projects is \$85,000,000, which Bonds may be issued in one or more series and in one or more transactions.

Section 4. The Project Costs to be reimbursed with the proceeds of the Bonds will be "capital expenditures, a cost of issuance if the Bonds or extraordinary working capital items" in accordance with the meaning of Treasury Regulations Section 1.150-2.

Section 5. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations Section 1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Bonds used to reimburse for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds," including "sinking funds," "pledged funds," or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations Section 1.148-1) of the Bonds or another issue of debt obligations of the Authority, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations Section 1.148-1).

Section 6. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Bonds is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations Section 1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 7. This resolution will take effect immediately.

\_\_\_\_ Mr. Jacobs \_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Mr. Collins \_\_ and upon roll call the following members voted:

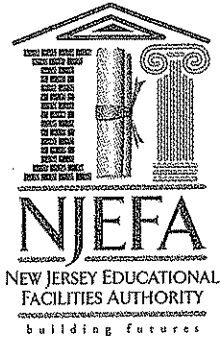
**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.



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### TERM SHEET

**Borrower:** The William Paterson University of New Jersey, Wayne, New Jersey

**Issue:** Series 2008 C

**Amount:** Not to Exceed \$100,000,000

**Purpose:** To provide funds to finance: (i) the expansion, renovation and equipping of the existing Science Hall, including, but not limited to, the construction of a 66,000 square foot, three story addition to be comprised of modular research spaces, classrooms, and teaching labs; (ii) the refunding of all or a portion of the Authority's outstanding Series 1998 D, Series 1999 D and Series 2000 A Bonds issued on behalf of the University (iii) the payment of capitalized interest on a portion of the Series 2008 C Bonds (if any); and (iv) the payment of certain costs of issuance.

**Security:** General Obligation of the Public University

**Structure:** Fixed Rate, Competitive Sale

**Term:** No later than July 1, 2043

**True Interest Cost:** Not to Exceed 7.00%

**Expected Bond Ratings:** A2 - Moody's Investors Service  
 A - Fitch Ratings

**Bond Insurance:** To Be Determined

**Tentative Pricing:** Week of May 5, 2008

**Tentative Closing:** Week of May 12, 2008

The Authority Members will be asked to adopt the Series 2008 C Resolution which outlines the various parameters of the financing; authorizes the issuance of revenue bonds through a competitive sale of bonds; authorizes and approves the form of all legal documents necessary for the financing, including an Indenture of Trust between the Authority and the Trustee, the Lease and Agreement, Escrow Deposit Agreement, Continuing Disclosure Agreement, the form of the Official Bid Form, Notice of Sale, the Preliminary Official Statement and Official Statement; and delegates to any Authorized Officer the ability to take all actions as may be necessary to sell, award, and issue the bonds, execute all bond documents, and finalize this transaction.

In the event that the Authority, in consultation with the University, bond counsel and the Attorney General of the State, determines the sale of bonds involves certain circumstances under which a negotiated sale is permissible and more advantageous, the Series 2008 C Resolution also authorizes all actions necessary for the negotiated sale of bonds, including the appointment of the Underwriter(s) and the execution of a Contract of Purchase with the Underwriter(s) for the transaction.

**Professionals on the Transaction:**

<b>Bond Counsel:</b>	Windels, Marx, Lane & Mittendorf, LLP
<b>Authority's Counsel:</b>	Attorney General of New Jersey
<b>Financial Advisor:</b>	Public Financial Management, Inc.
<b>Trustee:</b>	To Be Determined
<b>Trustee's Counsel:</b>	To Be Determined



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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**BOND RESOLUTION  
AUTHORIZING THE ISSUANCE OF  
NOT TO EXCEED \$100,000,000  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
REVENUE BONDS,  
THE WILLIAM PATERSON UNIVERSITY OF NEW JERSEY ISSUE,  
SERIES 2008 C**

**Adopted: March 31, 2008**

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**BOND RESOLUTION AUTHORIZING THE ISSUANCE OF  
NOT TO EXCEED \$100,000,000 NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY REVENUE BONDS, THE WILLIAM  
PATERSON UNIVERSITY OF NEW JERSEY ISSUE, SERIES  
2008 C**

**WHEREAS**, the New Jersey Educational Facilities Authority (the "**Authority**") was created as a public body corporate and politic of the State of New Jersey pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A. 18A:72A-1 et seq.* (the "**Act**"); and

**WHEREAS**, The William Paterson University of New Jersey (the "**Public College**") has determined it is necessary and advisable to undertake a project (the "**Series 2008 C Project**" or the "**Project**") consisting of: (i) expanding, renovating and equipping the existing 155,000 square foot Science Hall on the campus of the Public College, including, but not limited to, the construction of a 66,000 square foot three story addition to be comprised of modular research spaces, classrooms, and teaching labs; (ii) the refunding of all or a portion of any of the Authority's outstanding (A) Revenue Bonds, The William Paterson University of New Jersey Issue, Series 1998 D, (B) Revenue Bonds, The William Paterson University of New Jersey Issue, Series 1999 D and (C) Revenue Bonds, The William Paterson University of New Jersey Issue, Series 2000 A (collectively, the "**Bonds to be Refunded**"); (iii) the payment of capitalized interest on all or a portion of the Series 2008 C Bonds, if any; and (iv) the payment of costs of issuance of the Series 2008 C Bonds, all as presented, submitted and approved by the Public College's Board of Trustees; and

**WHEREAS**, the Authority, at the request of the Public College, has determined that it is necessary and in keeping with its authorized purposes to issue a series of bonds to be designated "New Jersey Educational Facilities Authority Revenue Refunding Bonds, The William Paterson University of New Jersey Issue, Series 2008 C" (the "**Series 2008 C Bonds**") for the purpose of providing funds to finance the Series 2008 C Project; and

**WHEREAS**, the repayment of the Series 2008 C Bonds will be secured by a Lease and Agreement by and between the Authority and the Public College (the "**Agreement**") pursuant to which the Authority will lease the Series 2008 C Project to the Public College; and

**WHEREAS**, the Authority desires to approve the form of and authorize the distribution of the Preliminary Official Statement and the final Official Statement relating to the Series 2008 C Bonds, to authorize the appropriate officers of the Authority to deem said Preliminary Official Statement final and to authorize the preparation and distribution of a final Official Statement to be used in connection with the offering and sale of the Series 2008 C Bonds; and

**WHEREAS**, the Authority desires to: (i) approve the form of and authorize the distribution of the Summary Notice of Sale and the Official Notice of Sale relating to the Series 2008 C Bonds, to authorize the appropriate officers of the Authority to authorize the preparation and distribution of the Summary Notice of Sale and the Official Notice of Sale to be used in connection with the offering and sale of the Series 2008 C Bonds, and (ii) authorize certain negotiated bond sale provisions to be used in connection with the offering and sale of the Series 2008 C Bonds upon a determination of an Authorized Officer (as herein defined) in consultation with Bond Counsel and the Attorney General of the State; and

**WHEREAS**, the Series 2008 C Bonds will be issued under and secured by a Trust Indenture (the "**Indenture**") to be entered into by and between the Authority and the Trustee (as herein defined); and

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to issue under the Indenture the Series 2008 C Bonds herein authorized for the purpose of financing all or any combination of the purposes enumerated above; and

**WHEREAS**, pursuant to Section 8(c) of the Act, the bonds of the Authority shall be authorized by resolution of the members of the Authority.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:**

## ARTICLE I

### AUTHORIZATION OF SERIES 2008 C BONDS; APPROVAL OF DOCUMENTS, AND PROHIBITION OF ADDITIONAL PARITY BONDS

#### 1.1. Purpose of Issuance of the Bonds.

The Authority hereby declares the Series 2008 C Project to be an authorized undertaking of the Authority and authorizes and directs the Chair, Vice-Chair, Treasurer, Executive Director, Deputy Executive Director, Secretary, any Assistant Secretary, Director of Project Management and any other person authorized by resolution of the Authority, and any of such officers designated as “acting” or “interim” (each an “**Authorized Officer**”) to execute and deliver all documents necessary to enable the Authority, as permitted by the Act, to finance, on behalf of the Public College, the costs of the Series 2008 C Project, in whole or in part.

#### 1.2. Authorization of Series 2008 C Bonds; Competitive Bond Sale Provisions

(a) The Authority hereby authorizes the issuance of the Series 2008 C Bonds, in the aggregate principal amount not to exceed \$100,000,000, in order to finance, on behalf of the Public College, the costs of the Series 2008 C Project, in whole or in part.

(b) The Series 2008 C Bonds shall be issued in fully registered form, shall be in the denominations, and shall be numbered as shall be provided in the Indenture. The Series 2008 C Bonds shall be dated, bear interest, mature and be executed and authenticated as shall be set forth in the Indenture; provided, however, that the final maturity date of the Series 2008 C Bonds will be no later than July 1, 2043. The Series 2008 C Bonds shall bear interest at a fixed rate as described in the Indenture, with a true interest cost for the Series 2008 C Bonds not to exceed 7% per annum. The Series 2008 C Bonds shall be subject to redemption as provided in the Indenture; provided, however, that the redemption premium, if any, on the Series 2008 C Bonds, shall not exceed 2%.

(c) The Series 2008 C Bonds shall be in substantially the form set forth in the Indenture, with such insertions, omissions or variations as may be necessary or appropriate, as approved by an Authorized Officer, with the advice of Windels Marx Lane & Mittendorf, LLP, bond counsel to the Authority (“**Bond Counsel**”) and the Attorney General of the State of New Jersey (the “**State**”).

(d) Following the execution of the Series 2008 C Bonds, any Authorized Officer is hereby authorized to deliver the executed Series 2008 C Bonds to the Trustee for authentication and, after authentication, to cause the delivery of such Series 2008 C Bonds to the purchaser or purchasers thereof against receipt of the purchase price or unpaid balance thereof.

(e) At such time, on such date or dates and at such place or places as shall be selected by an Authorized Officer, sealed proposals in the form of the Official Bid Form presented to

this meeting (the “**Official Bid Form**”) shall be received, opened and considered for the purchase of the Series 2008 C Bonds, to be dated and mature as required herein and substantially as contained in the form of the Notice of Sale presented to this meeting (the “**Notice of Sale**”), with such changes, insertions and omissions to such provisions as an Authorized Officer may approve, with the advice of Bond Counsel and the Attorney General of the State. Bids may also be submitted electronically, at the election of the bidder, in accordance with the provisions of the Notice of Sale. An Authorized Officer is hereby authorized and directed, on behalf of the Authority, to cause the Notice of Sale or a summary thereof to be published prior to the date of bidding at least once in The Bond Buyer, a publication carrying municipal bond notices and devoted primary to financial news published in the City of New York, such notice to be published prior to the day of bidding. The Authority is authorized to accept Financial Surety Bonds, as well as certified or cashier’s checks, for purposes of satisfying the Deposit (as defined in the Notice of Sale) requirement, all as set forth in the Notice of Sale. Notwithstanding the foregoing provisions of this Section 1.2, in the event that an Authorized Officer determines, in consultation with Bond Counsel and the Attorney General of the State, that (a) the issuance of the Series 2008 C Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26 (Whitman 1994) (“**Executive Order No. 26**”), namely, volatile market conditions and a competitive sale of the Series 2008 C Bonds is not in the best interest of the Authority and the Public College or (b) the competitive sale was held and all bids were rejected in accordance with the Notice of Sale, the sale of the Series 2008 C Bonds shall be governed by Section 1.10 hereof.

### **1.3. Approval of Preliminary Official Statement, Notice of Sale, Official Bid Form and Final Official Statement.**

A Certificate of Determination of an Authorized Officer awarding the Series 2008 C Bonds shall be final and conclusive as to the purchaser or purchasers thereof, the rates of interest per annum to be borne thereby, the purchase price thereof and any other terms and details relating to the sale and issuance of the Series 2008 C Bonds.

The preparation, publication and distribution of the Preliminary Official Statement, the Notice of Sale and the Official Bid Form relating to the Series 2008 C Bonds (in substantially the forms presented at this meeting) are hereby approved (copies of which shall be filed with the records of the Authority) with such insertions, deletions and changes therein and any supplements thereto as may be approved by an Authorized Officer with the advice of Bond Counsel and the Attorney General of the State. Any Authorized Officer is hereby authorized to “deem final” the Preliminary Official Statement in accordance with Rule 15(c)2-12 of the Securities and Exchange Commission, if applicable.

Any Authorized Officer of the Authority is hereby authorized and directed to execute and deliver the final Official Statement (the “**Official Statement**”), in substantially the form of the Preliminary Official Statement, with such changes, insertions and alterations as counsel to the Authority may advise and any such Authorized Officer shall approve, such approval to be evidenced by the execution thereof by such Authorized Officer.

#### **1.4. Approval of Agreement.**

The form of the Agreement presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority) is hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to the Agreement with the Public College in substantially such form, with such changes therein (including, without limitation, the date thereof) and any supplements thereto as Bond Counsel may advise and the Authorized Officer executing the same may approve, such approval to be evidenced by such Authorized Officer's execution thereof.

