

A RESOLUTION APPROVING THE INCURRENCE OF INDEBTEDNESS OF FLORIDA STATE UNIVERSITY INTERNATIONAL PROGRAMS ASSOCIATION, INC. ("FSUIPA") IN THE AMOUNT OF NOT EXCEEDING \$7,400,000 TO REFINANCE DEBT INCURRED BY FSUIPA TO FINANCE THE ACQUISITION, IMPROVING AND CONSTRUCTION OF REAL PROPERTY IN LONDON, ENGLAND FOR USE IN THE FLORIDA STATE UNIVERSITY LONDON STUDY CENTER; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by the Board of Governors of the State of Florida (the "Board"):

Section 1. Pursuant to section 49 of chapter 92-326, Laws of Florida, the Legislature of the State of Florida approved the leasing by the Florida State University from Florida State University International Program Association, Inc. (the "Corporation") of real property in London, England for use in the Florida State University London Study Center. In furtherance of the lease transaction, the Corporation has issued its London England International Program Revenue and Refunding Bonds, Series 1994 in the amount of \$9,295,000 (such debt being referred to as the "Refinanced Debt") to acquire, construct and improve real estate for the London Study Center and to refinance debt previously incurred for such purpose. The Corporation desires to refinance the Refinanced Debt. Pursuant to Sections 1010.60(2) and 1001.02, Florida Statutes, and Article IX, Section 7(D) of the Florida Constitution, the Board hereby approves the incurrence by the Corporation of indebtedness in the principle amount of not to exceed \$7,400,000, bearing interest at not in excess of the maximum lawful rate, and maturing not later than April 1, 2023, in order to refinance the Refinanced Debt.

Section 2. Title to all property refinanced with the indebtedness of FSUIPA hereby approved shall at all times be held by either the State of Florida, the Board, Florida State University, The Corporation, another Direct Support Organization of Florida State University, or Florida State University International Programs Association UK or another instrumentality of the State of Florida.

Section 3. Representation of the University. The University acknowledges that use of variable interest rate financing involves the assumption of risk associated with an increase in interest rates. Accordingly, the University has agreed to take appropriate actions to reduce such risk including:

- (a) Closely monitoring the variable interest rate market to enable rapid response to changes in interest rates
- (b) Use of interest rate caps or swap transactions will be utilized if deemed appropriate.
- (c) Maintenance of sufficient fund balance within FSUIPA to provide for payment of extraordinary operating expenses and, if necessary, payment of debt service through increased participant fees.

Section 4. This resolution shall take effect immediately upon its adoption.

Adopted this 27<sup>th</sup> day of May, 2004.