

RESOLUTION OF THE BOARD OF TRUSTEES
OF MICHIGAN STATE UNIVERSITY
AUTHORIZING THE ISSUANCE AND DELIVERY OF
COMMERCIAL PAPER NOTES, SERIES E, AND
PROVIDING FOR OTHER MATTERS RELATING THERETO

WHEREAS, the Board of Trustees of Michigan State University (the "Board") is a body corporate created by and existing under the Constitution of the State of Michigan with full constitutional authority over and general supervision of Michigan State University (the "University") and control and direction of all expenditures from the University's funds; and

WHEREAS, the Board has determined that financing capital projects of the University with the proceeds of tax-exempt or taxable debt, or both, will enhance the flexibility of the University with respect to its budget and financial resources, and will permit the allocation of the costs of the capital projects to the periods of the useful lives of the projects being acquired; and

WHEREAS, the University's current high credit ratings not only reflect the financial strength of the University and its ability to repay its debt obligations, but will also permit the University to access public debt markets in the most efficient and economic manner; and

WHEREAS, the Board has determined it is necessary and desirable to provide for the temporary or permanent financing of capital projects of the University, currently under way or to be undertaken, through the issuance of Board of Trustees of Michigan State University Commercial Paper Notes, Series E (Tax-Exempt) (the "Series E Notes") and the continuation of the issuance of the previously authorized Board of Trustees of Michigan State University Commercial Paper Notes, Series B (Taxable) (the "Series B Notes," and collectively with the Series E Notes, the "Notes") in an aggregate principal amount such that the Notes outstanding from time to time shall not exceed \$250,000,000; and

WHEREAS, the Board has determined it is necessary and appropriate to refund all or part of the outstanding notes of the Board's Commercial Paper Notes, Series D (Tax-Exempt) (the "Series D Notes") and all or part of the outstanding Series B Notes (such notes to be refunded to be selected by an Authorized Officer (as hereinafter defined) and being herein called the "Notes to be Refunded"), and that it may be economic and appropriate to refund certain other outstanding debt obligations of the Board (such debt obligations, if any, to be refunded to be selected by an Authorized Officer and being herein called the "Bonds to be Refunded"); and

WHEREAS, the Board has approved certain capital projects to be financed and refinanced in whole or in part through the issuance of the Notes, as set forth on Exhibit A hereto, and may approve additional projects to be so financed (all such projects being herein called the "Projects"); and

WHEREAS, in order to provide for the issuance of the Series E Notes, it will be necessary for the President, the Vice President for Finance and Treasurer and the Director of Investments and Financial Management (each an "Authorized Officer") or any one of them individually, to execute and deliver one or more Commercial Paper Issuance Certificates

(collectively, the "Issuance Certificate"), one or more Commercial Paper Issuing and Paying Agent Agreements (collectively, the "Paying Agent Agreement") with a bank or banks to be selected by an Authorized Officer, one or more Dealer Agreements (each a "Dealer Agreement") with a dealer or dealers (collectively, the "Dealer") to be designated by an Authorized Officer, and, if deemed appropriate by an Authorized Officer, an agreement or agreements relating to a liquidity or credit/liquidity facility; and

WHEREAS, the Series E Notes are to be limited and not general obligations of the Board, payable from and secured by a pledge of General Revenues (as shall be defined in the Issuance Certificate in a manner generally consistent with the definition thereof set forth in the Commercial Paper Issuance Certificate pursuant to which the Series D Notes were issued) and moneys from time to time on deposit in the Note Payment Fund or Funds to be created pursuant to the Issuance Certificate, and may be additionally payable from Available Investments (as shall be defined in the Issuance Certificate); and

WHEREAS, it is necessary for the Board to delegate to each of the Authorized Officers the power to designate certain Authorized Representatives and Authorized Persons (each as shall be defined in the Issuance Certificate or Paying Agent Agreement) to undertake certain actions with respect to the issuance of the Series E Notes; and