#### **1.5. Approval of Indenture.**

The form of the Indenture presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority), is hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to, the Indenture in substantially such form, with such insertions and changes therein (including, without limitation, the date thereof and the initial interest payment date contained therein and provisions relating to a policy of insurance insuring principal and interest when due on the Series 2008 C Bonds) and any supplements thereto as Bond Counsel may advise and the Authorized Officer executing the same may approve, such approval to be evidenced by such Authorized Officer's execution thereof.

#### **1.6. Appointment of Trustee.**

Any Authorized Officer is hereby authorized to appoint a bank with trust powers to act as the initial trustee (the "Trustee") under the Indenture. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Indenture by the Trustee's execution and delivery thereof.

#### **1.7. Bond Insurance Authorized.**

Any Authorized Officer is hereby authorized to select a municipal bond insurer (the "Bond Insurer") for the Series 2008 C Bonds (i) to the extent that such Authorized Officer determines that bond insurance is necessary or desirable in order to market the Series 2008 C Bonds, (ii) to execute a commitment letter for the issuance of a bond insurance policy (the "Policy") by such Bond Insurer (or a certificate evidencing selection of the Bond Insurer), (iii) to carry out the Authority's obligations thereunder (including payment of the premium for the Policy), and (iv) to accept the terms and conditions relating to the Series 2008 C Bonds required by the Bond Insurer as a condition to the issuance of the Policy and to incorporate such terms and conditions in the Indenture, the Preliminary Official Statement and the Official Statement, as such Authorized Officer deems necessary and appropriate, with the advice of Bond Counsel and the Attorney General of the State.

### **1.8. Continuing Disclosure.**

Pursuant to the Agreement, the Public College has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Series 2008 C Bonds or any other person with respect to such disclosure matters. The form of the Continuing Disclosure Agreement (the "**Continuing Disclosure Agreement**") by and between the Public College and the Trustee, as Dissemination Agent, presented at this meeting (a copy of which shall be filed with the records of the Authority) is hereby approved. The failure of the Public College to comply with the requirements of the Continuing Disclosure Agreement shall not constitute a default under the Indenture or the Agreement.

### **1.9. Additional Proceedings.**

As additional proceedings of the Authority in connection with the sale and delivery of the Series 2008 C Bonds hereby authorized, there is hereby delegated to an Authorized Officer, the power to take the following actions and make the following determinations as to the Series 2008 C Bonds by the Certificate of Determination of an Authorized Officer of any one such Authorized Officer:

(a) To receive the Official Bid Form pursuant to the Notice of Sale and, if such Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State, so determines, to reject any or all submitted Official Bid Forms, so far as permitted by law, to waive any irregularities or informalities in the Official Bid Form for the Series 2008 C Bonds, to postpone the date of the sale of the Series 2008 C Bonds and to exercise any and all rights of the Authority under the Notice of Sale. If the Authorized Officer rejects all submitted Official Bid Forms, the Authorized Officer shall also be and is hereby authorized to hold another Series 2008 C Bond sale in accordance with the provisions of this Resolution and, in connection with such additional Series 2008 C Bond sale, to distribute a Notice of Sale, an Official Bid Form and a Preliminary Official Statement in substantially the forms presented to this meeting with such changes and insertions to and omissions from such document forms as may be appropriate upon the advice of Bond Counsel and the Attorney General of the State.

(b) To arrange for the submission of bids electronically utilizing the services of such provider of electronic bidding services and on such terms and conditions as such Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State, shall determine, or, if such Authorized Officer so determines, with the advice of Bond Counsel and the Attorney General of the State, to discontinue any such arrangements prior to the sale of the Series 2008 C Bonds and to require that all bids be submitted by hand delivery.

(c) To award the Series 2008 C Bonds to the successful bidder in accordance with the Notice of Sale.

(d) To return the Deposits of all unsuccessful bidders delivered to the Authority.

### **1.10. Negotiated Bond Sale Provisions.**

In the event that an Authorized Officer determines, in consultation with Bond Counsel and the Attorney General of the State, that either (a) a competitive sale of the Series 2008 C Bonds is not in the best interest of the Authority and the Public College or (b) a competitive sale of the Series 2008 C Bonds is held and all bids are rejected in accordance with the Notice of Sale, the following provisions set forth in this Section 1.10 shall apply:

(a) Authorization of Negotiated Sale. The Authority hereby finds and determines that the issuance of the Series 2008 C Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26, namely, volatile market conditions. The Authority has selected and approved senior managers in accordance with Executive Order No. 26. An Authorized Officer is hereby authorized to sell the Series 2008 C Bonds to any such firm selected from the list previously approved by the Authority on a negotiated basis.

(b) Authorization of Execution and Delivery of the Contract of Purchase. Any Authorized Officer is hereby authorized to execute and deliver on behalf of the Authority a contract of purchase (a “**Contract of Purchase**”) by and among the Authority and the Underwriter (as hereinafter defined), on behalf of itself and any additional underwriters appointed pursuant to Section 1.10(c) hereof and the Public College in substantially the form presented to this meeting with such changes as shall be approved by an Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State (such approval to be evidenced conclusively by such Authorized Officer’s execution thereof) for the purchase of the Series 2008 C Bonds at the price or prices to be agreed upon; provided; however, that the Underwriter’s discount for the Series 2008 C Bonds shall not exceed \$8.00 per \$1,000.00 of principal amount of the Series 2008 C Bonds. A copy of the Contract of Purchase as executed shall be filed with the records of the Authority.

(c) Appointment of Underwriters. The Authority hereby delegates to an Authorized Officer the appointment of the Senior Managing Underwriter and any co-senior managing underwriter and co-managers (collectively, the “**Underwriters**”), which firms shall be selected from the list previously approved by the Authority. The Underwriters shall be compensated in an amount or amounts in accordance with Section 1.10(b) of this Resolution, with the execution of the Contract of Purchase being conclusive evidence of such approval.

(d) True Interest Cost. The Series 2008 C Bonds shall be dated and shall bear interest at such rate or rates set forth for the applicable maturities in the Contract of Purchase; provided, however, that the true interest cost for the Series 2008 C shall not exceed 7% per annum.

(e) Maturity Date. All Series 2008 C Bonds shall mature as set forth in the Contract of Purchase, in each of the years and in the amounts set forth in the Contract of Purchase; provided, however, that the final maturity date will be no later than July 1, 2043.



**1.11. Authorization to Invest Bond Proceeds and Certain Funds.**

Any Authorized Officer is authorized to enter into or direct the Trustee to enter into one or more agreements to invest the proceeds of the Series 2008 C Bonds in Investment Obligations (as defined in the Indenture), which includes investment agreements and repurchase agreements, in the event that such Authorized Officer determines, in consultation with and with the consent of the Public College, that it is advantageous to the Public College for the Authority to invest any proceeds of the Series 2008 C Bonds in Investment Obligations, which includes investment agreements and repurchase agreements.

**1.12. Approval of Escrow Deposit Agreement; Selection of Verification Agent; Investment of Escrowed Funds.**

(a) The form of the Escrow Deposit Agreement (the "Escrow Deposit Agreement") by and among the Authority and the trustee for the Series 1998 D Bonds, the trustee for the Series 1999 D Bonds and the trustee for the Series 2000 A Bonds, as Escrow Agent for each respective series of the Bonds to be Refunded (the "Escrow Agent"), presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority), is hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to the Escrow Deposit Agreement in substantially such form, with such insertions and changes therein as the Authorized Officer executing the same may approve, with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced conclusively by such Authorized Officer's execution thereof.

(b) Any Authorized Officer is hereby authorized and directed to select, via a competitive process, an independent certified public accountant, accounting firm or other qualified financial expert to act as verification agent in connection with the Series 2008 C Project.

(c) Any Authorized Officer is hereby authorized to purchase United States Treasury Obligations, State and Local Government Series, in connection with the Series 2008 C Project, or to select a firm to act as its broker or to direct the Authority's bidding agent to solicit bids to purchase open market U.S. Treasury Obligations (as defined in the Escrow Deposit Agreement) in connection with the Series 2008 C Project, in the event that such Authorized Officer of the Authority determines that it is necessary or advantageous to the Authority to purchase such open market U.S. Treasury Obligations. In connection with the purchase of open market U.S Treasury Obligations, an Authorized Officer of the Authority is further authorized to solicit bids for one or more float forward or escrow reinvestment agreements (a "Float Forward Agreement") and to direct the Escrow Agent pursuant to the Escrow Deposit Agreement to enter into such Float Forward Agreement or agreements with the successful bidder or bidders therefor. Pursuant to the terms of any Float Forward Agreement, the provider, in consideration of an upfront payment to the Escrow Agent, shall have the right to sell U.S. Treasury Obligations to the Escrow Agent at the times and in the amounts set forth in the Float Forward Agreement at an aggregate purchase price not exceeding the maturity value thereof. Such U.S. Treasury Obligations shall mature on or before the dates when the proceeds

thereof are needed to make payments in accordance with the Escrow Deposit Agreement. Each Float Forward Agreement shall be awarded to the bidder offering to pay the highest upfront payment therefor. The form of any Float Forward Agreement shall be as approved by an Authorized Officer of the Authority, in consultation with Bond Counsel and the Attorney General of the State. An Authorized Officer of the Authority is further authorized to execute and deliver any such Float Forward Agreement and/or any certificates or other documents required in connection therewith. Notwithstanding the foregoing, nothing contained herein shall prohibit an Authorized Officer of the Authority from purchasing both United States Treasury Obligations, State and Local Government Series and open market U.S. Treasury Obligations, to the extent permitted by law. Bond Counsel, the Senior Managing Underwriter, if applicable, and the Escrow Agent, are each hereby authorized to act as agent(s), if so directed by an Authorized Officer of the Authority, on behalf of the Authority for the subscription of United States Treasury Obligations, State and Local Government Series via SLGSafe pursuant to the regulations promulgated therefore set forth in 31 CFR Part 344.

## ARTICLE II

### MISCELLANEOUS

#### **2.1 Incidental Action.**

The Authorized Officers are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate in order to (i) effectuate the execution and delivery of the Official Statement, Contract of Purchase (if applicable), the Agreement, the Indenture, the Escrow Deposit Agreement and the issuance and sale of the Series 2008 C Bonds, (ii) implement the DTC book-entry only system for the Series 2008 C Bonds, (iii) maintain the tax-exempt status of the interest on the Series 2008 C Bonds (including the preparation and filing of any information reports or other documents with respect to the Series 2008 C Bonds as may at any time be required under Section 149 of the Internal Revenue Code of 1986, as amended, and any regulations thereunder), (iv) obtain the Policy, (v) enter into, or cause to be entered into, one or more agreements to invest the proceeds of the Series 2008 C Bonds in Investment Obligations, which includes investment agreements and repurchase agreements; and (vi) effectuate the refunding and redemption of the Bonds to be Refunded.

#### **2.2 Prior Resolutions.**

All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby repealed.

#### **2.3 Effective Date.**

This Resolution shall take effect in accordance with the Act.

\_\_\_\_\_Mr. Eater\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_ Mr. Collins\_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.



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### TERM SHEET

**Borrower:** The College of New Jersey, Ewing, New Jersey

**Issue:** Series 2008 D-1 (The Bank of Nova Scotia Letter of Credit)  
Series 2008 D-2A / 2B (Lloyds TSB Bank PLC Letter of Credit)  
Series 2008 D-3 (Wachovia Bank, N.A. Letter of Credit)

**Amount:** Not to Exceed \$300,000,000

**Purpose:** To provide funds to: (i) pay the cost of refunding all of the outstanding Series 1999 A Bonds (including certain termination expenses in respect of the related interest rate swap agreement), (ii) pay the cost of refunding all of the outstanding Series 2002 D Bonds and (iii) pay costs of issuance of the Bonds.

**Security:** General Obligation of the College

**Structure:** Variable Rate Demand Obligations, Negotiated Sale

**Term:** Not later than July 1, 2040

**Initial Interest Rate:** Not to Exceed 7.00%

**Expected College Ratings:** A3 - Moody's Investors Service  
A - Standard & Poor's Corporation

**Tentative Pricing:** Week of April 28, 2008

**Tentative Closing:** Week of April 28, 2008

The Authority Members will be asked to adopt the Series 2008 D-1, D-2A, D-2B, D-3 Bond Resolution which outlines the various parameters of the financing; authorizes the issuance of the revenue refunding bonds; authorizes and approves the form of all legal documents necessary for the financing, including an Indenture of Trust between the Authority and the Trustee, the Lease and Agreement, Preliminary Official Statement and Official Statement, Swap Agreements, Reimbursement Agreements, Remarketing Agreements, and Contract of Purchase; and delegates to any Authorized Officer the ability to take all actions as may be necessary to sell and issue the bonds, execute the Contract of Purchase with the Underwriter as well as all other bond documents, and finalize this transaction.

