July 29, 2015

TO: Randolph G. Moore
Chairperson, Board of Regents

VIA: David Lassner
President

FROM: Kalbert K. Young
Vice President for Budget and Finance
Chief Financial Officer

SUBJECT: APPROVAL OF A SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR REFUNDING AND UNIVERSITY PROJECTS IN AN AMOUNT NOT TO EXCEED $225,000,000

SPECIFIC ACTION REQUESTED:

We request that the Board of Regents approve and adopt the Supplemental Resolution authorizing the issuance of Board of Regents of the University of Hawai‘i, University Revenue Bonds, Series 2015, in a principal amount not to exceed $225,000,000 (2015 University Revenue Bonds) entitled:

“A SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $225,000,000 PRINCIPAL AMOUNT OF BOARD OF REGENTS OF THE UNIVERSITY OF HAWAI‘I, UNIVERSITY REVENUE BONDS, SERIES 2015; AUTHORIZING THE EXECUTION OF CERTAIN AGREEMENTS WITH RESPECT TO SAID BONDS; PROVIDING FOR THE PAYMENT AND SECURITY OF SAID BONDS; ADDING CERTAIN UNIVERSITY PROJECTS TO THE UNIVERSITY SYSTEM; AND AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS.”

in substantially the same form as attached to this memorandum as Attachment 1. We also request certain delegations of authority to implement the intent and purposes of the
Supplemental Resolution. These requests are more specifically detailed in the section “Action Recommended” below.

ADDITIONAL COST:

All costs related to the issuance of these bonds will be paid from the proceeds derived from the bond transaction itself (2015 University Revenue Bonds). The estimated costs for this transaction are anticipated to be $1,250,000 which includes underwriter services and fees, bond counsel services, financial (pricing) advisor services, and other transactional fees. The University will sell an amount of bonds sufficient to cover all costs of issuance in addition to providing the necessary amount of bond proceeds.

RECOMMENDED EFFECTIVE DATE:

Upon approval of the Board of Regents. The Administration intends to meet with credit rating agencies the week of August 24-28, 2015, target a sale date ("pricing") for the bonds in early-September, and close on the transaction in late-September 2015.

PURPOSE:

The purpose of the Supplemental Resolution is to authorize the issuance of one or more series of revenue bonds of the University of Hawai‘i pursuant to Regent Policy 8.201. The proceeds from this bond transaction will be used: (a) to finance the cost of design, construction, and/or equipment for the UH-Hilo (UHH) College of Pharmacy project and the UH-Mānoa (UHM) Law School Expansion and Modernization project (subject to contemporaneous approval by the Board of Regents); and (b) to refund in advance of its maturity, all or a portion of the University’s Refunding Series 2006A, Series 2006A, and Series 2009A bonds (the “Refunded bonds”) issued to finance various University Projects and the construction of the School of Medicine in Kakaako.

It is expected that the bond issuance will be priced in early-September and the transaction will close later that month. The financing structure is expected to consist of the following bond series:

(1) The University Revenue Bonds, Series 2015A (taxable bonds for the UHH College of Pharmacy Project and the UHM Law School Expansion and Modernization Project).

(2) The University Revenue Bonds, Series 2015B(R) (tax-exempt advance refunding of currently outstanding tax-exempt revenue bonds).
(3) The University Revenue Bonds, Series 2015C(R) (taxable advance refunding of currently outstanding tax-exempt revenue bonds).

(4) The University Revenue Bonds, Series 2015D(R) (taxable advance refunding of currently outstanding Medical Center tax-exempt revenue bonds).

(5) The University Revenue Bonds, Series 2015E(R) (tax-exempt forward delivery refunding of currently outstanding Medical Center tax-exempt revenue bonds).

BACKGROUND INFORMATION:

New Capital Projects

The bond transaction will provide up to $8,500,000 in net bond proceeds (Series 2015A) that will provide partial financing for new facilities at UH-Mānoa and UH-Hilo. Both of these projects will be supplemented with State of Hawai‘i general obligation bonds that have already been appropriated by the State legislature.

In Act 122, Session Laws of Hawai‘i (SLH) 2014, Item G85.01, authorized the University to issue revenue bonds under Chapter 304A, Hawai‘i Revised Statutes (HRS), in the principal amount of $5 million for design, construction and equipment for a new instructional facility for the UH-Hilo College of Pharmacy.

(UHH College of Pharmacy Project) $5.0 million

In addition, Act 134, SLH 2013, Item G82, authorized the University to issue revenue bonds under Chapter 304A, HRS, in the principal amount of $3.5 million to finance the expansion and modernization of the west wing of the UH-Mānoa William S. Richardson School of Law.

(UHM Law School Expansion and Modernization Project) $3.5 million

The Administration intends to sell the Series 2015A bonds as taxable revenue bonds in order to mitigate future compliance restraints for private activity that may occur at either facility. By comparison, tax-exempt bonds have certain limitations and increased tax compliance requirements – such as limiting private activity use on bond-financed facilities. Recent reviews of bond-financed university facilities do indicate that UH could better accommodate operations and services by planning for future private activity.

(See Attachment 2 – Hypothetical New Money.)