WHEREAS, the Series E Notes are to finally mature on or before the date five years after the date of issuance of the first Series E Notes hereunder, and are intended (to the extent not previously retired) to be replaced by permanent General Revenue financing on or prior to such final maturity date; and

WHEREAS, it is necessary to extend the date on which the Series B Notes are to finally mature; and

WHEREAS, in the exercise of its constitutional duties, and in order to prudently control and direct expenditures from the University's funds, the Board determines it is necessary and desirable to authorize the issuance of the Notes to provide funds to finance and refinance all or part of the costs of the Projects, to refund the Notes to be Refunded and the Bonds to be Refunded, if any, and to pay certain costs incurred in connection with the issuance and sale of the Series E Notes and the refunding; and

WHEREAS, in order to be able to market and remarket the Notes, it is necessary for the Board to authorize an Authorized Officer to prepare, execute and deliver, on behalf of the Board, one or more Offering Memoranda (collectively, and as supplemented from time to time, the "Offering Memorandum") to be circulated and used in connection with the marketing, sale and delivery of the Notes, and to take, together with other appropriate officers, agents and representatives of the Board or the University, additional actions necessary to accomplish the sale and delivery of the Notes, the administration of the commercial paper program of which the Notes are a part, and the purposes hereof, all within the limitations set forth herein; and

WHEREAS, the financing and refinancing of the Projects and the refunding of the Notes to be Refunded and the Bonds to be Refunded, if any, will serve proper and appropriate public purposes; and

WHEREAS, the Board has full power under its constitutional authority for supervision of the University, and control and direction of expenditures from the University's funds, to authorize and acquire the Projects, to refund the Notes to be Refunded and the Bonds to be Refunded, if any, to finance and refinance by the issuance of the Notes the costs of the Projects, the costs of the refunding and the costs related to the issuance of the Notes and the refunding, and to pledge the General Revenues of the University for payment of the Series E Notes and to covenant to pay the Series E Notes from Available Investments.

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

1. The Board hereby authorizes the issuance, execution and delivery of the Series E Notes of the Board, in multiple issuances on various dates, to be designated BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY COMMERCIAL PAPER NOTES, SERIES E, with additional or alternative series designations, as shall be determined appropriate by an Authorized Officer, in the aggregate principal amount outstanding from time to time as shall be designated by any one of the Authorized Officers, but, together with the Series B Notes, not in excess of \$250,000,000 outstanding from time to time, to be dated as of a date of issuance of each Series E Note, or otherwise as shall be determined by an Authorized Officer, for the purpose of (a) financing and refinancing all or part of the costs of the Projects, (b) refunding all or a portion of the Series B Notes and the Series D Notes, as shall be determined by an Authorized Officer, (c) refunding the Bonds to be Refunded, if any, as shall be determined by an Authorized Officer, and (d) paying all or part of the costs incidental to the issuance of the Series E Notes and the refunding. The Projects as a whole are hereby determined by the Board to constitute a single governmental purpose of the Board. The Series E Notes shall not be subject to redemption prior to maturity. Each Series E Note shall mature not later than 270 days after its date of issuance, determined as shall be provided in the Issuance Certificate and Paying Agent Agreement, and all Series E Notes must mature on or before the date five years after the date of issuance of the first Series E Notes hereunder. Interest on each Series E Note shall be payable on the maturity date thereof, at the rate, not in excess of 10% per annum, determined as shall be provided in the Issuance Certificate and Paying Agent Agreement. The Series E Notes shall be issued in fully registered form in the denominations, shall be subject to transfer and exchange, and shall be executed and authenticated, all as shall be provided in the Issuance Certificate. The Series E Notes shall be sold at par through the Dealer or Dealers selected by an Authorized Officer, as shall be provided in the Dealer Agreement.

Each Series B Note shall mature not later than 270 days after its date of issuance, determined as shall be provided in the Issuance Certificate and Paying Agent Agreement applicable thereto, and all Series B Notes must mature on or before December 31, 2020.