**Professionals on the Transaction:**

<b>Bond Counsel:</b>	Gluck Walrath, LLP
<b>Authority's Counsel:</b>	Attorney General of New Jersey
<b>Financial Advisor:</b>	Phoenix Advisors, LLC
<b>Underwriter:</b>	Morgan Stanley & Co., Inc.
<b>Underwriter's Counsel:</b>	Cozen O'Connor
<b>Trustee:</b>	US Bank, N.A.
<b>Trustee's Counsel:</b>	To Be Determined
<b>Verification Agent:</b>	To Be Determined
<b>Authority Swap Advisor:</b>	PFM Asset Management LLC
<b>College Swap Advisor:</b>	Swap Financial Group
<b>Letter of Credit Providers:</b>	The Bank of Nova Scotia Lloyds TSB Bank PLC Wachovia Bank, N.A.
<b>LOC Bank Counsel:</b>	Chapman and Cutler
<b>LOC Foreign Counsel (BNS):</b>	Fasken Martineau DuMoulin LLP
<b>LOC Foreign Counsel (Lloyds):</b>	Eversheds LLP

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NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY  
EDUCATIONAL FACILITIES AUTHORITY REVENUE BONDS, THE  
COLLEGE OF NEW JERSEY ISSUES, SERIES 2008 D-1, SERIES 2008 D-2A,  
SERIES 2008 D-2B AND SERIES 2008 D-3

Adopted: March 31, 2008

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**RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY REVENUE BONDS, THE COLLEGE OF NEW JERSEY ISSUES, SERIES 2008 D-1, SERIES 2008 D-2A, SERIES 2008 D-2B AND SERIES 2008 D-3**

**WHEREAS**, the Authority was created as a public body corporate and politic of the State of New Jersey (the "State") pursuant to the New Jersey Educational Facilities Authority Law (being chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), N.J.S.A. 18A:72A-1 et seq. (the "Act"); and

**WHEREAS**, the Authority has heretofore issued its Revenue Bonds, Trenton State College Issue, Series 1994 B (the "Series 1994 B Bonds") under the terms and provisions of the Revenue Bond Resolution, Trenton State College Issue adopted by the Authority on December 23, 1992, as amended (the "Revenue Bond Resolution"), and a Series 1994 B Bond Resolution adopted by the Authority on September 14, 1994 (collectively, the "Series 1994 B Resolution"), in order to finance the construction and development of certain educational facilities (the "Series 1994 B Project") on behalf of The College of New Jersey (the "Public College"); and

**WHEREAS**, the Authority has heretofore issued its Revenue Bonds, Trenton State College Issue, Series 1996 A (the "Series 1996 A Bonds") under the terms and provisions of the Revenue Bond Resolution and a Series 1996 A Bond Resolution adopted by the Authority on January 17, 1996 (collectively, the "Series 1996 A Resolution"), in order to finance the construction and development of certain educational facilities (the "Series 1996 A Project") on behalf of the Public College; and

**WHEREAS**, the Authority has heretofore issued its Revenue Bonds, The College of New Jersey Issue, Series 1999 A (the "Series 1999 A Bonds") under the terms and provisions of an Indenture of Trust, dated as of April 1, 1999 (the "Series 1999 A Indenture"), by and between the Authority and The Bank of New York, as trustee, in order to provide funds to pay the cost of (i) refunding all of the outstanding Series 1994 B Bonds, (ii) refunding all of the outstanding Series 1996 A Bonds, and (iii) constructing and developing certain educational facilities (the "Series 1999 A Project") on behalf of the Public College; and

**WHEREAS**, the Authority has heretofore issued its Revenue Bonds, The College of New Jersey Issue, Series 2002 D (the "Series 2002 D Bonds") under the terms and provisions of an Indenture of Trust, dated as of June 1, 2002 (the "Series 2002 D Indenture"), by and between the Authority and Wachovia Bank, National Association, as trustee, in order to finance the construction and development of certain educational facilities (the "Series 2002 D Project") on behalf of the Public College; and

**WHEREAS**, the Public College has requested that the Authority issue, and the Authority has determined that it is necessary and in keeping with its authorized purposes to issue, one or more



series of bonds as described herein (collectively, the "Bonds") for the purpose of providing funds to (i) pay the cost of refunding all of the outstanding Series 1999 A Bonds, (ii) pay the cost of refunding all of the outstanding Series 2002 D Bonds and (iii) pay costs of issuance (including, if applicable, certain termination fees (the "Termination Fees") in respect of the hereinafter-defined Prior Swap Agreements) of the Bonds (collectively, the "Refunding Project"); and

**WHEREAS**, the repayment of the Bonds will be secured by one or more Lease and Agreements by and between the Authority and the Public College (collectively, the "Agreement"), pursuant to which the Authority will lease certain lands and facilities of the Public College generally comprising collectively the Series 1994 B Project, the Series 1996 A Project, the Series 1999 A Project and the Series 2002 D Project (collectively, the "Project") to the Public College; and

**WHEREAS**, the Bonds will be issued under and secured by one or more Indentures of Trust (collectively, the "Indenture") to be entered into by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"); and

**WHEREAS**, the Authority desires to approve the form of and authorize the preparation and distribution of a Preliminary Official Statement (if necessary) and a final Official Statement relating to the Bonds, to be used in connection with the offering and sale of the Bonds, and to authorize the appropriate officers of the Authority to deem said Official Statement final; and

**WHEREAS**, representatives of the Authority and the Public College have evaluated several financing options, including (i) traditional long-term, fixed interest rate debt, (ii) variable interest rate demand debt, and (iii) an effective fixed interest rate (the "Swap-to-Fixed Method") accomplished by issuing bonds initially bearing interest at a variable interest rate and simultaneously entering into an interest rate swap agreement with a third party (the "Counterparty"); and

**WHEREAS**, under the Swap-to-Fixed Method, (i) the interest component of the debt service payments to be made by the Authority to the bondholders would be set at a variable interest rate; (ii) pursuant to an interest rate swap agreement by and between the Authority and the Counterparty, the Authority would agree to pay the Counterparty an amount determined on the basis of fixed interest rates and the Counterparty would be obligated to pay the Authority amounts determined on the basis of variable interest rates; and (iii) the interest component of the rental payments to be made by the Public College to the Authority would reflect the net payments due to and from the Authority and the Counterparty under such interest rate swap agreement; and

**WHEREAS**, under the Swap-to-Fixed Method, the Public College will be responsible for the payment of certain expenses customarily associated with the issuance of variable rate demand debt, including the costs of credit and liquidity support for the Authority's bonds; and

**WHEREAS**, under the Swap-to-Fixed Method, the payment obligations of the Public College under the Agreement may, under certain circumstances (including, among other things, changes in tax law, and default by or downrating of the Counterparty), be increased; and

**WHEREAS**, representatives of the Public College have evaluated the advantages and risks of the Swap-to-Fixed Method and have determined that it is in the best interests of the Public College to proceed with the financing of the Project using (in whole or in part) the Swap-to-Fixed Method; and

**WHEREAS**, in order to implement the Swap-to-Fixed Method in respect of the Bonds, and at the request of the Public College, (i) the Authority will terminate, on or about the date of issuance of the Bonds, the Interest Rate Swap Agreement and the Liquidity Assurance Agreement, each dated April 26, 1999, by and between the Authority and Ambac Financial Services, L.P. (collectively, the "Prior Swap Agreements"), which were previously entered into in respect of the Series 1999 A Bonds, and in connection therewith certain Termination Fees are expected to be payable to Ambac Financial Services, L.P., (ii) the Authority will cause to remain in effect, with such amendments and/or supplements as may be necessary, (a) the ISDA Master Agreement, together with the U.S. Municipal Counterparty Schedule Amendments, U.S. Municipal Counterparty Schedule and Credit Support Annex, by and between the Authority and Merrill Lynch Capital Services, Inc. and accepted and acknowledged by the Public College, and the accompanying Guaranty by Merrill Lynch & Co., Inc., each dated as of June 19, 2002, together with the Confirmation dated June 13, 2002 relating thereto (the "2002 Swap Agreement") and (b) the ISDA Master Agreement, together with the U.S. Municipal Counterparty Schedule Amendments, U.S. Municipal Counterparty Schedule and Credit Support Annex, by and between the Authority and Merrill Lynch Capital Services, Inc. and accepted and acknowledged by the Public College, and the accompanying Guaranty by Merrill Lynch & Co., Inc., each dated as of March 2, 2007, together with the Confirmation dated March 2, 2007 relating thereto (the "2007 Swap Agreement"), and (iii) the Authority will enter into, on or about the date of issuance of the Bonds, certain new interest rate swap agreements with Morgan Stanley Capital Services Inc. in respect of the Bonds in order to (a) implement the Swap-to-Fixed Method with respect to the portion of the Bonds not to be hedged by the continuing 2002 Swap Agreement and (b) reverse the 2007 Swap Agreement for a period of approximately three years (or such other period as determined by an Authorized Officer of the Authority, in consultation with the Public College) (collectively, the "New Swap Agreements") (the 2002 Swap Agreement, the 2007 Swap Agreement and the New Swap Agreements are collectively referred to herein as the "Swap Agreements"); and

**WHEREAS**, credit and liquidity support for the Bonds will be provided by the issuance of direct-pay letters of credit (collectively, the "Letters of Credit"), presently expected to be issued by The Bank of Nova Scotia, acting through its New York Agency (in respect of the hereinafter-defined Series 2008 D-1 Bonds), Lloyds TSB Bank plc, acting through its New York Branch (in respect of the hereinafter-defined Series 2008 D-2A Bonds and Series 2008 D-2B Bonds) and Wachovia Bank, N.A. (in respect of the hereinafter-defined Series 2008 D-3 Bonds) (collectively with such other banks as may be selected as provided herein, the "Banks"); and

**WHEREAS**, the obligation to reimburse the Banks for drawings under the Letters of Credit, and to pay certain fees, expenses and indemnifications to the Banks, will be set forth in separate

Reimbursement Agreements to be entered into by and between the Authority and the respective Banks (collectively, the "Reimbursement Agreements"); and

**WHEREAS**, in order to provide for the remarketing of the Bonds during the weekly interest rate mode, the Authority will enter into separate Remarketing Agreements (collectively, the "Remarketing Agreements"), presently expected to be entered into with Morgan Stanley & Co. Inc. (in respect of the Series 2008 D-1 Bonds and the Series 2008 D-2A Bonds), Merrill Lynch & Co., Inc. (in respect of the Series 2008 D-2B Bonds) and Wachovia Securities, Inc. (in respect of the Series 2008 D-3 Bonds); and

**WHEREAS**, the Authority's obligations under the Swap Agreements, the Reimbursement Agreements and the Remarketing Agreements will be limited to amounts payable by the Public College with respect thereto as a component of the aggregate rentals payable by the Public College under the Agreement; and

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to issue under the Indenture the Bonds herein authorized for the purpose of financing all or any combination of the purposes enumerated above; and

**WHEREAS**, pursuant to Section 8(c) of the Act, the bonds of the Authority shall be authorized by resolution of the members of the Authority; and

**WHEREAS**, by a Resolution entitled "Resolution of the New Jersey Educational Facilities Authority Authorizing Restructuring of Certain Variable Rate Bonds" adopted on February 27, 2008, as amended by a Resolution entitled "Resolution of the New Jersey Educational Facilities Authority Amending the Resolution Authorizing Restructuring of Certain Variable Rate Bonds" adopted on March 31, 2008 (collectively, the "Restructuring Resolution"), the Authority has heretofore authorized the transactions contemplated by this Resolution; and

**WHEREAS**, the Authority now desires to supplement the Restructuring Resolution by authorizing more specifically the terms of the Refunding Project, and the forms of the various documents authorized hereby;

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:**

## ARTICLE I

### AUTHORIZATION OF BONDS; APPROVAL OF DOCUMENTS

SECTION 1.1. Purpose of Issuance of the Bonds. The Authority hereby declares the Refunding Project to be an authorized undertaking of the Authority and authorizes and directs the Chair, Vice Chair, Executive Director, Deputy Executive Director, Director of Project Management, Secretary or any Assistant Secretary and any other person authorized by resolution of the Authority, and any such officers designated as “acting” or “interim” (each an “Authorized Officer”) to execute and deliver all documents necessary to enable the Authority, as permitted by the Act, to finance, on behalf of the Public College, the costs of the Refunding Project, in whole or in part.

SECTION 1.2. Authorization of Bonds.

(A) The Authority hereby authorizes the issuance of the Bonds, in an aggregate principal amount not to exceed \$300,000,000, in order to finance, on behalf of the Public College, the costs of the Refunding Project, in whole or in part.