Refunding

Depending upon market conditions at the time of pricing, the bond transaction will also refund as much as $217,000,000 in currently existing University of Hawai‘i Revenue Bonds and University Bonds. Considering the status of the interest rate market as of this writing, the approximate size of the refunding transaction would be closer to $170,000,000. The Administration intends to only transact bonds that will generate net present value savings (NPV) compared to the current debt service level.
A refunding occurs when new bonds are issued to repay principal and accrued interest on older outstanding bonds. NPV savings are generated when the interest rates paid on the new/refunding bonds are lower than the rates on the older outstanding bonds. For example, the remaining coupon interest on the existing revenue bonds that will be targeted for refunding as part of this transaction range between 3.25% to 6.00%, while the interest rates on the new bonds are expected to be much lower. The bonds targeted for refunding were issued in October 2006, December 2006, and April 2009 at average coupon rates of about 4.45%, 4.53%, and 5.39%, respectively. An analysis as of July 24, 2015, estimates total interest costs (including cost of issuance and underwriter’s discount) for this refunding to be between 3.43% and 3.50%, generating NPV savings of approximately $11.8 million ($735,000 average annual savings). (See Attachment 3 - University Revenue Bonds: Tax-Exempt and Taxable Refunding Analysis and University Bonds (Medical Center): Combined Taxable and Forward Refunding.)

Amongst the outstanding bonds that will be refunded, the Administration intends to target a portion of those bonds to be refunded as taxable revenue bonds. While taxable bonds typically carry a higher interest cost, the entire refunding plan of finance (combined tax-exempt and taxable refunding) will result in a net reduction from current debt service levels. Refunding existing tax-exempt bonds with taxable bonds is a strategic decision of the Administration in order to provide flexibility for private activity to occur, which is not allowed with tax-exempt bonds.

The Series 2015 University Revenue Bonds will be issued by the Board of Regents pursuant to Chapter 304A- 2685, HRS, as amended, which provides for the issuance of revenue bonds for the purpose of refunding, redeeming, or retiring outstanding revenue bonds before maturity.

University administration recommends the Board of Regents delegate authority to make the final determination of the amounts to be funded by the revenue bond proceeds up to the $225,000,000 maximum being proposed for approval by the Board. (See Attachment 4 – Resolution Parameters.) This request is necessary to execute the transaction accounting for the expected movements in the interest rate market over the next 30-45 days.

**ACTION RECOMMENDED:**

It is recommended the the Board of Regents:

1. **Approval of Issuance and sale of one or more series of University Revenue Bonds.** Approve the refunding, redeeming, or retiring of a portion of outstanding University Revenue Bonds, Series 2006A and Series 2009A, and University Bonds Refunding Series 2006A in order to take advantage of favorable bond market conditions and provide the flexibility for private business use to the business units.
2. **Approval of projects as University Projects.** Approve the projects (UHH College of Pharmacy Project, UHM Law School Expansion and Modernization Project and the construction of the School of Medicine in Kakaako) as capital projects constituting University Projects to be included in the University System, for which proceeds of revenue bonds issued under Chapter 304A, HRS, may be used.

3. **Approval of Supplemental Resolution authorizing issuance of 2015 University Revenue Bonds.** Approve the Supplemental Resolution authorizing the issuance and sale of the 2015 University Revenue Bonds in substantially the same form and manner described herein and in the attached documents, and permitting such changes (including, but not limited to, typographical changes) that may be required to finalize any required documents and close and consummate the issuance and sale of the 2015 University Revenue Bonds.

4. **Approval of delegation of authority to finalize issuance of 2015 University Revenue Bonds.** Approve a delegation of authority to the chairperson of the Board of Regents (or the vice chairperson in the chair's absence), the Executive Administrator and Secretary of the Board of Regents, the President, and the Vice President for Budget and Finance/Chief Financial Officer of the University, as needed, to perform all acts, make such determinations, execute such documents, apply and transfer such moneys, and do all things as may be necessary to implement, carry out, and effectuate the intent and purposes of this Supplemental Resolution including, without limitation, the authority to: (1) perform the acts specified in the Supplemental Resolution; (2) make such changes to the Supplemental Resolution, and other necessary documents as the Vice President for Budget and Finance/Chief Financial Officer deems necessary to carry out the purposes of the Supplemental Resolution, which changes may include provision for the issuance of an additional series of Series 2015 Bonds; and (3) execute and deliver on behalf of the Board of Regents and the University any document, certification, or contract, including, without limitation, the Supplemental Resolution, a Certificate of Determination, the final Official Statement, and a Contract of Purchase, which may be required or deemed necessary to implement, carry out, and effectuate the intent and purposes of the Supplemental Resolution.

**Attachments**

1. Supplemental Bond Resolution – University of Hawai‘i Revenue Bonds, 2015
2. Hypothetical New Money Analysis
3. Tax-exempt & Taxable Refunding Analysis
4. Resolution Parameters

**c:** Executive Administrator and Secretary of the Board, Cynthia Quinn
BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII

A SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $225,000,000 PRINCIPAL AMOUNT OF BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII, UNIVERSITY REVENUE BONDS, SERIES 2015; AUTHORIZING THE EXECUTION OF CERTAIN AGREEMENTS WITH RESPECT TO SAID BONDS; PROVIDING FOR THE PAYMENT AND SECURITY OF SAID BONDS; ADDING CERTAIN UNIVERSITY PROJECTS TO THE UNIVERSITY SYSTEM; AND AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS.

