

RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY

TITLE:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO LOAN AGREEMENT AND A FIRST SUPPLEMENT TO TRUST INDENTURE IN CONNECTION WITH THE MORRIS COUNTY IMPROVEMENT AUTHORITY'S \$83,515,000 SCHOOL FACILITIES REVENUE BONDS (DREW UNIVERSITY PROJECT), SERIES 2017, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Morris County Improvement Authority (the "*Authority*") is a public body corporate and politic of the State of New Jersey (the "*State*"), created and established by the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "*Act*"); and

WHEREAS, Drew University (the "*University*") is a non-profit corporation organized and existing under the laws of the State; and

WHEREAS, the Authority and the University have previously entered into a Loan Agreement, dated as of December 1, 2017 (the "*Original Loan Agreement*"), relating to the issuance of the Authority's \$83,515,000 School Facilities Revenue Bonds (Drew University Project), Series 2017 (the "*Bonds*"); and

WHEREAS, the Bonds were issued pursuant to a Trust Indenture, dated as of December 1, 2017 (the "*Original Indenture*"), by and between the Authority and U.S. Bank National Association, as trustee (the "*Trustee*"); and

WHEREAS, Preston Hollow Capital, LLC, a Delaware limited liability company (the "*Bondholder Representative*"), is currently the holder of 100% of the Bonds outstanding; and

WHEREAS, pursuant to Sections 12.02 and 12.05 of the Original Indenture, the Authority and the Trustee may enter into an indenture supplemental to the Original Indenture and the Authority and the University may enter into an amendment to the Original Loan Agreement, each with the consent of the Bondholder Representative, for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Original Indenture or in the Original Loan Agreement; and

WHEREAS, pursuant to Section 12.06 of the Original Indenture, before the Authority and the Trustee shall enter into any supplemental indenture, or before the Authority and the University shall enter into any amendment to the Original Loan Agreement, there shall have been delivered to the Trustee: (i) an opinion of Bond Counsel to the effect that (a) the action proposed to be taken is authorized or permitted by the Original Indenture and the Original Loan Agreement and complies with their respective terms, and (b) such action will not adversely affect

the exemption of interest on the Bonds from federal income taxation and the validity of the Bonds; and (ii) the consent, in writing, of the Bondholder Representative; and

WHEREAS, the University has requested that the Authority amend the Original Indenture and the Original Loan Agreement to remove the requirement that moneys held in the Project Fund under the Original Indenture that are not spent within three years from the date of issuance of the Bonds be transferred to the Bond Redemption Fund and used to redeem the Bonds (the "*Bond Modification*"); and

WHEREAS, the University has requested the Authority to authorize and permit the Bond Modification and to further amend the provisions of the Original Loan Agreement, the Original Indenture and any other necessary documents related to the Bonds to permit and effectuate the Bond Modification.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

Section 1. The aforementioned recitals are incorporated herein as though fully set forth at length.

Section 2. The Loan Agreement and the Indenture are hereby authorized to be amended and supplemented to provide for the Bond Modification.

Section 3. The First Amendment to Loan Agreement, in substantially the form attached hereto, is hereby approved. The Chairman, Vice Chairman, Executive Director, Secretary or Assistant Secretary of the Authority (collectively, the "*Authorized Officers*") are hereby authorized, in consultation with counsel to the Authority, to execute, attest, acknowledge and deliver the First Amendment to Loan Agreement with any changes, insertions and omissions as may be recommended by counsel to the Authority and agreed by any of the Authorized Officers. The execution of the First Amendment to Loan Agreement shall be conclusive evidence of the Authority's approval of such First Amendment to Loan Agreement in the form as executed.

Section 4. The First Supplement to Trust Indenture, in substantially the form attached hereto, is hereby approved. The Authorized Officers are hereby authorized, in consultation with counsel to the Authority, to execute, attest, acknowledge and deliver the First Supplement to Trust Indenture with any changes, insertions and omissions as may be recommended by counsel to the Authority and agreed by any of the Authorized Officers. The execution of the First Supplement to Trust Indenture shall be conclusive evidence of the Authority's approval of such First Supplement to Trust Indenture in the form as executed.

Section 5. The Authorized Officers are hereby designated to be the authorized representatives of the Authority and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution and effectuating the Bond Modification.

Section 6. In case any one or more of the provisions of this resolution, the First Amendment to Loan Agreement or the Frist Supplement to Trust Indenture shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, the First Amendment to Loan Agreement or the First Supplement to Trust Indenture, and such documents shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 7. All prior resolutions of the Authority or portions thereof that are inconsistent herewith are hereby repealed.

Section 8. This resolution shall take effect in accordance with applicable law.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Bonanni				
Ramirez				
Bauer				
Sandman				
Gallopo				

This Resolution was acted upon at the Regular Meeting of the Authority held on December 16, 2020 at the Authority's principal corporate office in Morristown, New Jersey.

Attested to this 16th day of December, 2020:

By: _____
Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of December 16, 2020.

By: _____
Matthew D. Jessup, Esq., Member
McManimon, Scotland & Baumann, LLC
Counsel to the Authority
Resolution No. 20-37

EXHIBIT A

FORM OF FIRST AMENDMENT TO LOAN AGREEMENT

EXHIBIT B

FORM OF FIRST SUPPLEMENT TO TRUST INDENTURE