(B) The Bonds shall be issued in several distinct series, which shall (except as provided in paragraph (F) below) be as follows:

(1) The first series, to be designated “New Jersey Educational Facilities Authority Revenue Bonds, The College of New Jersey Issue, Series 2008 D-1” or such other designation as an Authorized Officer may determine (the “Series 2008 D-1 Bonds”) shall initially be additionally secured by a direct-pay letter of credit (the “Series 2008 D-1 Letter of Credit”) to be issued by The Bank of Nova Scotia, acting through its New York Agency, or such other Bank selected pursuant to Section 1.11 hereof, with whom the initial Reimbursement Agreement for the Series 2008 D-1 Bonds shall be entered into, and the initial Remarketing Agreement for the Series 2008 D-1 Bonds shall be with Morgan Stanley & Co. Inc., or such other Remarketing Agent selected pursuant to Section 1.10 hereof;

(2) The second series, to be designated “New Jersey Educational Facilities Authority Revenue Bonds, The College of New Jersey Issue, Series 2008 D-2A” or such other designation as an Authorized Officer may determine (the “Series 2008 D-2A Bonds”) shall initially be additionally secured by one or more direct-pay letters of credit (collectively, the “Series 2008 D-2A/B Letter of Credit”) to be issued by Lloyds TSB Bank plc, acting through its New York Branch, or such other Bank selected pursuant to Section 1.11 hereof, with whom the initial Reimbursement Agreement for the Series 2008 D-2A Bonds shall be entered into, and the initial Remarketing Agreement for the Series 2008 D-2A Bonds shall be with Morgan Stanley & Co. Inc., or such other Remarketing Agent selected pursuant to Section 1.10 hereof;

(3) The third series, to be designated "New Jersey Educational Facilities Authority Revenue Bonds, The College of New Jersey Issue, Series 2008 D-2B" or such other designation as an Authorized Officer may determine (the "Series 2008 D-2B Bonds") shall initially be additionally secured by the Series 2008 D-2A/B Letter of Credit to be issued by Lloyds TSB Bank plc, acting through its New York Branch, or such other Bank selected pursuant to Section 1.11 hereof, with whom the initial Reimbursement Agreement for the Series 2008 D-2B Bonds shall be entered into, and the initial Remarketing Agreement for the Series 2008 D-2B Bonds shall be with Merrill Lynch & Co., Inc., or such other Remarketing Agent selected pursuant to Section 1.10 hereof; and

(4) The fourth series, to be designated "New Jersey Educational Facilities Authority Revenue Bonds, The College of New Jersey Issue, Series 2008 D-3" or such other designation as an Authorized Officer may determine (the "Series 2008 D-3 Bonds") shall initially be additionally secured by a direct-pay letter of credit (the "Series 2008 D-3 Letter of Credit") to be issued by Wachovia Bank, National Association, or such other Bank selected pursuant to Section 1.11 hereof, with whom the initial Reimbursement Agreement for the Series 2008 D-3 Bonds shall be entered into, and the initial Remarketing Agreement for the Series 2008 D-3 Bonds shall be with Wachovia Securities, Inc., or such other Remarketing Agent selected pursuant to Section 1.10 hereof.

(C) The Bonds shall be issued in fully registered form, shall be in the denominations, and shall be numbered as shall be provided in the Indenture. The Bonds shall be dated initially and bear interest from the date of issuance thereof, payable as provided in the Indenture.

(D) The Bonds shall mature or be subject to mandatory sinking fund redemption on the dates and in the year(s) and in the amounts as shall be set forth in the Indenture; provided, however, that the final maturity date of the Bonds will be no later than July 1, 2040. The Bonds of each series shall initially bear interest at the Weekly Rate (as defined in the Indenture) and such rate shall be convertible to such other variable rates and/or such term rates, any of which may be of varying lengths, all as shall be provided in the Indenture; provided, that (i) the initial Weekly Rate to be borne by the Bonds shall not exceed 7% and (ii) Bonds purchased by (or deemed to be purchased by) the Banks shall bear interest as set forth in the Indenture and the applicable Reimbursement Agreement. The Bonds shall be subject to mandatory sinking fund, extraordinary mandatory, optional and mandatory redemption as provided in the Indenture and in either a schedule attached to the hereinafter-defined Contract of Purchase as executed by an Authorized Officer or a certificate signed by an Authorized Officer in connection with the sale of the Bonds (collectively, the "Award Certificate"); provided the redemption premium on the Bonds, if any, shall not exceed 5%.

(E) The Bonds, when bearing interest at a variable rate, and upon conversion to a term rate, and otherwise as provided in the Indenture, shall be subject to tender, purchase and remarketing as provided in the Indenture.

(F) In the event any Authorized Officer determines, in consultation with the Public College, that it would be advantageous to cause the Bonds to be issued in series other than as described in paragraph (A) above, such Authorized Officer is hereby delegated and is authorized to designate an alternate allocation of series (with corresponding alterations to the designations, applicable letters of credit and Banks, and applicable Remarketing Agents).

SECTION 1.3. Form of Bonds. The Bonds shall be in substantially the form set forth in the Indenture, with such insertions, omissions or variations as may be necessary or appropriate, as approved by an Authorized Officer, with the advice of GluckWalrath LLP, bond counsel to the Authority ("Bond Counsel"), and the Attorney General of the State.

SECTION 1.4. Dating, Execution and Authentication. The Bonds shall be dated and bear interest, shall be executed and shall be authenticated as provided in the Indenture.

SECTION 1.5. Delivery of Bonds. Following execution of the Bonds, any Authorized Officer is hereby authorized to deliver the Bonds to the Trustee for authentication and, after authentication, to deliver the Bonds to the Underwriters (as such term is hereinafter defined) thereof or their agent against receipt of the purchase price or unpaid balance thereof.

SECTION 1.6. Approval of Preliminary Official Statement(s) and Final Official Statement(s). The preparation, publication and distribution of one or more Preliminary Official Statements relating to the Bonds (collectively, the "Preliminary Official Statement"), in substantially the form presented at this meeting, is hereby approved (a copy of which shall be filed with records of the Authority), with such insertions, deletions and changes therein and any supplements thereto as may be approved by an Authorized Officer with the advice of Bond Counsel and the Attorney General of the State (the "Preliminary Official Statement"). Any Authorized Officer of the Authority is hereby authorized to "deem final" the Preliminary Official Statement in accordance with Securities and Exchange Commission Rule 15c2-12, if applicable.

Any Authorized Officer is hereby authorized and directed to execute and deliver one or more final Official Statements (collectively, the "Official Statement"), in substantially the form of the Preliminary Official Statement, with such changes, insertions and alterations as the Authorized Officer executing same shall approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced exclusively by the execution thereof by such Authorized Officer.

SECTION 1.7. Approval of Agreement. The form of the Agreement presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority) is hereby approved. If necessary, any Authorized Officer is hereby authorized and directed to execute multiple Agreements by and between the Authority and the Public College in order to effectuate the financing of the Refunding Project, such approval to be evidenced by such Authorized Officer's execution thereof. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer of the Authority is hereby

authorized and directed to affix and attest the official common seal of the Authority to the Agreement(s) with the Public College in substantially such form, with such changes therein (including, without limitation, the date thereof) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof.

SECTION 1.8. Approval of Indenture. The form of the Indenture presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority), is hereby approved. If necessary, any Authorized Officer is hereby authorized and directed to execute multiple Indentures by and between the Authority and the Trustee in order to effectuate the financing of the Refunding Project, such approval to be evidenced by such Authorized Officer's execution thereof. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to, the Indenture(s) with the Trustee in substantially such form, with such insertions and changes therein (including, without limitation, the date thereof and the initial Interest Payment Date contained therein and provisions necessary to conform to the provisions of the letters of credit and the Remarketing Agreements) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof.

SECTION 1.9. Appointment of Trustee. U.S. Bank National Association, Morristown, New Jersey is hereby appointed to act as the initial Trustee (the "Trustee") under the Indenture. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Indenture by the Trustee's execution and delivery thereof.

SECTION 1.10. Appointment of Remarketing Agents, Authorization of Remarketing Agreements. Morgan Stanley & Co. Inc. is hereby appointed the initial Remarketing Agent for the Series 2008 D-1 Bonds and the Series 2008 D-2A Bonds. Merrill Lynch & Co., Inc. is hereby appointed the initial Remarketing Agent for the Series 2008 D-2B Bonds. Wachovia Securities, Inc. is hereby appointed the initial Remarketing Agent for the Series 2008 D-3 Bonds. Notwithstanding the foregoing, any Authorized Officer is hereby authorized to appoint one or more additional or replacement Remarketing Agents for one or more series of the Bonds, if in the opinion of such Authorized Officer such appointment would be advantageous to the Authority and the Public College. The form of the Remarketing Agreements presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority), is hereby approved. Any Authorized Officer is hereby authorized and directed to execute and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to, separate Remarketing Agreements with each of the Remarketing Agents, in substantially such form, with such insertions and changes therein (including, without limitation, provisions necessary to conform to the Indenture and the letters of credit) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's

execution thereof. Copies of each Remarketing Agreement shall be filed with the records of the Authority.

SECTION 1.11. Letters of Credit; Authorization of Reimbursement Agreements. The Series 2008 D-1 Bonds will initially be additionally secured by the Series 2008 D-1 Letter of Credit. The Series 2008 D-2A Bonds and the Series 2008 D-2B Bonds will be initially secured by the Series 2008 D-2A/B Letter of Credit. The Series 2008 D-3 Bonds will be initially secured by the Series 2008 D-3 Letter of Credit. Notwithstanding the foregoing, any Authorized Officer is hereby authorized to appoint one or more additional or replacement Banks for one or more series of the Bonds, if in the opinion of such Authorized Officer such appointment would be advantageous to the Authority and the Public College. The form of the Reimbursement Agreements (containing therein the form of the letters of credits) presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority), is hereby approved. Any Authorized Officer is hereby authorized and directed to execute and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to, separate Reimbursement Agreements with each of the Banks, in substantially such form, with such insertions and changes therein (including, without limitation, provisions necessary to conform to the Indenture and the letters of credit) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof. Copies of each such Reimbursement Agreement shall be filed with the records of the Authority.

SECTION 1.12. Authorization of Negotiated Sale. The Authority hereby finds and determines that the issuance of the Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26, namely, volatile market conditions. The Authority has selected and approved underwriters in accordance with Executive Order No. 26. An Authorized Officer is hereby authorized to sell the Bonds to any such firm selected from the list previously approved by the Authority on a negotiated basis.

SECTION 1.13. Authorization of and Execution and Deliver of the Contract of Purchase. Any Authorized Officer is hereby authorized and directed to execute and deliver on behalf of the Authority a contract of purchase (the "Contract of Purchase") by and among the Authority, the Public College and Morgan Stanley & Co. Inc. (the "Senior Managing Underwriter"), on behalf of itself and the additional underwriters appointed pursuant to this Section 1.13, in the form determined by and as shall be approved by an Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State (such approval to be evidenced conclusively by such Authorized Officer's execution thereof) for the purchase of the Bonds at the price or prices to be agreed upon; provided; however, that the Underwriters' discount for the Bonds shall not exceed \$8.00 per \$1,000.00 of principal amount of the Bonds. A copy of the Contract of Purchase as executed shall be filed with the records of the Authority.

The Authority hereby delegates to an Authorized Officer the appointment and determination of any co-senior managing underwriter and co-managers (collectively with the Senior Managing



Underwriter, the “Underwriters”), which firms shall be selected from the list previously approved by the Authority. The Underwriters shall be compensated in an amount or amounts in accordance with this Section 1.13, with the execution of the Contract of Purchase being conclusive evidence of such approval.

SECTION 1.14. Termination of Prior Swap Agreements. The termination of the Prior Swap Agreements, as requested by the Public College, is hereby authorized.

Although the Public College has advised that it may pay the Termination Fees relating to such termination with funds of the Public College which are not proceeds of tax-exempt bonds, the Authority reasonably expects that the Public College may instead pay, or reimburse its expenditure of, the Termination Fees with proceeds of the Bonds. This Resolution is intended to be and hereby is a declaration of official intent to reimburse with proceeds of the Bonds (in an amount not to exceed the amount authorized in Section 1.2(A) hereof) any such expenditure for Termination Fees paid prior to the issuance of the Bonds, all in accordance with Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the “Code”) and Treasury Regulations Section 1.150-2. No reimbursement allocation will employ an “abusive arbitrage device” under Treasury Regulations Section 1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Bonds used to reimburse for Termination Fees, or funds corresponding to such amounts, will not be used in a manner that results in the creation of “replacement proceeds,” including “sinking funds,” “pledged funds,” or funds subject to a “negative pledge” (as such terms are defined in Treasury Regulations Section 1.148-1) of the Bonds or another issue of debt obligations of the Authority, other than amounts deposited into a “bona fide debt service fund” (as defined in Treasury Regulations Section 1.148-1). All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Bonds is paid, or (ii) the date the Project is “placed in service” (within the meaning of Treasury Regulations Section 1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

SECTION 1.15. Continuation of Series 2002 Swap Agreement and Series 2007 Swap Agreement. The continuation (notwithstanding the defeasance of the Series 2002 D Bonds) of the 2002 Swap Agreement and the 2007 Swap Agreement, with the consent of the Public College, is hereby authorized, together with the execution and delivery of such amendments thereof and/or supplements thereto as any Authorized Officer may, with the consent of the Public College, and with the advice of Bond Counsel and the Attorney General of the State, deem to be necessary in connection therewith (including, but not limited to, such amendments and/or supplements required in order to permit such 2002 Swap Agreement and 2007 Swap Agreement to henceforth relate to the Bonds and the Indenture). Any Authorized Officer is hereby authorized and directed to execute and deliver all agreements, documents and certificates relating thereto in the form approved by the Authorized Officer executing them.

SECTION 1.16. Approval of New Swap Agreements. The form of the New Swap Agreements presented to this meeting (copies of which shall be filed with the records of the Authority) are hereby approved and any Authorized Officer is hereby authorized and directed to

execute and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to, the New Swap Agreements in substantially such form, with such insertions and changes therein as the Authorized Officer executing the same may approve with the advice of Bonds Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof; provided, that (i) certain obligations of the Swap Provider under the Swap Agreement shall be guaranteed by Morgan Stanley, and (ii) the effective initial fixed interest rate derived by utilizing the Swap-to-Fixed Method shall not exceed 7% per annum. Any Authorized Officer is hereby authorized to execute and deliver all agreements, documents and certificates relating thereto in the form approved by the Authorized Officer executing them.