Adopted August 20, 2015
A SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $225,000,000 PRINCIPAL AMOUNT OF BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII, UNIVERSITY REVENUE BONDS, SERIES 2015; AUTHORIZING THE EXECUTION OF CERTAIN AGREEMENTS WITH RESPECT TO SAID BONDS; PROVIDING FOR THE PAYMENT AND SECURITY OF SAID BONDS; ADDING CERTAIN UNIVERSITY PROJECTS TO THE UNIVERSITY SYSTEM; AND AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS.

Be it resolved by the Board of Regents of the University of Hawaii (the "Board") as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

101. Supplemental Resolution; Authority. Unless the context shall clearly indicate some other meaning, the terms used in this Sixth Supplemental Resolution (including, without limitation, the next paragraph hereof) which are defined in the resolution adopted by the Board on November 16, 2001 entitled "A RESOLUTION CREATING AND ESTABLISHING A NETWORK CONSISTING OF A UNIVERSITY SYSTEM, INCLUDING CERTAIN UNIVERSITY PROJECTS, AND UNIVERSITY PURPOSES, OF THE BOARD OF REGENTS, UNIVERSITY OF HAWAII; CREATING AND ESTABLISHING AN ISSUE OF REVENUE BONDS OF THE BOARD OF REGENTS, UNIVERSITY OF HAWAII, AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS AND LIMITING SUCH PAYMENT TO THE REVENUES OF SAID NETWORK; SETTING FORTH THE TERMS AND CONDITIONS FOR THE ISSUANCE OF BONDS; SETTING FORTH THE TERMS AND CONDITIONS FOR THE ISSUANCE OF ADDITIONAL SERIES OF SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AND MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING"; as amended and supplemented (said resolution and, unless the context shall clearly indicate otherwise, all amendments and supplements thereto being defined therein as the "Resolution"), shall have the meanings given to them in the Resolution.

Unless the context shall clearly indicate some other meaning, the following terms shall, for all purposes of the Resolution and of any Supplemental Resolution (including for all purposes of this Sixth Supplemental Resolution) and for all purposes of any certificate, opinion, instrument or other document therein or herein mentioned, have the following meanings, with the following definitions to be equally applicable to both the singular and plural forms of such terms and vice versa:

"Certificate of Determination" means a certificate of a Designated Financial Officer authorizing the issuance of Bonds as provided in Section 303 hereof and/or fixing the terms, conditions and other details of Bonds in accordance with the delegation of powers to do so under the Resolution and hereunder.
“Designated Financial Officer” means the Designated Financial Officer of the Board specified in Section 303 hereof.

“Master University Bond Resolution” means the resolution adopted by the Board on May 17, 2002 entitled “A RESOLUTION CREATING AND ESTABLISHING AN ISSUE OF REVENUE BONDS OF THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII, AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS AND LIMITING SUCH PAYMENT TO MONEYS DERIVED FROM THE OWNERSHIP AND OPERATION OF THE UNIVERSITY OF HAWAII AND CERTAIN OTHER MONEYS MADE AVAILABLE TO THE UNIVERSITY OTHER THAN MONEYS HERETOFORE PLEDGED TO OTHER OBLIGATIONS OF THE BOARD; SETTING FORTH THE TERMS AND CONDITIONS FOR THE ISSUANCE OF SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AND MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING,” as amended from time to time in accordance to its terms.

“Refunded Bonds” means, collectively, the Refunded Series 2006A Bonds, the Refunded Series 2009A Bonds and the Refunded 2006A University Bonds.

“Refunded Series 2006A Bonds” means the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2006A.

“Refunded Series 2009A Bonds” means the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2009A.

“Refunded 2006A University Bonds” means the Board of Regents of the University of Hawaii, University Bonds Refunding Series 2006A.

“Regular Record Date” means, with respect to the Series 2015 Bonds, the fifteenth (15th) day (whether or not a business day) preceding each interest payment date.

“Resolution” has the meaning given to such term in Section 101 hereof.

“Securities Depository” means, with respect to the Series 2015 Bonds, the Securities Depository appointed pursuant to Section 305(b) hereof, or any substitute Securities Depository, or any successor to any of them.

“Series 2015 Bonds” means the Board’s University Revenue Bonds, Series 2015, authorized by Article III of this Sixth Supplemental Resolution.

“Sixth Supplemental Resolution” means this Supplemental Resolution.

"Tax-Exempt Series 2015 Bonds" means those Series 2015 Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes, as specified in a Certificate of Determination.

