

**A RESOLUTION AMENDING AND SUPPLEMENTING
THE RESOLUTION OF THE BOARD OF REGENTS
ADOPTED ON MAY 24, 2001 ENTITLED:**

“RESOLUTION OF THE BOARD OF REGENTS OF THE STATE OF FLORIDA (THE “BOARD”) APPROVING THE FINANCING OF THE COSTS OF THE ACQUISITION AND CONSTRUCTION OF CERTAIN STUDENT RESIDENCE FACILITIES ON THE TAMPA CAMPUS OF THE UNIVERSITY OF SOUTH FLORIDA (THE “UNIVERSITY”) AS DESCRIBED HEREIN, BY THE UNIVERSITY OF SOUTH FLORIDA FOUNDATION, INC. (THE "FOUNDATION"), A UNIVERSITY DIRECT SUPPORT ORGANIZATION, AND, IF FINANCIALLY ADVANTAGEOUS, THE REFUNDING OF ALL OR A PORTION OF THE UNIVERSITY OF SOUTH FLORIDA HOUSING FACILITY REVENUE BONDS, SERIES 1996A AND, IF NECESSARY, THE REFUNDING OF THE UNIVERSITY OF SOUTH FLORIDA REVENUE BONDS OF 1983, BOTH ISSUED ON BEHALF OF THE UNIVERSITY; APPROVING FORMS OF A FIRST AMENDATORY MASTER GROUND LEASE AGREEMENT AND A FIRST AMENDATORY MASTER OPERATING LEASE; APPROVING THE ISSUANCE BY THE FOUNDATION OF CERTIFICATES OF PARTICIPATION, IN AN AMOUNT NOT EXCEEDING \$22,000,000 TO FINANCE THE PROJECTS AND IN AN AMOUNT NOT EXCEEDING \$12,200,000 TO FINANCE THE REFUNDINGS; APPROVING THE PURPOSES AND EXISTENCE OF THE FOUNDATION; AUTHORIZING CHANCELLOR AND STAFF TO TAKE FURTHER ACTIONS CONSISTENT WITH THE RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.”

BY INCREASING THE AMOUNT OF THE CERTIFICATES BEING ISSUED TO FINANCE THE PROJECTS TO \$24,000,000; BY MODIFYING THE PROJECT DESCRIPTION; BY AUTHORIZING THE ASSIGNMENT OF ALL OF THE BOARD’S OBLIGATIONS AND RIGHTS UNDER THE EXISTING AND AMENDED OPERATING LEASE TO THE UNIVERSITY’S BOARD OF TRUSTEES; AND PROVIDING AN EFFECTIVE DATE.

The undersigned, being the duly acting and appointed Florida Board of Education (the "Florida Board") of the State Board of Education of the State of Florida at a meeting duly held pursuant to notice and a quorum being present, do hereby make the following resolutions (all capitalized terms herein, unless otherwise defined, shall have the meanings ascribed thereto in the Resolution, defined below):

BE IT RESOLVED:

- 1. Findings.** The Florida Board hereby finds as follows:

- (a) Pursuant to Chapter 229, Florida Statutes, the Florida Board has succeeded the Board of Regents of the Divisions of Universities, of the Department of Education of the State of Florida (the “Board of Regents”) and has assumed all of the Board’s powers duties, property, moneys and existing contracts, effective July 1, 2001, including resolutions adopted by the Board on May 24, 2001 (the “Resolution”) which are

in full force and effect.

(b) The Foundation desires to increase the number of beds to be constructed for the Special Purpose Housing portion of the Phase IIA Improvements.

(c) The Board of Regents entered into a Loan Agreement, dated as of December 14, 1982 (the "Loan Agreement") with the United States of America (the "Government") under which the Government purchased the Board of Regent's University of South Florida Revenue Bonds of 1983 (the "1983 Bonds") and loaned the proceeds of the 1983 Bonds to finance the construction of 21 factory-built residential buildings to house approximately 500 students (the "Village Complex").

(d) The obligation for repayment under the Loan Agreement is secured by the net revenues derived from the operation of the Village Complex.

(e) The University has received the approval of the Florida Board for the finance and construction of its Phase II Improvements of its comprehensive residence life enhancement project including the phased demolition of the Village Complex subject to the release of the lien of the holders of the 1983 Bonds on the revenues pledged for such bonds.

(f) In order to provide for payment of the 1983 Bonds, the Florida Board desires to substitute a pledge of Housing System Revenues in place of the Village Complex pledge.

2. Amendments and supplements to the Resolution. The Resolution is hereby amended and supplemented as follows:

(a) All references to the initial installment of the Certificates authorized in an amount not to exceed \$22,000,000 to finance the Phase IIA Improvements are hereby amended to increase such authorized amount to \$24,000,000.

(b) Section 1(d) of the Resolution is hereby amended to increase the number of beds for the Special Purpose Housing portion of the Phase IIA Improvements from 304 beds to 344 beds.

(c) Section 1(e) of the Resolution is hereby amended and restated to read as follows:

"(e) In order to provide for the repayment of the Certificates, the Foundation has requested that the Florida Board: (i) amend the Master Ground Lease Agreement, dated as of January 1, 1999, by and between the Board, acting on behalf of the University, and the Foundation (the "Original Master Ground Lease"), to lease the land underlying the Phase II Improvements, as provided in a First Amendatory Master Ground Lease Agreement, between the Florida Board and the Foundation attached hereto as Exhibit "A" (the "First Amendatory Master Ground Lease" and, together with the Original Master Ground Lease, the "Master Ground Lease"), and approve amendment of the (ii) Original Master Operating Lease: (a) to add the Phase II Improvements to the facilities leased to and operated by the University, acting through the University Board, and (b) to provide for substitution of the University Board, as Lessee, all as provided in a First Amendatory Master Operating Lease, between the University Board, as assignee of the Florida Board, successor in interest to the

Board, acting for and on behalf of the University and the Foundation attached hereto as Exhibit "B" (the "First Amendatory Master Operating Lease" and, together with the Original Master Operating Lease, the "Master Operating Lease").