SECTION 1.17. Continuing Disclosure. Pursuant to the Agreement, the Public College has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Bonds or any other person with respect to such disclosure matters. The Dissemination Agent (to be appointed by the Public College, if necessary) shall comply with and carry out all of the obligations imposed on the Dissemination Agent under the Continuing Disclosure Agreement (if any) and the Agreement. Notwithstanding any other provision of the Resolution, failure of the Public College or the Dissemination Agent to comply with the Continuing Disclosure Agreement shall not be considered an event of default under the Indenture.

SECTION 1.18. Approval of Escrow Deposit Agreement and Selection of Verification Agent (if Necessary). To the extent an entity must be chosen to serve as escrow agent (the "Escrow Agent") for the refunded Series 1999 A Bonds and/or the refunded Series 2002 D Bonds, an Authorized Officer may designate any or all of the Trustee, the trustee for the Series 1999 A Bonds and the trustee for the Series 2002 D Bonds to serve in such capacity. If an escrow agent is appointed, any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to an escrow deposit agreement (the "Escrow Deposit Agreement") in such form as the Authorized Officer may approve, with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced conclusively by such Authorized Officer's execution thereof.

If necessary, any Authorized Officer is hereby authorized and directed to select, via a competitive process, an independent certified public accountant, accounting firm or other qualified financial expert to act as verification agent in connection with the Refunding Project.

SECTION 1.19. Authorization to Invest Bond Proceeds and Certain Funds. Any Authorized Officer is hereby authorized to enter into or direct the Trustee to enter into one or more agreements to invest the proceeds of the Bonds in Investment Obligations (as defined in the Indenture), which includes investment agreements and repurchase agreements, in the event that such Authorized Officer determines, in consultation with and with the consent of the Public College, that it is advantageous to the Public College for the Authority to invest any proceeds of the Bonds in Investment Obligations, which includes investment agreements and repurchase agreements.

SECTION 1.20. Conformance of Documents. Any Authorized Officer of the Authority is hereby authorized and directed to approve, as Bond Counsel may advise, such changes to the forms of the Official Statement, the Agreement, the Indenture, the Remarketing Agreements, the Reimbursement Agreements, the Swap Agreements, the Escrow Deposit Agreement (if any) and such other agreements as may be necessary to conform same to the variable interest rate financing means being utilized, to the respective letters of credit, and to each other.

## ARTICLE II

### MISCELLANEOUS

SECTION 2.1. Incidental Action. The Authorized Officers are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate in order to: (i) effectuate the Refunding Project and the refunding and redemption of the Series 1999 A Bonds and the Series 2002 D Bonds; (ii) effectuate the execution and delivery of the Contract of Purchase, the Agreement, the Indenture, the Remarketing Agreements, the Reimbursement Agreements, the Swap Agreement and the Escrow Deposit Agreement (if any), and the issuance and sale of the Bonds; (iii) implement the DTC book-entry only system for the Bonds; (iv) maintain the tax-exempt status of the interest on the Bonds (including the preparation and filing of any information reports or other documents with respect to the Bonds as may at any time be required under Section 149 of the Internal Revenue Code of 1986, as amended, and any regulations thereunder); and (v) enter into, or cause to be entered into, one or more agreements to invest the proceeds of the Bonds in Investment Obligations, which includes investment agreements and repurchase agreements. A Certificate of Determination of an Authorized Officer awarding the Bonds and making the determinations authorized herein shall be final and conclusive as to the purchaser or purchasers of the Bonds, the rates of interest to be borne thereby, the purchase price thereof and any other terms and details relating to the sale and issuance of the Bonds.

SECTION 2.2. Prior Resolutions. All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby repealed; provided, that nothing in this Resolution is intended to repeal, supersede or amend the Restructuring Resolution, this Resolution being intended to constitute supplemental authority therewith.

SECTION 2.3. Effective Date. This Resolution shall take effect as provided for under the Act.

\_\_\_\_ Mr. Jacobs \_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Mr. Collins \_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
AMENDING THE RESOLUTION AUTHORIZING RESTRUCTURING OF CERTAIN  
VARIABLE RATE BONDS**

**WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") was created pursuant to the New Jersey Educational Facilities Authority Law, L. 1967, c. 271, N.J.S.A. 18A:72A-1 et seq., as amended and supplemented (the "Act") and authorized to issue its obligations to provide a means for New Jersey public and private colleges and universities to obtain financing to construct educational facilities as such term is defined in the Act; and

**WHEREAS:** By Resolution entitled: "Resolution of the New Jersey Educational Facilities Authority Authorizing Restructuring of Certain Variable Rate Bonds" adopted on February 27, 2008 (the "Restructuring Resolution"), the Authority authorized the restructuring of 14 issues of the Authority's variable rate bonds which have been adversely affected by the downgrade and potential downgrade of monocline municipal bond insurers resulting from the sub-prime mortgage crisis; and

**WHEREAS:** The Restructuring Resolution sets forth parameters for the restructuring alternatives authorized thereby including, but not limited to, parameters for selection of liquidity facility providers and letter of credit banks and the terms and conditions of reimbursement agreements relating thereto; and

**WHEREAS:** The sub-prime mortgage crisis has limited the capacity of liquidity facility providers and letter of credit banks with the result that the costs relating to liquidity facilities and letters of credit and related reimbursement agreements are higher than previously imposed; and

**WHEREAS:** In order to be able to satisfy the terms and conditions being imposed by banks for letters of credit, it is necessary for the Authority to amend the parameters previously set forth in Section 6(b) of the Restructuring Resolution; and

**WHEREAS:** The Members of the Authority have determined that, in view of the effect of the sub-prime mortgage crisis on the costs for liquidity facilities and letters of credit it is necessary and advisable to amend the parameters set forth in Section 6(b) of the Restructuring Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY THAT:**

**SECTION 1.** Section 6 (b) of the Restructuring Resolution is amended in its entirety to read as follows:

“(b) Any liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit selected pursuant to this Section 6 shall be subject to the following terms and conditions:

- (1) The proposed liquidity facility providers, standby bond purchase agreement providers, reimbursement agreement providers and/or letter of credit banks shall be a commercial bank or banks with at least P-1/A1 ratings from Moody’s and A-1/A+ ratings from S&P;
- (2) Fee quotes shall be requested at least for 364-day facilities and for facilities with terms of two (2) through five (5) years, it being understood that quotes for longer term facilities may be requested;
- (3) The borrowing rate under the facilities shall be based on the Federal Funds Rate, LIBOR or Prime Rate or other rate provided by the provider and accepted by an Authorized Officer and a duly authorized representative of the applicable Institution. The maximum interest rate for any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or short term Fixed Rate Refunding Bonds that have been purchased and are then being held by a liquidity facility provider or letter of credit bank for such Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or short term Fixed Rate Refunding Bonds, shall be the rate per annum as set forth in the applicable liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit; provided, however, that in no event shall the maximum interest rate set forth in the applicable liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit exceed the maximum amount permitted by any applicable usury or similar law;
- (4) The facility shall contain such terms as are approved by an Authorized Officer and a duly authorized representative of the Institution; and
- (5) The award shall be made based upon the terms most advantageous to the Authority and the applicable Institution as determined by an Authorized Officer Authority and a duly authorized representative of the Institution in their sole discretion, taking into consideration price, fees, trading differentials, the form of the restructuring and other considerations. “

**SECTION 2.** The Restructuring Resolution as amended by Section 1 is hereby ratified and confirmed. Capitalized terms used and not otherwise defined in this Resolution shall have the meanings set forth in the Restructuring Resolution.

**SECTION 3.** This Resolution shall take effect in accordance with the Act.

\_\_\_\_ Mr. Eater \_\_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Mr. Jacobs \_\_\_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.



**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING RESTRUCTURING OF CERTAIN VARIABLE RATE BONDS**

- WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") was created pursuant to the New Jersey Educational Facilities Authority Law, L. 1967, c. 271, N.J.S.A. 18A:72A-1 et seq., as amended and supplemented (the "Act") and authorized to issue its obligations to provide a means for New Jersey public and private colleges and universities to obtain financing to construct educational facilities as such term is defined in the Act; and
- WHEREAS:** The Authority has issued its Variable Rate Revenue Bonds, Institute for Defense Analyses Issue, 2000 Series D (the "Bonds"), which are outstanding in the aggregate principal amount of \$15,015,000; and
- WHEREAS:** The Bonds are variable rate demand obligations insured by Ambac Assurance Corporation ("Ambac") for which liquidity is provided by a Standby Bond Purchase Agreement (the "Standby Bond Purchase Agreement") among the Institute for Defense Analyses (the "Institution"), Wells Fargo Bank Minnesota, National Association, as trustee (the "Bond Trustee") and U.S. Trust, successor to First Union National Bank (the "Liquidity Provider"); and
- WHEREAS:** As a result of the sub-prime mortgage crisis, one or more of Standard & Poor's ("S&P"), Moody's Investors Service ("Moody's") and Fitch Ratings ("Fitch," and collectively with S&P and Moody's, the "Rating Agencies") have downgraded or have indicated they are considering downgrading, the financial and/or claims paying strength of certain bond insurers including Ambac; and
- WHEREAS:** The sub-prime mortgage crisis and such downgrades and potential downgrades have had a widespread effect on the financial markets and the variable rate municipal bond market in particular; and
- WHEREAS:** Such downgrades and potential downgrades have severely affected the market for and have triggered legal impediments to the purchase of short term securities by certain investors and have led investors to restrict or refrain from investment in such securities and have otherwise adversely affected the borrowing costs of the Institute for Defense Analyses (the "Institution"); and
- WHEREAS:** The Institution has advised the Authority that it is monitoring developments in the market for the Bonds and is investigating restructuring alternatives through the Authority in order to improve borrowing costs for the Institution with respect to the Bonds; and

**WHEREAS:** Restructuring alternatives include, without limitation, reinsurance of existing insurance, substitution of new insurance, conversion from an insured variable rate demand mode with a liquidity facility to an uninsured variable rate demand mode with a letter of credit or conversion to an insured variable rate demand mode with a letter of credit, provision of a liquidity facility or letter of credit relating to an existing variable rate mode, conversion from an existing variable rate mode to another variable rate mode either with or without a liquidity facility or letter of credit and with or without insurance, termination, amendment or continuation of any or all related existing swaps, entry into additional swaps, conversion to a fixed rate or current refunding of the Bonds through the issuance of Authority refunding bonds; and

**WHEREAS:** The Members of the Authority have determined that, in view of the effect of the sub-prime mortgage crisis on the market for the Bonds, it is necessary and advisable to authorize the restructuring of the Bonds in order to improve the borrowing costs for the Institution, if the Institution consents to the restructuring and the form thereof; and

**WHEREAS:** The determination of the most advantageous restructuring alternative for the Bonds will depend on a number of factors including the credit of the Institution, the number of providers that have capacity to issue liquidity facilities or letters of credit and the costs associated with a particular alternative; and

**WHEREAS:** In order to mitigate the adverse effect on borrowing costs of the Institution, it is advisable to authorize such restructuring in an efficient manner.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY THAT:**

**SECTION 1.** The Authority hereby authorizes undertaking the restructuring of any or all of the Bonds through any means that satisfies the conditions set forth in this Resolution including, without limitation, reinsurance of existing insurance, substitution of new insurance, conversion from an insured variable rate demand mode with a liquidity facility to an uninsured variable rate demand mode with a letter of credit or conversion to an insured variable rate demand mode with a letter of credit, provision of a liquidity facility or letter of credit relating to an existing variable rate mode, conversion from an existing variable rate mode to another variable rate mode either with or without a liquidity facility or letter of credit and with or without insurance, termination, amendment or continuation of any or all related existing swaps, entry into additional swaps, conversion to a fixed rate or current refunding of the Bonds through the issuance of Authority refunding bonds (each, a "Restructuring") and authorizes any Authorized Officer (as defined below) to determine the form of and to effect the Restructuring with respect to any or all of the Bonds; provided that the Institution consents, in writing, to the Restructuring.