"2006A Supplemental University Bond Resolution" means the resolution adopted by the Board on September 21, 2006 entitled "A SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII, UNIVERSITY BONDS, REFUNDING SERIES FROM TIME TO TIME AND IN AN AGGREGATE PRINCIPAL AMOUNT SUFFICIENT TO PROVIDE FOR THE REFUNDING OF ALL OR A PORTION OF THE OUTSTANDING UNIVERSITY BONDS; AUTHORIZING THE PLEDGE OF CERTAIN AUXILIARY MONEYS AS SUPPLEMENTAL SECURITY FOR THE AFORESAID SERIES OF BONDS; AUTHORIZING THE EXECUTION OF CERTAIN AGREEMENTS WITH RESPECT TO SAID BONDS; AND PROVIDING FOR THE PAYMENT AND SECURITY OF SAID BONDS," as amended from time to time in accordance to its terms.

"2006A University Bond Project" means the Board’s Health and Wellness Center.

"University Bond Available Moneys" has the meaning ascribed to such term in the Master University Bond Resolution.

"University Bond Auxiliary Moneys" has the meaning ascribed to such term in the 2006A Supplemental University Bond Resolution.

102. Authority for this Sixth Supplemental Resolution. This Sixth Supplemental Resolution is adopted pursuant to the provisions of Sections 2.03, 2.04 and 2.05 of the Resolution.

ARTICLE II

ADDITION TO UNIVERSITY SYSTEM

201. Pursuant to clause (10) of Section 2.01 of the Resolution, the Board hereby elects to include in the University System those projects approved by the Legislature of the State of Hawaii (the "State Legislature") and signed into law by the Governor in Act 134, Session Laws of Hawaii 2013, Item G-82, signed on June 18, 2013, and Act 122, Session Laws of Hawaii 2014, Item G-85.01, signed on June 24, 2014, as well as the 2006A University Bond Project, each of which constitutes a "University Project" as defined in the Resolution, including, together with any other projects subsequently approved by the Board and the State Legislature and specified in a Certificate of Determination, each of which shall also constitute a "University Project" as defined in the Resolution.
ARTICLE III

AUTHORIZATION OF SERIES 2015 BONDS

301. Principal Amount, Designation and Series. Pursuant to the provisions of the Resolution, one or more series of Bonds entitled to the benefit, protection and security of such provisions are hereby authorized in an aggregate principal amount not to exceed $225,000,000. Such Bonds shall be designated as and shall be distinguished from the Bonds of all other series by the title “University Revenue Bonds, Series 2015,” with such additional letter designations for each series as shall be specified in a Certificate of Determination.

302. Purpose. (a) The Series 2015 Bonds are issued for the purpose of (1) financing or refinancing the costs of those University Projects selected from those referred to in Section 201 hereof by the Designated Financial Officer, by written certificate, each such project constituting a University Project as defined in the Resolution (collectively, the “Project”), and (2) refunding all or a portion of the Refunded Bonds.

(b) The proceeds of the Series 2015 Bonds shall be deposited and applied in accordance with a Certificate of Determination.

(c) The Project is hereby found, determined and declared to constitute and be a “University Project” within the meaning of the quoted words as used in the Resolution.

303. Delegation of Authority. (a) The Vice President for Budget and Finance/Chief Financial Officer of the University of Hawaii is hereby appointed as the Designated Financial Officer with respect to the Series 2015 Bonds.

(b) There is hereby delegated to any Designated Financial Officer of the Board, subject to the limitations contained herein, the power to determine and effectuate the following with respect to the Series 2015 Bonds:

(1) the aggregate principal amount of the Series 2015 Bonds to be issued; provided that such aggregate principal amount shall not exceed $225,000,000;

(2) number, designation and aggregate principal amount of each series of the Series 2015 Bonds, the dated date or dates, maturity date or dates and principal amount of each maturity of the Series 2015 Bonds, the initial interest payment date or dates of the Series 2015 Bonds, and the date or dates from which the Series 2015 Bonds shall bear interest; provided that the final maturity date of the Series 2015 Bonds shall not be later than October 1, 2045;

(3) which Series 2015 Bonds are intended to be Tax-Exempt Series 2015 Bonds;

(4) the interest rate or rates of the Series 2015 Bonds, and the basis on which such rates shall be calculated, provided, however, that the interest rate or rates to be borne by any Series 2015 Bonds shall not exceed five percent (5.0%) per annum in the case of Tax-Exempt Series 2015 Bonds or six percent (6.0%) in the case of other Series 2015 Bonds;
(5) the specification of the University Projects to be financed from, and the application of, the proceeds of the Series 2015 Bonds;

(6) the redemption provisions of the Series 2015 Bonds;

(7) the numbering or other identification of the Series 2015 Bonds;

(8) the definitive form of the Series 2015 Bonds, and form of assignment thereon;

(9) the establishment of such funds, accounts and subaccounts as required by the Resolution and he deems necessary;

(10) matters, if any, contemplated by Section 304 hereof relating to insurance;

(11) appointment of a financial institution to serve as escrow agent;

(12) the preparation of one or more Preliminary Official Statements and final Official Statements generally in the form before the Board at the meeting at which this Sixth Supplemental Resolution is adopted, with such additions, deletions and other changes thereto as the Chair or Vice Chair of the Board upon the advice of counsel shall approve, and authorize the purchasers of the Series 2015 Bonds to use and make available for use by prospective and ultimate purchasers of such Bonds the Preliminary Official Statements and final Official Statements; and

(13) any other provisions deemed advisable by a Designated Financial Officer of the Board and not materially in conflict with the provisions of this Sixth Supplemental Resolution or of the Resolution.