2. The Series E Notes shall be limited and not general obligations of the Board payable from and equally and ratably secured by a lien on General Revenues on a parity basis with the lien securing the Board's outstanding General Revenue bonds, notes and other obligations, now or hereafter outstanding, and by a lien on moneys from time to time on deposit in the Note Payment Fund or Funds to be created pursuant to the Issuance Certificate, as shall be provided therein. The Series E Notes may also be payable from Available Investments, as may be provided in the Issuance Certificate.

In support of its obligation to repay the Notes, the Board may, if deemed appropriate by an Authorized Officer, enter into one or more letters of credit, lines of credit, note purchase agreements or other liquidity or credit/liquidity facilities (collectively, the "Liquidity Facility"). Any reimbursement obligation (including interest) for draws under the Liquidity Facility shall be a limited and not general obligation of the Board, payable from General Revenues, and may be secured by a parity or subordinate pledge of General Revenues. The Authorized Officers are, and any one of them is, authorized to negotiate, execute and deliver, for and on behalf of the Board, such agreement or agreements (collectively, the "Liquidity Agreement") as an Authorized Officer may deem appropriate to acquire the Liquidity Facility and to provide for the repayment of draws thereunder, as provided herein.

No recourse shall be had for the payment of the principal amount of or interest on the Series E Notes, or under any Liquidity Agreement, or any claim based thereon, against the State of Michigan or against any member, officer or agent of the Board or of the University, as individuals, either directly or indirectly or, except as shall be provided in the Issuance Certificate and the Liquidity Agreement, if any, against the Board, nor shall the Series E Notes and interest with respect thereto or the obligations under any Liquidity Agreement become a lien on or be secured by any property, real, personal or mixed of the State of Michigan, the Board or the University, other than the General Revenues and the moneys from time to time on deposit in the Note Payment Fund or Funds to be created by the Issuance Certificate.

3. The right is reserved to issue additional bonds, notes or other obligations payable from General Revenues and secured on a parity or subordinated basis with the Notes and other General Revenue bonds, notes and other obligations by a lien on General Revenues, upon compliance with terms and conditions therefor as shall be set forth in the Issuance Certificate.

4. The Authorized Officers are, and any one of them is, hereby authorized and directed, in the name of the Board and as its corporate act and deed, to negotiate, execute and deliver the Issuance Certificate, the Paying Agent Agreement and one or more Dealer Agreements, consistent with the terms of this Resolution, as the Authorized Officer or Officers executing the same shall approve, which approval shall be conclusively evidenced by the execution of the respective documents. The Authorized Officers are, and any one of them is, hereby further authorized to execute and deliver any amendments to the Issuance Certificate, Paying Agent Agreement and Dealer Agreement entered into in connection with the issuance of the Series B Notes as may be necessary for the refunding of the Notes to be Refunded and the issuance of the Series E Notes, and otherwise to reflect the terms hereof.

5. The Authorized Officers are, and any one of them is, hereby authorized and directed to designate employees or agents of the Board or the University to act as Authorized Representatives with respect to the issuance of Series E Notes, and to designate Authorized Persons, who may be employees or agents of the Board or the University or employees or agents of the Dealer, to take certain actions with respect to the issuance of Series E Notes, all as shall be provided in the Issuance Certificate, the Paying Agent Agreement, or any Dealer Agreement.

6. The President of the University and the Vice President for Finance and Treasurer are, and either one of them is, hereby authorized, empowered and directed, in the name and on behalf of the Board, and as its corporate act and deed, to execute the Series E Notes by manual or facsimile signature and to deliver the Series E Notes to the purchaser in exchange for the purchase price thereof, as shall be provided in the Issuance Certificate and the Paying Agent Agreement. The Series E Notes may be issued in the form of one or more Master Notes, as shall be provided in the Paying Agent Agreement.

7. The Authorized Officers are, and any one of them is, hereby authorized to cause to be prepared and circulated the Offering Memorandum with respect to the Notes, and to update, or cause to be updated, the Offering Memorandum, through supplements or otherwise, as an Authorized Officer shall deem appropriate, or as may be required by law. Any Dealer is authorized to circulate and use, in accordance with applicable law, the Offering Memorandum, as the same may have been updated or supplemented from time to time, in the offering, sale and delivery of the Notes.