**SECTION 2.** The undertaking of any Restructuring meets the conditions set forth in this Resolution if, in addition to the written consent of the Institution required under Section 1, the following conditions are satisfied:

(a) the documentation for each Restructuring is substantially in the form of the existing documentation for such series of Bonds to be restructured with such modifications, additions or changes as are approved by an Authorized Officer executing the same with the advice of the Bond Counsel to the Authority and are approved by the authorized officer of the Institution executing the same, such approval to be conclusively evidenced by the execution thereof by such Authorized Officer and a duly authorized representative of the Institution:

(b) in the case of either maintaining the existing variable rate mode for the Bonds or converting such Bonds to another variable rate mode, the initial interest rate does not exceed 5%, the underwriter's discount or remarketing agent's fee does not exceed \$9.00 and the maximum rate shall not exceed 15% per annum or for bonds purchased by a liquidity facility provider, the rate per annum as set forth in the liquidity facility; provided that in no event shall the maximum rate exceed the maximum amount permitted by any applicable usury or similar law;

(c) in the case of conversion of the Bonds to a fixed rate of interest, the TIC does not exceed 6% and the underwriter's discount or remarketing agent's fee does not exceed \$9.00;

(d) in the case of a current refunding of the Bonds, (i) if the refunding is effected through issuance of variable rate bonds ("Variable Rate Refunding Bonds"), the conditions set forth in this Section 2(b) are satisfied; (ii) if the refunding is effected through issuance of fixed rate bonds ("Fixed Rate Refunding Bonds"), the conditions set forth in Section 2(c) are satisfied;

(e) in the case of any Restructuring, the Authority's Financial Advisor certifies in writing that the costs of the Restructuring are reasonable in light of the effect of the sub-prime mortgage crisis on the Bonds and the Authority's Derivative Consultant, if applicable, certifies in writing that any costs associated with restructuring, terminating, amending or entering into swaps in connection with the Restructuring are reasonable in light of the effect of the sub-prime mortgage crisis on the Bonds; and

(f) the maximum final maturity date for the Restructured Variable Rate Bonds (as herein defined), Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds that restructure the Bonds shall not exceed the final maturity date as set forth in the currently existing documentation applicable to the Bonds or, if later and permitted by the existing bond documentation, the final maturity date permitted by federal tax law without adversely affecting tax-exempt status of the Bonds.

**SECTION 3.** Any Authorized Officer is hereby authorized, (a) to the extent that such Authorized Officer determines that bond insurance or reinsurance is necessary or desirable in order to market any particular series of Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, (i) to select, pursuant to a process that satisfies applicable procurement requirements imposed by the laws of the State of New Jersey, a municipal bond insurer(s) or reinsurer(s) (the "Bond Insurer") for the Bonds, as restructured ("Restructured Variable Rate Bonds") or Variable Rate Refunding Bonds, or Fixed Rate Refunding Bonds, (ii) to execute a commitment letter for the issuance of a bond insurance policy or policies or reinsurance policy or policies (collectively, the "Policy") by such Bond Insurer (or a certificate evidencing selection of the Bond Insurer); (iii) to carry out the Authority's obligations thereunder (including payment of the premium for the Policy); and (iv) to accept the terms and conditions relating to the Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds required by the Bond Insurer as a condition to the issuance of the Policy and to incorporate such terms and conditions in the documentation relating to the Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, as such Authorized Officer deems necessary and appropriate, with the advice of the Bond Counsel to the Authority; and (b) to the extent that any Authorized Officer determines that swap insurance is necessary or desirable, any Authorized Officer is hereby authorized, (i) to select, pursuant to a process that satisfies applicable procurement requirements imposed by the law of the State of New Jersey, a municipal bond insurer(s) to provide swap insurance (the "Swap Insurer") to insure any interest rate swap agreement or other swap agreement entered into with respect to any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds; (ii) to execute a commitment letter for the issuance of a swap insurance policy or policies (collectively, the "Swap Insurance Policy") by such Swap Insurer (or a certificate evidencing selection of a Swap Insurer); (iii) to carry out the Authority's obligations thereunder (including payment of the premium for the Swap Insurance Policy); and (iv) to accept the terms and conditions relating the Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, required by the Swap Insurer as a condition to the issuance of the Swap Insurance Policy and to incorporate such terms and conditions in the documentation relating to the Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds as such Authorized Officer deems necessary and appropriate, with the advice of the Bond Counsel to the Authority.

**SECTION 4.** Any Authorized Officer is hereby delegated and authorized to select, via a process which satisfies procurement requirements imposed by the laws of the State of New Jersey, and appoint a verification agent in connection with the current refunding of any particular series of Variable Rate Bonds.

**SECTION 5.** Any Authorized officer is hereby delegated and authorized to select and appoint a trustee (the "Trustee") for the Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds pursuant to a process that satisfies procurement requirements imposed by the laws of the State of New Jersey and is hereby authorized to confirm the appointment of the existing trustee for Restructured Variable Rate Bonds; and an Authorized Officer is authorized to determine the terms and conditions of such service as Trustee as such Authorized Officer deems beneficial and appropriate taking into account price and other factors such as the nature of the restructuring. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the documentation related to the Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds by the Trustee's execution and delivery thereof.

**SECTION 6.** (a) The Members of the Authority hereby delegate to and authorize any Authorized Officer to select, pursuant to a process that satisfies applicable procurement requirements under the laws of the State of New Jersey, one or more banking institution(s) to provide a liquidity facility or facilities or letter(s) of credit to support the payment of debt service on and serve as a liquidity facility or letter of credit with respect to the Restructured Variable Rate Bonds or Variable Rate Refunding Bonds or short-term Fixed Rate Refunding Bonds; subject to the terms and conditions set forth below. Any Authorized Officer is hereby authorized to execute and deliver on behalf of the Authority and/or confirm and accept, in connection with the Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or short term Fixed Rate Refunding Bonds, any liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit, which shall be in such form as approved by an Authorized Officer with the advice of the Bond Counsel to the Authority, such approval to be conclusively evidence by such Authorized Officer's execution and/or confirmation and acceptance of the same.

(b) Any liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit selected pursuant to this Section 6 shall be subject to the following terms and conditions:

- (1) The proposed liquidity providers, standby bond purchase agreement providers, reimbursement agreement providers and/or letter of credit banks shall be a commercial bank or banks with at least P-1/A1 ratings from Moody's and A-1/A+ ratings from S&P;
- (2) Fee quotes shall be requested at least for 364-day facilities and for facilities with terms of two (2) through five (5) years, it being understood that quotes for longer term facilities may be requested;
- (3) The borrowing rate under the facilities shall be based on the Federal Funds Rate, LIBOR or Prime Rate or other rate provided by the provider and accepted by an Authorized Officer and a duly authorized

representative of the Institution. The maximum interest rate for any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or short term Fixed Rate Refunding Bonds that have been purchased and are then being held by a liquidity facility provider or letter of credit bank for such Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or short term Fixed Rate Refunding Bonds, shall be the rate per annum as set forth in the applicable liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit; provided, however, that in no event shall the maximum interest rate set forth in the applicable liquidity facility, standby bond purchase agreement, reimbursement agreement and/or letter of credit exceed the maximum amount permitted by any applicable usury or similar law;

- (4) The facility shall contain such terms as are approved by an Authorized Officer and a duly authorized representative of the Institution; and
- (5) The award shall be made based upon the terms most advantageous to the Authority and the Institution as determined by an Authorized Officer of the Authority and a duly authorized representative of the Institution in their sole discretion, taking into consideration price, fees, trading differentials, ratings, covenants, the form of the restructuring and other considerations.

#### **SECTION 7.**

- (a) If the form of a Restructuring of the Bonds requires the services of a remarketing agent, the Members of the Authority hereby delegate to and authorize any Authorized Officer to confirm the appointment of a firm previously designated and serving as remarketing agent for the Bonds, appoint remarketing agents in addition to a previously appointed remarketing agent, and/or appoint a new remarketing agent or agents (the "Remarketing Agent").
- (b) Any Remarketing Agent (other than a previously appointed and serving Remarketing Agent) shall be selected pursuant to a process that satisfies applicable procurement requirements under the laws of the State of New Jersey. Additional or new Remarketing Agents shall be a firm or firms most advantageous to the Authority and the Institution and shall be selected based on price and other factors such as experience, market access and any other relevant factors. Such Remarketing Agent(s) shall be appointed and named in the applicable documents or certificates relating to the Restructuring.
- (c) Any Remarketing Agent appointed under this Section 7 shall be a member of the National Association of Securities Dealers, Inc., have a capitalization of at least fifteen million dollars (\$15,000,000), and be authorized by law to perform all the duties of a remarketing agent.

**SECTION 8.** The Authority hereby delegates and authorizes any Authorized Officer to take any action required of the Authority in connection with the termination, amendment or modification of any interest rate swap agreement or other swap agreement currently in effect with respect to the Bonds or any action required of the Authority in connection with the entry by the Institution into a new interest rate swap agreement or other swap agreement; provided that in no event shall the Authority pay any amounts (including termination fees) in connection with termination, amendment or modification of, or entry into, any swap agreement by the Institution.

**SECTION 9.** (a) (1) The Authority hereby determines that the Restructuring of the Bonds pursuant to issuance of Restructured Variable Rate Bonds or Variable Rate Refunding Bonds involves circumstances under the criteria of Executive Order No. 26 and the Authority's policies, procedures and criteria that permit the Restructurings to be implemented on a negotiated basis because the Restructurings involve complex credits, complex financial structure and volatile markets. With respect to any Restructuring accomplished through the issuance Fixed Rate Refunding Bonds, the Authority hereby authorizes any particular series of Fixed Rate Refunding Bonds to be sold via competitive sale, except as set forth below.

(2) The Restructured Variable Rate Bonds, Variable Rate Refunding Bonds and Fixed Rate Refunding Bonds shall be in an aggregate principal amount not exceeding the principal amount necessary to currently refund the outstanding principal amount of the Bonds being restructured and the costs of issuance (including but not limited to any termination fee due with respect to terminating an existing integrated swap) necessary to convert or issue such Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds. Such Restructured Variable Rate Bonds, Variable Rate Refunding Bonds and Fixed Rate Refunding Bonds shall be in such denominations, and shall be numbered as shall be provided in the documentation applicable to the Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, as the case may be. Such Restructured Variable Rate Bonds, Variable Rate Refunding Bonds and Fixed Rate Refunding Bonds shall be dated, bear interest, mature and be executed and authenticated as shall be set forth in the documentation applicable to such Bonds and as provided in Section 2 of this Resolution and shall be subject to redemption as provided in the documentation applicable to such particular series of Bonds, provided that the redemption premium, if any, on any such series of Bonds shall not exceed 105%;

(b) Any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds shall be in substantially the form set forth in the documentation applicable to such Bonds, with such insertions, omissions or variations as may be necessary or appropriate, as approved by an Authorized

Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State, such approval to be conclusively evidenced by such Authorized Officer's execution thereof;

(c) Following the execution of any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, any Authorized Officer is hereby authorized to deliver such executed Bonds to the Trustee for authentication and, after authentication, to cause the delivery of such Bonds to the purchaser or purchasers thereof against receipt of the purchase price or unpaid balance thereof;

(d) Except as otherwise determined by an Authorized Officer, in the case of Fixed Rate Refunding Bonds, at such time, on such date or dates and at such place or places as shall be selected by an Authorized Officer, sealed proposals in the form of the Official Bid Form in the form determined by and as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (a copy of which shall be filed with the records of the Authority) (the "Official Bid Form") shall be received, opened and considered for the purchase of any particular series of Fixed Rate Refunding Bonds, to be dated and mature as required herein and substantially as contained in the form of the Notice of Sale in the form determined by and as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (a copy of which shall be filed with the records of the Authority) (the "Notice of Sale"). Bids may also be submitted electronically, at the election of the bidder, in accordance with the provisions of the Notice of Sale. An Authorized Officer is hereby authorized and directed, on behalf of the Authority, to cause the Notice of Sale or a summary thereof to be published prior to the date of bidding at least once in The Bond Buyer, a publication carrying municipal bond notices and devoted primary to financial news published in The City of New York, such notice to be published prior to the day of bidding. The Authority is authorized to accept Financial Surety Bonds, as well as certified or cashier's checks, for purposes of satisfying the Deposit (as defined in the Notice of Sale) requirement, all as set forth in the Notice of Sale. Notwithstanding the foregoing provisions of this Section 9, in the event that an Authorized Officer determines, in consultation with the Bond Counsel to the Authority, and the Attorney General of the State that (a) the issuance of any Fixed Rate Refunding Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26 (Whitman 1994) ("Executive Order No. 26"), and a competitive sale of any particular series of Fixed Rate Refunding Bonds is not in the best interest of the Authority and the Institution or (b) the competitive sale was held and all bids were rejected in accordance with the Notice of Sale, the sale of such Fixed Rate Refunding Bonds shall be governed by Section 9(e) hereof;

(e) In the event that an Authorized Officer determines, in consultation with the Bond Counsel to the Authority, and the Attorney General of the State, that either



(a) a competitive sale of any particular series of Fixed Rate Refunding Bonds is not in the best interest of the Authority and the Institution or (b) a competitive sale of any particular series of Fixed Rate Refunding Bonds is held and all bids are rejected in accordance with the Notice of Sale, the following provisions shall apply: (i) the Authority hereby finds and determines that the issuance of any Fixed Rate Refunding Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26, namely, volatile market conditions. The Authority will select and approve underwriters from the Authority's pre-qualified pool in accordance with Executive Order No. 26. An Authorized Officer is hereby authorized to sell any Fixed Rate Refunding Bonds subject to the foregoing determination, any Restructured Variable Rate Bonds, and any Variable Rate Refunding Bonds to any such firm selected from the list previously approved by the Authority on a negotiated basis; (ii) any Authorized Officer is hereby authorized to execute and deliver on behalf of the Authority a contract of purchase (a "Contract of Purchase") by and among the Authority and the Senior Managing Underwriter (selected as hereinafter provided), on behalf of itself and any additional underwriters appointed pursuant to this Section 11(e), and the Institution in the form determined by and as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (such approval to be evidenced conclusively by such Authorized Officer's execution thereof) for the purchase of any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds at the price or prices to be agreed upon; provided; however, that the underwriters' discount for any particular series of such Bonds shall be as set forth in Section 2(c) above. A copy of the Contract of Purchase as executed shall be filed with the records of the Authority; (iii) the Authority hereby delegates to an Authorized Officer the appointment and determination of the Senior Managing Underwriter and any co-senior managing underwriter and co-managers (collectively, the "Underwriters"), which firms shall be selected from the list previously approved by the Authority. The Underwriters shall be compensated in an amount or amounts in accordance with Section 2 of this Resolution, with the execution of the Contract of Purchase being conclusive evidence of such approval; (iv) any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds, and Fixed Rate Refunding Bonds shall be dated and shall bear interest at such rate or rates set forth for the applicable maturities in the Contract of Purchase and in conformance with this Resolution and the applicable documentation; provided, however, that the conditions set forth in Section 2 (c) regarding, true interest cost and compensation of professionals shall apply and any such Bonds shall bear interest at rates, payable on such dates and mature as set forth in the Indenture or other documentation.