A Designated Financial Officer of the Board shall execute one or more certificates evidencing determinations or other actions taken pursuant to the authority granted herein, executed copies of which, or copies of which, certified by a Designated Financial Officer, shall be filed in the official records of the Board. Each such certificate shall be deemed a Certificate of Determination and shall be conclusive evidence of the action or determination of such officer as to the matters stated therein. The provisions of each Certificate of Determination shall be deemed to be incorporated in and be a part of this Sixth Supplemental Resolution.

(c) There is hereby delegated to any Designated Financial Officer of the Board, subject to the limitations contained herein, the power to enter into the following agreements and/or execute the following documents on behalf of the Board with respect to the Series 2015 Bonds in such forms as he deems appropriate:

(1) a contract or contracts of purchase with Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the purchasers, with a purchase price of not less than ninety-five percent (95%) of the principal amount of the Series 2015 Bonds;

(2) insurance commitments with respect to insurance, if any;
(3) the Tax Certificate;

(4) a paying agent agreement with any paying agent other than the Director of Finance;

(5) a continuing disclosure undertaking with respect to the Series 2015 Bonds;

(6) an escrow agreement and any other document or instrument necessary or desirable for the refunding and redemption of the Refunded Bonds; and

(7) such other documents and agreements as shall be necessary or proper related to the Series 2015 Bonds and the delivery thereof.

The execution of any agreement, certificate or document executed pursuant to this Section 303(c) shall be conclusive evidence of the determination of the Designated Financial Officer. Any agreements, certificates and documents executed pursuant to this Section 303 are hereby ratified by the Board.

304. Authorization of Bond Insurance. In connection with the issuance of the Series 2015 Bonds, the Board authorizes the Designated Financial Officer to purchase insurance upon such terms and conditions as he deems proper. The obtaining of insurance, and the payment of the premium therefor and any bond rating fee required to be paid by the Board relating thereto, are hereby authorized and approved. The Certificate of Determination may include any provisions necessary or desirable to satisfy conditions imposed by the Insurer on the issuance of any policy of insurance.

305. Designation of the Series 2015 Bonds as Book Entry Bonds; Appointment of Securities Depository for the Series 2015 Bonds. (a) The Series 2015 Bonds are hereby authorized to be and shall be issued in book-entry form within the meaning of and subject to Section 3.09 of the Resolution.

(b) DTC is hereby appointed as the initial Securities Depository for the Series 2015 Bonds.

(c) The Series 2015 Bonds shall be initially issued in the form of a separate single, fully registered Bond in the amount of each separate stated maturity of the Series 2015 Bonds. So long as DTC serves as Securities Depository for the Series 2015 Bonds, the registered holder of all Series 2015 Bonds shall be, and each of the Series 2015 Bonds shall be registered in the name of, DTC or its nominee. So long as any Series 2015 Bond is registered in the name of DTC in its capacity as Securities Depository for the Series 2015 Bonds, or its nominee, all payments with respect to the principal or redemption price of, and interest on, such Series 2015 Bond and all notices with respect to such Series 2015 Bond shall be made or given, as the case may be, to DTC as may be agreed to by the Board and DTC.

Transfers of principal, the redemption price, and interest payments to DTC participants will be the responsibility of DTC. Transfers of such payments to beneficial owners of
Series 2015 Bonds by DTC participants will be the responsibility of such participants, indirect participants and other nominees of such beneficial owners. Payments by the DTC participants to beneficial owners will be governed by standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such DTC participant and not of DTC or the Board, subject to any statutory and regulatory requirements as may be in effect from time to time.

(d) The Board hereby establishes the Regular Record Date for the Series 2015 Bonds for purposes of notification of and consents from participants of DTC in connection with any amendment or proposed amendment of the Resolution or otherwise, as defined in Section 101 hereof.

(e) A Designated Financial Officer of the Board is hereby authorized to enter into such representations and agreements as he deems necessary and appropriate in furtherance of the provisions of this Section.

(f) (1) Upon the discontinuance of the services of DTC as Securities Depository for the Series 2015 Bonds, the Board may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the Board, is willing and able to undertake the functions of Securities Depository under the Resolution upon reasonable and customary terms. If no such successor can be found within such period, the Series 2015 Bonds, as appropriate, shall no longer be restricted to being registered in the Bond Registry in the name of a Securities Depository.

(2) In the event that the Series 2015 Bonds shall be no longer restricted to being registered in the Bond Registry in the name of a Securities Depository as provided in paragraph (1) of this subsection (f), the Board shall execute and the Paying Agent shall authenticate and deliver, upon presentation and surrender of the Series 2015 Bonds, Bond certificates as requested by the Securities Depository therefor of like aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial ownership interests in the Series 2015 Bonds and the Series 2015 Bonds shall no longer be restricted to being registered in the Bond Registry in the name of a Securities Depository.