The University, acting through the University Board, under the Master Operating Lease, will be obligated to pay additional "base rent" equal to the debt service on the Certificates. Such rent shall be payable solely from and secured by a pledge of and lien on the Net Revenues of the Housing System (as defined in the Original Master Operating Lease) on a parity with the Foundation's Certificates of Participation, Series 1999 and Series 2000 and the 1983 Bonds (subject to the substitution of the revenues pledged for the security and payment of such bonds), which pledge and lien will remain junior and subordinate to the pledge of and lien on such revenues in favor of the University of South Florida Dormitory, Dining and Auxiliary Enterprises Revenue Certificates of 1965 and the Housing Facility Revenue Bonds, Series 1996A (collectively, the "Prior Obligations"), each of which pledge all or a portion of such revenues."

(d) The Resolution is hereby amended and supplemented by inserting the following for Paragraph 3 thereof:

"3.

(a) Authorization of First Amendatory Master Ground Lease Agreement.

In order to provide for issuance of the Certificates to finance the Phase II Improvements, the Florida Board is hereby authorized to amend the Original Master Ground Lease through the delivery by the Florida Board of the First Amendatory Master Ground Lease. The First Amendatory Master Ground Lease, in substantially the form attached hereto as Exhibit "A", with such changes, alterations and corrections as may be approved by the Chairman of the Florida Board or the Chancellor of the Division of Colleges and Universities, such approval to be conclusively evidenced by the execution thereof by either the Chairman or Chancellor, is hereby approved by the Florida Board, and the Florida Board hereby authorizes and directs said Chairman or Chancellor to execute, and the Secretary of the Florida Board to attest under the seal of the Florida Board, the First Amendatory Master Ground Lease, all of the provisions of which, when executed and delivered by the Florida Board as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein.

(b) Approval of First Amendatory Master Operating Lease.

In order to provide for repayment of the Certificates issued to finance the Phase II Improvements, the Florida Board hereby approves the amendment of the Original Master Operating Lease through the delivery by the University Board of the First Amendatory Master Operating Lease, in substantially the form attached hereto as Exhibit "B".

(c) Authorization of First Amendment to Loan Agreement for the 1983 Bonds.

In order to provide for substitution of the pledge under the Loan Agreement of the revenues from the operation of the Village Housing complex with the Net Revenues of the Housing System for the security and payment of the 1983 Bonds, the Florida Board is hereby authorized to amend the Loan Agreement through the delivery of the First Amendment to Loan Agreement. The First Amendment to Loan Agreement, in substantially the form attached hereto as Exhibit "C", with such changes, alterations and corrections as may be approved by the Chairman of the Florida Board or the Chancellor of the Division of Colleges and Universities, such approval to be conclusively evidenced by the execution thereof by either the Chairman or Chancellor, is hereby approved by the Florida Board, and the Florida Board hereby authorizes and directs said Chairman or Chancellor to execute, and the Secretary of the Florida Board to attest under the seal of the Florida Board, the First Amendment to Loan Agreement, all of the provisions of which, when executed and delivered by the Florida Board as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein."

(e) The first sentence of Section 6 is hereby amended and restated to read as follows:

"6. Authorization of Further Actions Consistent Herewith.

The members of the Florida Board, attorneys, engineers or other agents or employees of the Florida Board or the Chancellor of the Division of Colleges and Universities, are hereby authorized and directed to do all acts and things required of them by this resolution, the First Amendatory Master Ground Lease and the First Amendatory Master Operating Lease, or desirable or consistent with the requirements thereof, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Certificates, the First Amendatory Master Ground Lease, the First Amendatory Master Operating Lease, and this resolution including execution of such documents, certificates, contracts and legal opinions and other material delivered in connection with construction of the Phase II Improvements, the sale of the Certificates or as necessary to preserve the tax-exemption thereon."

3. Assignment of Operating Lease. The Florida Board hereby authorizes the assignment of all its rights, duties and obligations under the Master Operating Lease to the University Board upon acceptance by the University Board of such assignment, the approval of the Credit Facility Provider and the acknowledgement and acceptance of the Trustee for the Certificates. Such assignment, in the form of the Assignment and Assumption Agreement, attached hereto as Exhibit D, with such changes, alterations and corrections as may be approved by the Chairman of the Florida Board or Chancellor of the Division of Colleges and Universities, such approval to be conclusively evidenced by the execution thereof by either the Chairman or the Chancellor, is hereby approved by the Florida Board, and the Florida Board hereby authorizes and directs said Chairman or Chancellor to execute, and the Secretary of the Florida Board to attest under the seal of the Florida Board, the Assignment and Assumption Agreement, all of the provisions of

which, when executed and delivered by the Florida Board as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein.

4. Ratification of Prior Resolution. The Prior Resolution adopted by the Board of Regents, except for the amendments made herein, are ratified and confirmed.

5. Repealing Clause. All resolutions of the Florida Board, or parts thereof, in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

6. Effective Date. This resolution shall become effective immediately upon passage.

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned, Corporate Secretary of the Florida Board of Education, does hereby certify that the attached resolution relating to the issuance of Series 2002 Certificates by the University of South Florida Foundation, Inc. is a true and accurate copy as adopted by the Florida Board of Education on January 18, 2002.

FLORIDA BOARD OF EDUCATION

By: _____
Corporate Secretary

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