**SECTION 10.** The Authority hereby authorizes the preparation, publication and distribution of a Preliminary Official Statement or Preliminary Remarketing Circular/Memorandum, if applicable, in the form determined by and as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the

Authority and the Attorney General of the State (a copy of which shall be filed with the records of the Authority) (the "Preliminary Official Statement"), and in the case of Fixed Rate Refunding Bonds sold via a competitive sale, the Notice of Sale and the Official Bid Form relating to thereto. Any Authorized Officer is hereby authorized to "deem final" the Preliminary Official Statement, if applicable, in accordance with Rule 15(c) 2-12 of the Securities and Exchange Commission, if applicable.

Any Authorized Officer of the Authority is hereby authorized and directed to execute and deliver a final Official Statement or Remarketing Circular/Memorandum (the "Official Statement"), in substantially the form of Preliminary Official Statement with respect to any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, with such changes, insertions and alterations as the Authorized Officer executing same shall approve with the advice of the Bond Counsel of the Authority and the Attorney General of the State, such approval to be evidenced conclusively by the execution thereof by such Authorized Officer (a copy of which shall be filed with the records of the Authority). Any Authorized Officer is hereby authorized to "deem final" the Official Statement, if no Preliminary Official Statement is necessary in connection with the marketing of Restructured Variable Rate Bonds or Variable Rate Refunding Bonds, in accordance with Rule 15(c) 2-12 of the Securities and Exchange Commission.

**SECTION 11.** The Authority hereby authorizes any Authorized Officer to execute and deliver a new loan agreement or amendments to an existing loan agreement, by and between the Authority and the Institution (a "Loan Agreement"), each of which shall be substantially in the form heretofore approved by the Authority in similar transactions, with such insertions, revisions, modifications and changes therein as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (a copies of which shall be filed with the records of the Authority) in connection with any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds. Any other Authorized Officer is hereby authorized and directed to acknowledge and deliver and to affix and attest the official common seal of the Authority to the Loan Agreement.

**SECTION 12.** The Authority hereby authorizes any Authorized Officer, to execute and deliver an Indenture of Trust (or an amendment or supplement to the Indenture of Trust) by and between the Authority and the Trustee for any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds (an "Indenture"), each of which shall be substantially in the form heretofore approved by the Authority in similar transactions, with such insertions, revisions, modifications and changes therein as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (a copies of which shall be filed with the records of the Authority) in

connection with any such Bonds such approval to be conclusively evidenced by such Authorized Officer's execution thereof. Any other Authorized Officer is hereby authorized and directed to acknowledge and deliver and to affix and attest the official common seal of the Authority to any such Indenture.

**SECTION 13.** The Authority hereby authorizes any Authorized Officer, if necessary, to execute and deliver a new mortgage and security agreement or an amendment to an existing mortgage and security agreement by and between the Authority and the Institution (the "Mortgage Agreement") and to assign, as applicable, such Mortgage to the Trustee, Bond Insurer or provider of a letter of credit or liquidity facility, each of which shall be substantially in the form heretofore approved by the Authority in similar transactions, with such insertions, revisions, modifications and changes therein as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (a copies of which shall be filed with the records of the Authority) in connection with any Fixed Rate Refunding Bonds such approval to be conclusively evidence by such Authorized Officer's execution thereof. Any other Authorized Officer is hereby authorized and directed to acknowledge and deliver and to affix and attest the official common seal of the Authority to any such Mortgage.

**SECTION 14.** Pursuant to the Loan Agreement entered into in connection with any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds, or Fixed Rate Refunding Bonds, the Institution has undertaken and will undertake all responsibility for compliance with continuing disclosure requirements, to the extent applicable and the Authority shall have no liability to the holders of any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds or any other person with respect to continuing disclosure matters. The form of any new Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") by and between the Institution and the Trustee, as dissemination agent (the "Dissemination Agent") in connection with any particular series of Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds shall be in the form determined by and as shall be approved by an Authorized Officer, with the advice of the Bond Counsel to the Authority and the Attorney General of the State (a copies of which shall be filed with the records of the Authority). The Trustee shall be appointed to act as Dissemination Agent under the Continuing Disclosure Agreement, if applicable, and the Trustee shall comply with and carry out all of the obligations imposed on the Dissemination Agent under the Continuing Disclosure Agreement and the Loan Agreement. The failure of the Institution to comply with the requirements of the Continuing Disclosure Agreement, if any, shall not constitute a default under the Indenture or the Loan Agreement with respect to any Restructured Variable Rate Bonds, Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds.

**SECTION 15.** The Authority hereby authorizes any Authorized Officer select an escrow agent (the "Escrow Agent") pursuant to a process which satisfies New Jersey requirements for procurement to execute and deliver an Escrow Deposit Agreement (the "Escrow Deposit Agreement") by and among the Authority and the Escrow Agent in connection with the issuance of any Variable Rate Refunding Bonds or Fixed Rate Refunding Bonds, which shall be substantially in the form heretofore approved by the Authority in similar transactions, with such insertions, revisions, modifications and changes therein as shall be approved by an Authorized Officer, with the advice of Bond Counsel to the Authority and the Attorney General of the State (such approval to be evidenced conclusively by such Authorized Officer's execution thereof) (a copy of which shall be filed with the records of the Authority). Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to the Escrow Deposit Agreement in substantially such form, with such insertions and changes therein as the Authorized Officer executing the same may approve, with the advice of Bond Counsel to the Authority and the Attorney General of the State, such approval to be evidenced conclusively by such Authorized Officer's execution thereof.

**SECTION 16.** Any Authorized Officer is hereby authorized to purchase United States Treasury Obligations, State and Local Government Series, in connection with the refunding of the Bonds (the "Refunding"), or to select a firm to act as its broker or to direct the Authority's bidding agent to solicit bids to purchase open market U.S. Treasury Obligations (as defined in the Escrow Deposit Agreement) in connection with the Refunding, in the event that such Authorized Officer of the Authority determines that it is necessary or advantageous to the Authority to purchase such open market U.S. Treasury Obligations. In connection with the purchase of open market U.S. Treasury Obligations, an Authorized Officer of the Authority is further authorized to solicit bids for one or more float forward or escrow reinvestment agreements (a "Float Forward Agreement") and to direct the Escrow Agent pursuant to the Escrow Deposit Agreement to enter into such Float Forward Agreement or agreements with the successful bidder or bidders therefor. Pursuant to the terms of any Float Forward Agreement, the provider, in consideration of an upfront payment to the Escrow Agent, shall have the right to sell U.S. Treasury Obligations to the Escrow Agent at the times and in the amounts set forth in the Float Forward Agreement at an aggregate purchase price not exceeding the maturity value thereof. Such U.S. Treasury Obligations shall mature on or before the dates when the proceeds thereof are needed to make payments in accordance with the Escrow Deposit Agreement. Each Float Forward Agreement shall be awarded to the bidder offering to pay the highest upfront payment therefor. The form of any Float Forward Agreement shall be as approved by an Authorized Officer of the Authority, in consultation with Bond Counsel and the Attorney General of the State such approval to be conclusively evidenced such Authorized Officer's execution thereof. An Authorized Officer of the Authority is further

authorized to execute and deliver any such Float Forward Agreement and/or any certificates or other documents required in connection therewith. Notwithstanding the foregoing, nothing contained herein shall prohibit an Authorized Officer of the Authority from purchasing both United States Treasury Obligations, State and Local Government Series and open market U.S. Treasury Obligations, to the extent permitted by law. Bond Counsel, the Senior Managing Underwriter, if applicable, and the Escrow Agent, are each hereby authorized to act as agent(s), if so directed by an Authorized Officer of the Authority, on behalf of the Authority for the subscription of United States Treasury Obligations, State and Local Government Series via SLGSafe pursuant to the regulations promulgated therefore set forth in 31 CFR Part 344.

**SECTION 17.** Each Authorized Officer is hereby authorized by the Authority to take any and all actions the Authorized Officer deems necessary or desirable to effect each Restructuring to which the Institution consents. All prior actions undertaken by any Authorized Officer in connection with the Restructuring is hereby ratified and confirmed.

**SECTION 18.** The Chair, Vice Chair, Executive Director, Deputy Executive Director, Treasurer, Secretary, any Assistant Secretary or Director of Project Management of the Authority (each an "Authorized Officer") are hereby authorized by the Authority to execute and deliver any and all documents and any modifications, changes or additions to documents in effect (including without limitation indentures, leases, loan agreements, mortgages, swap agreements and credit or liquidity facilities) necessary or appropriate to effect the Restructuring in the form accepted by the Authorized Officer executing such Agreement, with the advice of Bond Counsel and the Attorney General of the State, such execution being conclusive evidence of acceptance thereof by the executing Authorized Officer and any other Authorized Officer is hereby authorized to attest such documents and to affix the official common seal of the Authority thereto.

**SECTION 19.** This Resolution shall take effect in accordance with the Act.

\_\_\_\_ Ms. Vazquez \_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Mr. Collins \_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES  
AUTHORITY AUTHORIZING ENTRY INTO A SOLAR ENERGY  
CONVERSION SERVICES AGREEMENT FOR PROVISION OF  
SERVICES AT THE RICHARD STOCKTON COLLEGE OF NEW  
JERSEY**

**WHEREAS**, the New Jersey Educational Facilities Authority (the "Authority") is a public body corporate and politic of the State of New Jersey pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), N.J.S.A. 18A:72A-1 et seq. (the "Act"); and

**WHEREAS**, as authorized pursuant to the Act, the Authority issued its Revenue Bonds, The Richard Stockton College of New Jersey Issue, Series 2005 F (the "Bonds") to finance and refinance certain facilities (the "Financed Facilities") for The Richard Stockton College of New Jersey (the "College"); and

**WHEREAS**, the Authority has title to the Financed Facilities and leases such facilities to the College pursuant to a Lease and Agreement dated as of October 1, 2005 relating to the Bonds (the "Lease"); and

**WHEREAS**, the Financed Facilities include the College's multipurpose recreation facility known as "Big Blue"; and

**WHEREAS**, the College wishes to provide electricity for "Big Blue" through solar power pursuant to a Solar Power Energy Conversion Services Agreement pursuant to which energy services will be provided through Marina Energy, LLC (the "Provider"); and

**WHEREAS**, in order to provide such energy services it is necessary for the Provider to construct and install solar power facilities (the "Plant") on "Big Blue"; and

**WHEREAS**, the College has requested the Authority, as owner and lessor of "Big Blue" to consent to and enter into the Solar Power Agreement and to grant the Provider right to enter "Big Blue" for the purpose of constructing and installing the Plant by consenting to entry by the College into a Sub-Lease and Access Agreement (the "Sub-Lease") with the Provider until construction of the Plant is completed; and

**WHEREAS**, the College has advised the Authority that utilization of solar energy pursuant to the Solar Power Agreement is expected to result in a reduction of operating costs for the College; and

**WHEREAS**, the Authority has determined that it is advisable to enter into the Solar Power Agreement and to consent to the College's entry into the Sub-Lease for the purpose of granting the Provider the right to enter "Big Blue" in order to construct and install the Plant.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:**

**Section 1. Approval of Solar Power Agreement and Consent to and Approval of Sub-Lease.**

The Authority hereby approves the Solar Power Agreement, consents to the entry by the College to the Sub-Lease and approves the Sub-Lease substantially in the respective forms presented to the Members of the Authority at this meeting and hereby authorizes and directs the Chair, Vice Chair, Executive Director, Deputy Executive Director, Director of Project Management, Secretary or any Assistant Secretary of the Authority (each an "Authorized Officer") to execute and deliver the Solar Power Agreement and to acknowledge and consent to the Sub-Lease with such changes as shall be approved by an Authorized Officer with the advice of bond counsel, if necessary, and the Attorney General of the State, such execution and delivery to be deemed conclusive evidence of the approval thereof.