306. Place of Payment and Paying Agent. (a) The Board hereby authorizes the Designated Financial Officer to appoint an initial Paying Agent for the Series 2015 Bonds. The Board reserves the right to appoint any other or additional Paying Agents as permitted by the Resolution. Except as provided in the Resolution and Section 305 hereof, the principal and redemption price of the Series 2015 Bonds shall be payable at the principal corporate trust office or other designated office of the Paying Agent. Except as provided in Section 305 hereof, the interest on Series 2015 Bonds shall be paid by check or draft payable to the registered owner and mailed by first class mail, postage prepaid, to the address of such Person as it shall appear on the Bond Registry kept at the office of the Paying Agent.

(b) Notwithstanding Sections 306(a) and 307 hereof, a holder of $1,000,000 or more in aggregate principal amount of Series 2015 Bonds, upon the written request of such holder to
the Paying Agent, received on or prior to a Record Date, specifying the account or accounts to which
such payment shall be made, payment of interest when due shall be made by wire transfer of
immediately available funds. Any such direction or request shall remain in effect until revoked or
revised by such Holder by an instrument in writing delivered to the Paying Agent.

307. Payment of Interest on Series 2015 Bonds; Interest Rights Preserved.
Interest on any Series 2015 Bonds which is payable, and is punctually paid or duly provided for, on
any interest payment date shall be paid to the Person in whose name that Series 2015 Bond is
registered at the close of business on the Regular Record Date.

Subject to the foregoing provisions of this Section, each Series 2015 Bond delivered
under the Resolution upon transfer of or in exchange for or in lieu of any other Series 2015 Bond
shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other
Series 2015 Bond.

308. Regulations With Respect to Exchanges and Transfers; Offices for
Servicing Bonds. In all cases in which the privilege of exchanging Series 2015 Bonds or
transferring registered Series 2015 Bonds is exercised, Section 3.04 of the Resolution shall control.
Neither the Board nor the Paying Agent shall be required (a) to transfer or exchange any Series 2015
Bonds between a Record Date and next succeeding interest payment date for the Series 2015 Bonds,
or for a period of 15 days next preceding any selection of Series 2015 Bonds to be redeemed or
thereafter until after the first mailing of any notice of redemption, or (b) to transfer, exchange or
register any Series 2015 Bonds called for redemption. The Board hereby appoints the Paying Agent
as the registrar to maintain an agency for the registration, transfer or exchange of Series 2015 Bonds
and for the service upon the Board of notices, demands and other documents, and the Paying Agent
shall continuously maintain or make arrangements to provide such services.

309. Tax Covenant. (a) In order to maintain the exclusion of interest on the Tax-
Exempt Series 2015 Bonds from gross income for federal income tax purposes, the Board shall
comply with the provisions of the Code applicable to such Tax-Exempt Series 2015 Bonds necessary
to maintain such exclusion, including without limitation the provisions of the Code which apply to
the uses of the proceeds of the Tax-Exempt Series 2015 Bonds, which prescribe yield and other
limits within which proceeds of the Tax-Exempt Series 2015 Bonds are to be invested, and which, in
certain circumstances, require the rebate of certain earnings on such amounts to the Department of
the Treasury of the United States of America in accordance with Section 148(f) of the Code. In
furtherance of the foregoing, the Board shall comply with the Tax Certificate including all
attachments thereto.

(b) The Board shall not use any part of the proceeds of the Tax-Exempt Series
2015 Bonds in a manner which would cause the Tax-Exempt Series 2015 Bonds to be “private
activity bonds” within the meaning of Section 141(a) of the Code.

(c) The Board shall not take any action or fail to take any action which would
cause the Tax-Exempt Series 2015 Bonds to be “arbitrage bonds” within the meaning of
Section 148(a) of the Code; nor shall any part of the proceeds of the Tax-Exempt Series 2015 Bonds
or any other funds of the Board be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any of the Tax-Exempt Series 2015 Bonds to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

(d) Notwithstanding any other provision of this Sixth Supplemental Resolution to the contrary, the covenants contained in this Section 309, including the obligation to comply with all other requirements of the Tax Certificate, shall survive the defeasance or payment in full of the Tax-Exempt Series 2015 Bonds.

ARTICLE IV

FINDINGS AND DETERMINATIONS; EFFECTIVE DATE; OTHER MATTERS

401. Findings and Determinations. The Board hereby finds, determines and declares: (a) except as amended by the Second, Third, Fourth and Fifth Supplemental Resolutions, the Resolution has not been amended or rescinded since the effective date thereof; (b) the only bonds, notes or other evidences of indebtedness payable from and secured by the Revenues which have heretofore been issued since the effectiveness of the Resolution are the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2001A, the Board of Regents of the University of Hawaii, University Revenue Bonds, Refunding Series 2001B, the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2006A, the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2009A, the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2010A-1, 2010A-2, 2010B-1 and 2010B-2 (collectively, the “Series 2010 Bonds”) and the Board of Regents of the University of Hawaii, University Revenue Bonds, Series 2012A (R) heretofore issued under the Resolution; (c) the Series 2015 Bonds are being issued under the authorization of Sections 2.03, 2.04 and 2.05 of the Resolution; and (d) upon adoption of this Sixth Supplemental Resolution and the filing thereof in the office of the Director of Finance, all provisions and conditions of Sections 2.03, 2.04 and 2.05 of the Resolution and of other applicable laws shall have been complied with in the adoption of this Sixth Supplemental Resolution and in the authorization and issuance of the Series 2015 Bonds.

