

RESOLUTION OF THE UNIVERSITY OF THE VIRGIN ISLANDS
AUTHORIZING THE MORTGAGE OF CERTAIN PROPERTIES
FOR A \$5,000,000 REVOLVING LINE OF CREDIT AT CHASE MANHATTAN BANK

Upon motion duly made and seconded, the following Resolution was unanimously adopted by the members of the Board of Trustees of the University of the Virgin Islands.

WHEREAS, on February 10, 1995, The Chase Manhattan Bank offered a commitment letter to the University of the Virgin Islands for a \$5,000,000 unsecured Line of Credit, and

WHEREAS, on February 20, 1995, the Board of Trustees adopted a Resolution authorizing the University to pursue a \$5,000,000 Revolving Line of Credit at The Chase Manhattan Bank or other depository; and

WHEREAS, after the University signed the agreement for the unsecured Line of Credit, Chase Bank sought collateral from the University to secure the Line of Credit in view of Title 17, VI Code 459 (a) which provides that the property and funds of the University are exempt from judicial process and no judgment shall be a lien against the University's property; and

WHEREAS, on May 16, 1995, Chase agreed to make an unsecured bridge loan of \$2,000,000 available to the University, pending approval by the Board of Trustees of the security for the \$5,000,000 Line of Credit; and

WHEREAS, as condition for receiving the bridge loan, University officials agreed to solicit approval from the Board of Trustees to provide security for the \$5,000,000 Line of Credit through the granting of a second mortgage on the East Dormitory Building, Campus Housing East Buildings, Campus Housing West Buildings and/or the Campus West Residences; and

WHEREAS, Federal consent may be necessary to enable the University to execute the second priority mortgage, as authorized by this Resolution, to The Chase Manhattan Bank as security for the \$5,000,000 loan facility.

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NOW, THEREFORE, BE IT RESOLVED:

Section 1. That the University is hereby authorized to secure federal approval to grant a second mortgage lien and security interest on the East Dormitory Building, Campus Housing East Buildings, Campus Housing West Buildings and/or the Campus West Residences and to enter into such other agreements as may be necessary and proper to implement such mortgage for the benefit of providing security for the \$5,000,000 Line of Credit facility.

Section 2. That the President and the Vice President for Business and Financial Affairs (the Authorized Signatories) of the University are hereby authorized to execute, acknowledge, and deliver the second priority mortgage on the East Dormitory Building, Campus Housing East Buildings, Campus Housing West Buildings and/or the Campus West Residences to The Chase Manhattan Bank as security for the \$5,000,000 Line of Credit and to execute such other agreements as may be necessary in connection therewith. The Authorized Signatories are hereby authorized to affix the seal of the University on such mortgage and to attest the same.

Section 3. This resolution shall take effect immediately.

The Undersigned does hereby certify that the foregoing is a true and exact copy of the Resolution of the Board of Trustees of the University of the Virgin Islands adopted at its meeting on March 2, 1996 and recorded in the minutes of said meeting.

Arville Rear
Secretary of the Board

3/2/96
Date