

RESOLUTION TO REFINANCE CAPITAL LEASES

Objective: To refinance up to \$5.1 million, more or less, in capital leases at terms that are favorable to the University.

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Whereas, the University has several capital leases outstanding with the following vendors:

International Business Machines in the amount of \$2,269,179 more or less, maturing in 1996 and bearing interest at rates from 8.29% to 11.0%.

AT & T in the amount of \$2,203,224 more or less, maturing in 1999 and bearing interest at the rate of 6.78%.

P. C. Paradise in the amount of \$633,282 more or less, maturing in 1999 at the rate of 9.0%.

Whereas, these capital leases can be refinanced under terms that are more favorable to the University and at a substantial savings in interest costs;

Whereas the Finance Committee of the Board of Trustees considered and approved a recommendation of the Administrations to refinance these capital leases.

NOW THEREFORE BE IT RESOLVED THAT:

1. The President and Vice President for Business and Financial Affairs are hereby authorized to negotiate and execute a loan agreement with a local bank in the amount of \$5.1 million, more or less, for the purpose of refinancing capital leases for which more favorable terms and interest rates can be obtained.

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CERTIFICATION

The undersigned does hereby certify that the foregoing is a true and exact copy of a resolution of the Board of Trustees of the University of the Virgin Islands adopted at its meeting on Saturday, October 1, 1994, as recorded in the minutes of said meeting.

Orville Kean  
Secretary of the Board