The Board hereby further finds, determines and declares that this Sixth Supplemental Resolution (1) supplements the Resolution; (2) constitutes and is a “Supplemental Resolution” within the meaning of the quoted words as defined and used in the Resolution; and (3) is adopted pursuant to and under the authority of the Resolution.

The Board hereby further finds, determines and declares that the Series 2015 Bonds are to be issued under the Resolution and to constitute and be “Bonds” within the meaning of the quoted word as defined and used in the Resolution. As more fully set forth in the Resolution, the Series 2015 Bonds: (i) shall be entitled to the benefits, security and protection of the Resolution, equally and ratably with one another and with any other Bonds hereafter issued thereunder; (ii) shall be payable as provided in the Resolution from Revenues on a parity with one another and with all Bonds hereafter issued under the Resolution, except as provided in the Fourth Supplemental Resolution; (iii) shall, except as provided in the Fourth Supplemental Resolution, be equally and ratably secured under the Resolution with one another and with all Bonds hereafter issued
thereunder, without priority by reason of series, number, date of adoption of this Sixth Supplemental Resolution providing for the issuance thereof, date of Bonds, date of sale, date of execution, date of issuance, date of delivery, or otherwise, by the liens, pledges, charges and assignments created by the Resolution.

The Board hereby further finds, determines and declares: (a) except for the Refunding Series 2001B Bonds, the Series 2006A Bonds, the Series 2009A Bonds, the Series 2010 Bonds and the Series 2012A (R) Bonds referred to in the first paragraph of this section, there are not outstanding any bonds, notes or other evidences of indebtedness payable from and secured by a lien on or pledge or charge upon Revenues; (b) the Revenues are not encumbered by any lien charge thereon or pledge thereof; and (c) there does not exist an “Event of Default” as defined in Section 9.01 of the Resolution, nor does there exist any condition which, after the passage of time, would constitute, under such section, an “Event of Default”.

402. Additional Pledge. In addition to the pledge of all other Revenues to all of the Bonds, there are hereby pledged to payment of Debt Service on (1) all of the Bonds, University Bond Available Moneys, and (2) any Series 2015 Bonds applied solely to refund the Refunded University 2006A University Bonds and associated costs, University Bond Auxiliary Moneys; provided, however, that so long as any bonds of the Board are outstanding under the Master University Bond Resolution, University Bond Available Moneys and University Bond Auxiliary Moneys shall be subject and subordinate to the lien of such moneys imposed by the Master University Bond Resolution.

403. Laws Governing; Severability. This Sixth Supplemental Resolution shall be construed and enforced in accordance with the Constitution and laws of the State of Hawaii.

If any provision of this Sixth Supplemental Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections in this Sixth Supplemental Resolution shall not affect the remaining portions of this Sixth Supplemental Resolution or any part thereof or of the Series 2015 Bonds issued hereunder.

404. Section Headings; Table of Contents. The headings or titles of the several sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Sixth Supplemental Resolution.

405. Effective Date. This Sixth Supplemental Resolution shall take effect upon adoption.
## Summary of Results for 30-year Taxable Bonds

<table>
<thead>
<tr>
<th>Tax Status</th>
<th>Law School</th>
<th>Pharmacy School</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Par Amount</td>
<td>$3,530,000</td>
<td>$5,040,000</td>
<td>$8,570,000</td>
</tr>
<tr>
<td>Maturity Range</td>
<td>2016-2045</td>
<td>2016-2045</td>
<td>2016-2045</td>
</tr>
<tr>
<td>Proceeds</td>
<td>$3,500,000</td>
<td>$5,000,000</td>
<td>$8,500,000</td>
</tr>
<tr>
<td>All-in-TIC</td>
<td>4.16%</td>
<td>4.15%</td>
<td>4.16%</td>
</tr>
</tbody>
</table>

Market conditions as of July 24, 2015. Taxable rates assume a 10-year par call.
### Summary Statistics (25% Taxable Refunding)

<table>
<thead>
<tr>
<th>Bonds Refunded</th>
<th>Series 2006A and 2009A</th>
<th>Par Amount</th>
<th>Par Amount Refunded</th>
<th>Average Life</th>
<th>All-in TIC</th>
<th>Avg. Annual Savings</th>
<th>Net PV Savings ($)</th>
<th>Net PV Savings (%)</th>
<th>Negative Arbitrage</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Par Amount</td>
<td></td>
<td>$82,540,000</td>
<td>$82,885,000</td>
<td>11.5 years</td>
<td>3.43%</td>
<td>$385,023</td>
<td>$6,278,531</td>
<td>7.57%</td>
<td>$3,484,408</td>
<td>64.31%</td>
</tr>
<tr>
<td>All-in TIC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avg. Annual Savings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net PV Savings ($)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net PV Savings (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative Arbitrage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Shaded series are anticipated to be refunded
- Assumes a pro-rata (25%) split between taxable and tax-exempt refundings
- Matched maturity refunding structure