8. The Authorized Officers are, and any one of them is, hereby authorized to select the portions, if any, of the Series B Notes and the Series D Notes and of the Board's outstanding bonds referred to in the preambles hereto as the "Notes to be Refunded" and "Bonds to be Refunded," respectively, and to provide for the call for redemption of such bonds, and to take any and all actions necessary and appropriate to provide for the payment when due of all amounts with respect to the Notes to be Refunded and the Bonds to be Refunded from the proceeds of the Series E Notes or other authorized debt obligations of the Board, or from other available funds of the University. All Series D Notes not refunded from the proceeds of the Series E Notes or other authorized debt obligations of the Board must be retired from other available funds of the University within 90 days of the first issuance of any Series E Notes.

9. The President, the Vice President for Finance and Treasurer, the Director of Investments and Financial Management, the Secretary of the Board, the Vice President for Legal Affairs and General Counsel and any Associate or Assistant General Counsel, and all other appropriate officers or representatives of the Board or the University and each one of them are authorized to perform all acts and deeds and to execute and deliver for and on behalf of the Board all instruments and documents required by this Resolution or the documents authorized hereby (including a Letter or Letters of Representations among the Board, The Depository Trust Company and other necessary entities), or necessary, expedient and proper in connection with the issuance, sale and delivery of the Series E Notes and the administration of the financing program represented by the Notes, from time to time, all as contemplated hereby or in connection with subsequent elections, approvals or determinations under the Issuance Certificate

or other documents. Any reference to an officer of the Board or the University herein shall include any interim or acting officer appointed by the Board.

10. All resolutions or parts of resolutions or other proceedings of the Board in conflict herewith are hereby repealed insofar as such conflict exists.

EXHIBIT A

PROJECTS

The Projects, as that term is used in the Resolution to which this Exhibit A is attached, include the following:

Category I

<u>Project Description</u>	Currently Estimated Approximate Cost To Be Funded From Note Proceeds (exclusive of issuance expense) <u>(millions)</u>
A. (Board approved project construction/renovation)	
Akers Hall dining and life safety renovations, remodeling, furnishing and equipping	\$15.2
Bio Engineering Facility	15.1
North Campus Infrastructure Improvements – West Circle Drive - 2014	9.9
B. (Board approved project planning and design)	
North Campus Infrastructure Improvements – West Circle Drive - 2015	7.8

Category II

All projects heretofore or hereafter approved by the Board with an identified total or partial funding source as the proceeds of bonds, the Notes or other debt obligations issued by the Board.

Category III

Miscellaneous building, renovation, remodeling, site improvement, equipment, utility, information system and similar capital projects of the University, each with an estimated cost of \$5,000,000 or less, including but not limited to, roof repairs and replacements; electrical, mechanical, chiller, refrigeration and steam system renovations, repairs, replacements and improvements; heating, cooling and air conditioning system renovations, repairs, replacements and improvements; structural repairs and improvements; utility distribution repairs and improvements; road and sidewalk repairs and improvements; building and building addition construction, renovation, furnishing and equipping; information and computing system acquisitions and improvements (including wiring and cabling); elevator repairs and improvements; miscellaneous landscaping and site work; and miscellaneous equipment acquisitions.

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Trustees of Michigan State University on June 20, 2014, in accordance with applicable law, and that the minutes of the meeting at which the resolution was adopted were kept and will be or have been made available at the Office of the Vice President and Secretary of the Board of Trustees of Michigan State University.

I further certify as follows:

1. Present at the meeting were the following Board members:

2. Absent from the meeting were the following Board members:

3. The following members of the Board voted for the adoption of the Resolution:

4. The following members of the Board voted against adoption of the Resolution:

RESOLUTION DECLARED ADOPTED.

Vice President and Secretary
Board of Trustees of Michigan State University