

**MEETING MINUTES OF THE BOARD OF DIRECTORS OF THE
NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY**

June 6, 2023

The meeting was called to order by Chair Dale R. Folwell at 1:00 p.m. on the above date. The meeting was conducted in person and by use of simultaneous communication by GoToWebinar™. Members present in person: Chair Folwell. Members present virtually: DeAlva Wilson-Arnold, Marcus Bowen, Ted Hicks, and Joseph McLaughlin.

Members Absent: State Auditor Beth Wood and Frank Beam.

Other participants present in person: Lewis Andrews, Sharon Edmundson, Jennifer Wimmer, Debbie Tomasko, Cindy Aiken.

A quorum was present for the entire meeting.

Chair Folwell asked those present if they had any actual, potential, or the appearance of a conflict of interest regarding the matters on the agenda. There were no conflicts to report.

Mr. McLaughlin made a motion that the minutes of the March 7, 2023 meeting be approved. Ms. Wilson-Arnold seconded the motion, and the minutes were approved by a vote of 5– 0 (Absent: Wood, Beam).

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ELON UNIVERSITY

Mr. Hicks made a motion to adopt the following resolution:

**“RESOLUTION APPROVING THE FINANCING TEAM FOR THE
NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY
REVENUE BONDS (ELON UNIVERSITY), SERIES 2023**

WHEREAS, Elon University (the “University”) has requested that the North Carolina Capital Facilities Finance Agency (the “Agency”) approve its selection of the following financing team members for the upcoming revenue bond issue:

Bond Counsel:	Womble Bond Dickinson (US) LLP
University Counsel:	Fox Rothschild LLP
Lender:	TD Bank, N.A.
Lender’s Counsel:	Parker Poe Adams & Bernstein LLP
Trustee:	Truist Bank
Financial Advisor:	Janney Montgomery Scott LLC

WHEREAS, based upon the information and evidence received by the Agency, it is of the opinion that the request of the University should be approved;

NOW THEREFORE, BE IT RESOLVED by the Agency that the above financing team is hereby approved for the proposed revenue bond issue for the University.”

Mr. McLaughlin seconded the motion and the foregoing resolution was adopted by unanimous vote of 5 – 0 (Absent: Wood, Beam).

Thereupon, Mr. Hicks made a motion to adopt the following resolution:

“RESOLUTION APPROVING AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$37,500,000 NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY REVENUE BONDS (ELON UNIVERSITY), SERIES 2023 AND TRANSACTIONAL DETAILS RELATING THERETO

WHEREAS, the North Carolina Capital Facilities Finance Agency (the “Agency”) is a body corporate and politic and a public agency and an instrumentality of the State of North Carolina and is authorized under Article 2 of Chapter 159D of the General Statutes of North Carolina, as amended (the “Act”), to issue bonds and to lend the proceeds thereof to any participating institution for the costs of a project (as such terms are defined in the Act); and

WHEREAS, Elon University (the “University”) is a North Carolina nonprofit corporation and a participating institution within the meaning of the Act that owns and operates a nonprofit private educational institution located in Elon, North Carolina; and

WHEREAS, the University has applied to the Agency for approval of the issuance of not to exceed \$37,500,000 North Carolina Capital Facilities Finance Agency Revenue Bonds (Elon University), Series 2023 (the “Bonds”) for the purpose of loaning the proceeds thereof to the University to provide funds, together with other available funds, to (a) pay or reimburse all or a portion of the cost of (i) the design, renovation, expansion, construction, and equipping of a building or buildings designated to provide classroom, instructional, laboratory, collaboration, and study space, offices, and related facilities in connection with the University’s health science curriculum; (ii) the design, construction, and equipping of student housing, faculty and staff housing, classroom and event space, study space, student common and collaboration space, and faculty offices located at the East Neighborhood area of the University’s main campus; (iii) related parking facilities, sidewalks, landscaping, marker walls and furniture, fixtures and equipment and other facilities; and (iv) miscellaneous capital improvement projects throughout the main campus of the University including, without limitation, the acquisition of specialized equipment in connection with the University’s health science curriculum (collectively, the “Project), (b) pay a portion of the interest on the Bonds during construction of the projects being financed and (c) pay certain costs incurred in connection with the authorization and issuance of the Bonds; and

WHEREAS, as provided by the Act, the Agency has determined and does hereby determine that (a) the University is financially responsible and capable of fulfilling its obligations to make loan repayments under the Loan Agreement (hereinafter described), to operate, repair and maintain the educational facilities to be financed at its own expense and to discharge such other responsibilities as may be imposed under the Loan Agreement, (b) adequate provision has been made for the payment of the principal or purchase price of and interest on the Bonds and any necessary reserves therefor and for the operation, repair

and maintenance of the Project at the expense of the University, (c) the public facilities, including utilities, and public services necessary for the Project are available and (d) the Project is being operated to serve and benefit the public, and there is no discrimination against any person based on race, creed, color, disability or national origin; and

WHEREAS, TD Bank, N.A. (the “Lender”) has proposed to purchase the Bonds for its own account, with the Bonds bearing a fixed rate of interest for an approximately ten-year period beginning upon the date of issuance, subject to further adjustment under certain circumstances, all as more fully described in the Trust Agreement (hereinafter defined), and thereafter bearing interest to maturity as provided in the Trust Agreement; and

WHEREAS, there have been prepared draft copies or executed versions, as applicable, of the following documents relating to the issuance of the Bonds (which could be requested for review by any member of the Agency):

(1) Master Trust Indenture, dated as of July 1, 2012 (as amended or supplemented from time to time in accordance with its terms, the “Master Indenture”), between the University and Branch Banking and Trust Company (now known as Truist Bank), as trustee (the “Master Trustee”);