**Section 2. Prior Actions Ratified; All Other Necessary Action Authorized.**

Any and all prior actions taken by the Authority in connection with the entry into the Solar Power Agreement by the Authority and providing the Authority's consent to the College to enter into the Sub-Lease are hereby ratified and confirmed. The Authorized Officers, are each hereby authorized and directed to undertake any and all actions necessary to effect execution, delivery and performance of the Solar Power Agreement and the Sub-Lease and to execute and deliver any other consents, agreements, documents, certificates, directions, amendments and notices as may be necessary, advisable, or appropriate to effect action and the taking of any such action, and the execution and delivery of each such consent, agreement, documents, certificates, directions and notices shall be conclusive evidence of the approval thereof by the Authorized Officer taking such action and of its necessity, advisability or appropriateness.

**Section 3. Effective Date.**

This Resolution shall take effect in accordance with the provisions of the Act.



\_\_\_Mr. Eater\_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_ Mr. Jacobs\_\_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
ACCEPTING AND ADOPTING THE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT FOR 2007**

**WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") annually prepares financial statements and this year engaged the independent auditing firm of Ernst & Young, LLP (the "Independent Auditors") to perform an audit of the Authority's financial statements for the year ended December 31, 2007 (the "2007 Financial Statements"); and

**WHEREAS:** The members of the Authority's Audit Committee have received and reviewed the 2007 Financial Statements and the unqualified Report of the Independent Auditors thereon dated March 24, 2008 (the "Independent Auditors' Report"); and

**WHEREAS:** The members of the Authority's Audit Committee have met with representatives of the Independent Auditors and have discussed with them the 2007 Financial Statements and the Independent Auditors' Report; and

**WHEREAS:** The members of the Authority have received the 2007 Financial Statements and the Independent Auditors' Report; and

**WHEREAS:** The members of the Authority's Audit Committee have recommended that the members of the Authority accept the 2007 Financial Statements and the Independent Auditors' Report; and

**WHEREAS:** The members of the Authority wish to accept and adopt the 2007 Financial Statements and the Independent Auditors' Report.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:**

**SECTION 1.** The Authority hereby accepts and adopts the 2007 Financial Statements and the Independent Auditors' Report, as attached hereto and incorporated by reference as if set forth in full herein.

**SECTION 2.** This resolution shall take effect in accordance with N.J.S.A. 18A:72A-4(i).

\_\_\_\_Mr. Eater\_\_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Ms. Vazquez\_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** Roger B. Jacobs

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
2008 BUDGET VARIANCE ANALYSIS  
FOR TWO MONTHS ENDED FEBRUARY 29, 2008**

**Executive Summary**

The NJEFA concluded the first two months of 2008 with net operating income in the amount of \$223,700, based on revenues of \$634,822 and expenses of \$411,122. As a result, net operating income is higher than budgeted by \$34,734. This difference is a result of greater than expected revenues in the amount of \$7,418 and less than anticipated expenses in the amount of \$27,316.

**Revenues**

Revenues were close to projection for the first two months of the year with a positive variance in Investment Income.

**Expenses**

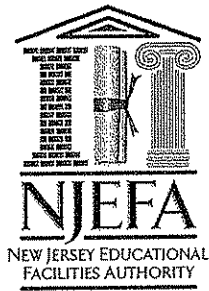
Operating expenditures for the first two months of the year were favorable as compared to budget by \$27,316. Attorney General Fees were \$12,644 less than budgeted because actual billings are less than that of the Legal Services Cost Projection Agreement. The remaining line items display positive deviations and are primarily the result of timing.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**ACTUAL vs. BUDGET REPORT**  
**FEBRUARY 2008**

	Month Ended February 29, 2008			2 Months Ended February 29, 2008		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b><u>Operating Revenues</u></b>						
Annual Administrative Fees	\$275,520	\$275,520	\$ -	\$ 551,040	\$ 551,040	\$ -
Initial Fees	-	-	-	-	-	-
Investment Income	<u>20,870</u>	<u>16,364</u>	<u>4,506</u>	<u>83,782</u>	<u>76,364</u>	<u>7,418</u>
	<u>\$ 296,390</u>	<u>\$ 291,884</u>	<u>\$ 4,506</u>	<u>\$ 634,822</u>	<u>\$ 627,404</u>	<u>\$ 7,418</u>
<b><u>Operating Expenses</u></b>						
Salaries	\$112,700	\$113,464	\$ 764	\$ 215,400	\$ 216,928	\$ 1,528
Employee Benefits	26,830	26,779	(51)	52,749	53,558	809
Office of The Governor	2,333	2,333	-	4,666	4,666	-
Office of The Attorney General	10,000	16,322	6,322	20,000	32,644	12,644
Sponsored Programs	-	-	-	-	-	-
Telephone	2,204	2,391	187	2,362	3,091	729
Gasoline & Auto Maintenance	623	1,045	422	888	1,545	657
Rent	24,683	24,683	-	49,366	49,366	-
Utilities	1,686	1,687	1	3,373	3,374	1
Postage	600	541	(59)	857	1,082	225
Office Supplies & Expenses	4,013	3,819	(194)	5,293	5,819	526
Travel & Official Receptions	915	3,136	2,221	1,722	4,636	2,914
Staff Training & Tuition Reimbursement	430	2,409	1,979	519	2,909	2,390
Insurance	4,460	4,460	-	8,920	8,920	-
Annual Report & Newsletters	2,750	3,000	250	4,500	4,750	250
Public Relations	-	-	-	-	-	-
Electronic Communication Program	-	1,818	1,818	-	1,818	1,818
Professional Services	16,030	16,400	370	16,030	16,400	370
Dues & Subscriptions	3,134	4,100	966	9,284	10,600	1,316
Maintenance of Equipment	1,128	2,000	872	1,128	2,000	872
Depreciation	7,000	7,166	166	14,065	14,332	267
Contingency	-	-	-	-	-	-
	<u>221,519</u>	<u>237,553</u>	<u>16,034</u>	<u>411,122</u>	<u>438,438</u>	<u>27,316</u>
<b>Operating Income</b>	<u>\$ 74,871</u>	<u>\$ 54,331</u>	<u>\$ 20,540</u>	<u>\$ 223,700</u>	<u>\$ 188,966</u>	<u>\$ 34,734</u>

**New Jersey Educational Facilities Authority  
Summary of Construction Funds  
As of February 29, 2008**

<u>Private</u>	<u>Institution</u>	<u>Issue</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net</u>		<u>% Complete</u>
					<u>Disbursed</u>	<u>Balance</u>	
	Stevens Institute of Technology	2004 Series B	Student Residence Conversion	\$ 12,281,959.45	\$ (10,714,280.40)	\$ 1,567,679.05	87%
	Seton Hall University	2005 Series C	Science Center/Student Housing	56,906,973.36	(48,661,894.70)	8,245,078.66	86%
	Institute for Advanced Study	2006 Series C	Biology Bldg., & Renovations	19,939,000.00	(10,922,992.82)	9,016,007.18	55%
	Princeton University	2006 Series D	Renovations/Capital Equipment	75,000,000.00	(52,482,137.45)	22,517,862.55	70%
	College of Saint Elizabeth	2006 Series K	Perf. Arts Center, Renovations	13,943,570.20	(11,622,403.35)	2,321,166.85	83%
	Rider University	2007 Series C	Student Housing, Parking & Improv.	21,013,907.29	(4,396,861.04)	16,617,046.25	21%
	Drew University	2007 Series D	Student Housing & Renovations	25,314,969.30	(2,394,978.74)	22,919,990.56	9%
	Georgian Court University	2007 Series D	Wellness Center, Bookstore	11,327,709.22	(8,272,440.36)	3,055,268.86	73%
	Princeton University	2007 Series E	Construction & Major Maintenance	329,363,288.30	(100,529,875.28)	228,833,413.02	31%
	Sub Total			\$ 565,091,377.12	\$ (249,997,864.14)	\$ 315,093,512.98	
	<u>Public</u>						
	The College of New Jersey	Series 1999 A	Academic Buildings	\$ 54,996,856.58	\$ (33,882,387.86)	\$ 21,114,468.72	62%
	The College of New Jersey	Series 2002 D	Library & Various Renovations	137,126,158.84	(84,305,848.02)	52,820,310.82	61%
	New Jersey City University	Series 2003 A	Various Projects	45,779,798.13	(41,961,604.32)	3,818,193.81	92%
	Rowan University	Series 2004 C	Academic Building, Various Projects	57,850,090.45	(49,108,391.70)	8,741,698.75	85%
	New Jersey City University	Series 2005 A	Various Capital Improvements	21,348,611.31	(15,372,884.45)	5,975,726.86	72%
	Richard Stockton College of New Jersey	Series 2005 C	Various Projects & Renovations	25,824,484.04	(20,562,870.90)	5,261,613.14	80%
	Kean University	Series 2005 B	Various Projects & Renovations	91,383,145.08	(20,495,647.51)	70,887,497.57	22%
	Ramapo College of New Jersey	Series 2006 D	Science Bldg., Parking & Renov.	48,962,668.44	(43,862,646.33)	5,100,022.11	90%
	Montclair State University	Series 2006 A	Rec. Center, Parking & Renovations	99,691,116.44	(20,992,877.56)	78,698,238.88	21%
	Richard Stockton College of New Jersey	Series 2006 F	Housing V, Various Projects	50,675,855.72	(24,995,338.69)	25,680,517.03	49%
	Rowan University	Series 2006 G	Various Renovations	46,527,357.07	(8,391,157.21)	38,136,199.86	18%
	Rowan University	Series 2006 H	Property Acquisition, Renovations	19,797,386.13	(1,874,531.50)	17,922,854.63	9%
	Kean University	Series 2007 D	2 Residence Halls, Dining, Parking	124,287,050.02	(3,934,562.55)	120,352,487.47	3%
	Richard Stockton College of New Jersey	Series 2007 G	Housing V, Various Upgrades & Renov	40,242,421.65	(244,385.78)	39,998,035.87	1%
	Sub Total			\$ 864,492,999.90	\$ (369,985,134.38)	\$ 494,507,865.52	
	<u>Other Programs</u>						
	Public Library Grant Program	Series 2002 A	Library Grants	\$ 45,380,714.58	\$ (44,832,414.28)	\$ 548,300.30	99%
	Capital Improvement Fund	Series 2002 A	Capital Improvements	195,287,675.00	(191,507,541.02)	3,780,133.98	98%
	Equipment Leasing Fund	Series 2003 A	Equipment Leasing	13,343,279.40	(13,276,267.23)	67,012.17	99%
	Sub Total			\$ 254,011,668.98	\$ (249,616,222.53)	\$ 4,395,446.45	
	Grand Total			\$ 1,683,596,046.00	\$ (869,599,221.05)	\$ 813,996,824.95	



**RESOLUTION OF APPRECIATION**  
**TO**  
**DONALD D. UYHAZI**

**WHEREAS**, on October 13, 1986, Donald D. Uyhazi began his career with the New Jersey Educational Facilities Authority as its Controller; and

**WHEREAS**, Mr. Uyhazi brought to the Authority, from his previous position at Trenton State College, a unique understanding of the perspectives and needs of the Authority's clients, as well as a commitment to client service and protection; and

**WHEREAS**, for more than 21 years, Mr. Uyhazi has served the Authority, its clients and its investors with dedication and commitment, fulfilling his responsibilities with the highest degree of integrity, professionalism and ability; and

**WHEREAS**, Mr. Uyhazi has excelled in managing the Authority's accounting functions, including the annual budget and audit processes and conversion of the Authority's accounting system in accordance with the standards of the Governmental Accounting Standards Board; and

**WHEREAS**, Mr. Uyhazi has always been proactive in improving the services of the Authority, and, most notably, he designed and wrote the programming code for the Authority's bond fund accounting and investment management functions, resulting in an investment management and reporting module and a bond fund general ledger accounting and reporting module, and he then integrated the two modules, allowing for the automation of the year-end closing process and the opening of each new year's records, all of which increased the accuracy of the Authority's records and saved significant time and money both for the Authority and its clients; and

**WHEREAS**, Mr. Uyhazi has done a masterful job training and mentoring his staff, so that his contributions to the Authority and its clients will continue for many years to come; and

**WHEREAS**, Mr. Uyhazi is retiring from the Authority today; and the Authority wishes to recognize his service and to honor his dedication to the Authority and to New Jersey's higher education community;

**NOW, THEREFORE, BE IT RESOLVED**, that the Members express their sincere appreciation to Mr. Uyhazi for his many and significant contributions.

**BE IT FURTHER RESOLVED**, that the Authority hereby honors the service of Mr. Uyhazi and recognizes that his efforts have greatly contributed to its success and to the enhancement of campus facilities at New Jersey's institutions of higher education, thereby benefiting all the citizens of the State.

**BE IT FURTHER RESOLVED**, that on behalf of the many friends and colleagues of Mr. Uyhazi at the Authority and in higher education throughout New Jersey, the Members wish him a long and happy retirement and one that will afford him the opportunity to spend many hours with his daughter, flying, skiing, playing racquetball and scuba diving.

**BE IT FURTHER RESOLVED**, that a copy of this Resolution of Appreciation be given to Mr. Uyhazi in tribute to his service to the New Jersey Educational Facilities Authority.

\_\_\_\_Mr. Jacobs\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Mr. Collins\_\_ and upon roll call the following members voted:

**AYE:** Vivian Altman  
Roger B. Jacobs  
Felice K. Vazquez  
Laurence M. Downes (represented by Kevin J. Collins)  
R. David Rousseau (represented by Dave Eater)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.