(2) Trust Agreement, to be dated as of June 1, 2023 (the “Trust Agreement”), between the Agency and Truist Bank, as trustee (the “Bond Trustee”), together with the form of the Bonds attached thereto;

(3) Loan Agreement, to be dated as of June 1, 2023 (the “Loan Agreement”), between the Agency and the University;

(4) Supplemental Indenture for Obligation No. 12A and Obligation No. 12B, to be dated as of June 1, 2023 (“Supplement No. 12”), between the University and the Master Trustee, supplementing the Master Indenture, together with the forms of Obligation No. 12A (“Obligation No. 12A”) and Obligation No. 12B (“Obligation No. 12B”) attached thereto, Obligation No. 12A evidencing the obligation of the University to pay the amounts due under the Loan Agreement; and

(5) Credit Agreement, to be dated as of June 1, 2023 (the “Credit Agreement”), between the University and the Lender; and

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

Section 1. Capitalized words and terms used in this resolution and not defined herein shall have the meanings given such terms in the Trust Agreement and the Loan Agreement.

Section 2. Pursuant to the authority granted to it by the Act, the Agency hereby authorizes the issuance of the Bonds in the aggregate principal amount not to exceed \$37,500,000. The Bonds shall mature not later than December 31, 2043. Subject to the limitations set forth in this section, the principal amount of the Bonds shall be as requested

by the University at the time of issuance of the Bonds. The Bonds shall bear interest at a fixed rate of interest for the approximately ten-year period beginning upon the date of issuance, subject to further adjustment under certain circumstances, all as more fully described in the Trust Agreement, and thereafter bear interest to maturity at a new Bank Bond Rate with a new Minimum Holding Period and Mandatory Purchase Date as provided in the Trust Agreement. The Bonds shall be issuable as fully registered bonds in the authorized denominations and initially registered in the name of the Lender as set forth in the Trust Agreement. Payments of principal of and interest on the Bonds shall be payable at the times and in the manner set forth in the Trust Agreement. The Bonds shall be subject to optional, extraordinary and mandatory redemption at the times, upon the terms and conditions and at the prices set forth in the Trust Agreement. The proceeds of the Bonds shall be applied as set forth in the Trust Agreement.

Section 3. The Agency hereby finds that the use of the proceeds of the Bonds, as more fully provided in the Trust Agreement and the Loan Agreement, to finance the costs of the Project will accomplish the public purposes set forth in the Act.

Section 4. The forms, terms and provisions of the Trust Agreement and the Loan Agreement are hereby approved, and the Chair, Vice Chair, Secretary-Treasurer or any Deputy Secretary-Treasurer of the Agency or any other authorized person designated by the Agency is hereby authorized and directed to execute and deliver the Trust Agreement and the Loan Agreement in substantially the forms presented at this meeting, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate (including, but not limited to, changes, modifications and deletions necessary to incorporate the final terms of the Bonds), such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Agency.

Section 5. The forms, terms and provisions of Supplement No. 12, Obligation No. 12A, Obligation No. 12B and the Credit Agreement are hereby approved in substantially the forms presented at this meeting.

Section 6. The form of the Bonds set forth in the Trust Agreement is hereby approved, and the Chair, Vice Chair, Secretary-Treasurer or any Deputy Secretary-Treasurer of the Agency is hereby authorized and directed to execute, by manual signature as provided in such form of the Bonds, and to deliver to the Bond Trustee for authentication on behalf of the Agency, the Bonds in definitive form, which shall be in substantially the form set forth in the Trust Agreement presented at this meeting, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate and consistent with the Trust Agreement; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Agency.

Section 5. The Agency hereby requests the Local Government Commission of North Carolina to sell the Bonds to the at a price equal to 100% of principal amount of the Bonds not to exceed \$37,500,000 and an initial fixed interest rate not to exceed 6% per annum and with a final maturity of not to exceed December 31, 2043. The delivery of this resolution to the Local Government Commission of North Carolina shall serve as the application for approval thereof.

Section 6. Upon the Agency's execution of the Bonds in the form and manner set forth in the Trust Agreement, the Bonds shall be deposited with the Bond Trustee for authentication, and the Bond Trustee is hereby authorized and directed to authenticate, and upon due and valid execution and delivery of the Trust Agreement by the proper parties thereto, the Bond Trustee shall deliver the Bonds to the Lender against payment therefor, subject to the provisions of the Trust Agreement.

Section 7. The Chair, Vice Chair, Secretary-Treasurer or any Deputy Secretary-Treasurer of the Agency or any other authorized person designated by the Agency is hereby authorized and directed to execute and deliver such closing documents, certifications and other proofs, and to take such other actions, as they, with the advice of counsel, may deem necessary and appropriate to carry out the issuance of the Bonds by the Agency and purchase thereof by the purchaser to which the Bonds are sold by the Local Government Commission.

Section 8. The Agency hereby recommends that the Governor of the State of North Carolina approve the issuance of the Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, and hereby requests such approval.

Section 9. This resolution shall take effect immediately upon its passage."

Mr. McLaughlin seconded the motion and the foregoing resolution was adopted by unanimous vote of 5 – 0 (Absent: Wood, Beam).

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Chair Folwell asked that the meeting be adjourned in remembrance of Memorial Day and in honor of all those who have served in the military, those alive, deceased and missing in action. Mr. McLaughlin made a motion to adjourn the meeting. Ms. Wilson-Arnold seconded the motion, which passed by unanimous vote and the meeting was adjourned at 1:09 p.m.

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I, Carolyn Heden, Interim Director of State Debt Management, DO HEREBY CERTIFY that the foregoing is a true and correct account of actions taken at a meeting of the Agency duly called and held on June 6, 2023.

WITNESS my hand at Raleigh this 12th day of November, 2024.



Interim Director
State Debt Management