### Tax-Exempt Refunding Monitor

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2006A</td>
<td>10/1/2017</td>
<td>2,975,000</td>
<td>4.000%</td>
<td>58,174</td>
<td>2.259%</td>
<td>12,089</td>
<td>82.8%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2018</td>
<td>2,605,000</td>
<td>5.000%</td>
<td>173,559</td>
<td>6.440%</td>
<td>21,178</td>
<td>89.1%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2019</td>
<td>2,830,000</td>
<td>5.000%</td>
<td>263,280</td>
<td>9.303%</td>
<td>39,874</td>
<td>86.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2020</td>
<td>2,980,000</td>
<td>5.000%</td>
<td>337,257</td>
<td>11.317%</td>
<td>48,251</td>
<td>83.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2021</td>
<td>3,130,000</td>
<td>5.000%</td>
<td>391,451</td>
<td>12.506%</td>
<td>58,710</td>
<td>83.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2022</td>
<td>3,210,000</td>
<td>5.000%</td>
<td>427,253</td>
<td>13.870%</td>
<td>65,894</td>
<td>81.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2023</td>
<td>3,250,000</td>
<td>5.000%</td>
<td>441,054</td>
<td>14.279%</td>
<td>73,904</td>
<td>80.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2024</td>
<td>3,280,000</td>
<td>5.000%</td>
<td>451,054</td>
<td>14.649%</td>
<td>81,914</td>
<td>79.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2025</td>
<td>3,290,000</td>
<td>5.000%</td>
<td>453,054</td>
<td>14.749%</td>
<td>82,914</td>
<td>79.5%</td>
</tr>
<tr>
<td>2006A</td>
<td>10/1/2026</td>
<td>3,300,000</td>
<td>5.000%</td>
<td>454,054</td>
<td>14.849%</td>
<td>83,914</td>
<td>79.5%</td>
</tr>
</tbody>
</table>

Market conditions as of July 24, 2015. Results assume all bonds with positive present value savings and at least 50% refunding escrow efficiency are refunded. Taxable rates assume a 10-year par call.
# University of Hawaii

University Bonds (Medical Center): Combined Taxable and Forward Refunding

## Summary Statistics

<table>
<thead>
<tr>
<th>Summary</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Par Amount</td>
<td>$80,700,000</td>
</tr>
<tr>
<td>Par Amount Refunded</td>
<td>$83,180,000</td>
</tr>
<tr>
<td>Average Life</td>
<td>9.2 years</td>
</tr>
<tr>
<td>All-in TIC</td>
<td>3.50%</td>
</tr>
<tr>
<td>Avg. Annual Savings</td>
<td>$350,207</td>
</tr>
<tr>
<td>Net PV Savings ($)</td>
<td>$5,517,876</td>
</tr>
<tr>
<td>Net PV Savings (%)</td>
<td>6.63%</td>
</tr>
<tr>
<td>Negative Arbitrage</td>
<td>$1,016,861</td>
</tr>
<tr>
<td>Efficiency</td>
<td>84.44%</td>
</tr>
</tbody>
</table>

- Shaded series are anticipated to be refunded
- Assumes a pro-rata (25%) split between taxable and tax-exempt refundings
  - 7 month forward period (8 bps/per month)
- Matched maturity refunding structure

## Taxable Refunding Monitor

<table>
<thead>
<tr>
<th>Series</th>
<th>Par Amount</th>
<th>Par Maturity</th>
<th>Coupon</th>
<th>Savings</th>
<th>% Savings</th>
<th>Neg. Arb.</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006A (Med)</td>
<td>1,135,000</td>
<td>4.000%</td>
<td>(10,945)</td>
<td>-0.964%</td>
<td>5,619</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>385,000</td>
<td>3.750%</td>
<td>4,380</td>
<td>1.138%</td>
<td>3,257</td>
<td>57.4%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>840,000</td>
<td>5.000%</td>
<td>19,747</td>
<td>2.351%</td>
<td>7,167</td>
<td>73.4%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,285,000</td>
<td>5.000%</td>
<td>60,483</td>
<td>4.707%</td>
<td>15,602</td>
<td>79.5%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,350,000</td>
<td>5.000%</td>
<td>81,963</td>
<td>6.071%</td>
<td>21,347</td>
<td>79.3%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,420,000</td>
<td>5.000%</td>
<td>102,422</td>
<td>7.213%</td>
<td>25,912</td>
<td>79.8%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,495,000</td>
<td>5.000%</td>
<td>121,446</td>
<td>8.123%</td>
<td>30,063</td>
<td>80.2%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,570,000</td>
<td>5.000%</td>
<td>132,226</td>
<td>8.422%</td>
<td>34,736</td>
<td>79.2%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,645,000</td>
<td>4.500%</td>
<td>109,600</td>
<td>6.663%</td>
<td>36,634</td>
<td>74.8%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,725,000</td>
<td>5.000%</td>
<td>173,277</td>
<td>10.045%</td>
<td>40,940</td>
<td>80.9%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,810,000</td>
<td>4.500%</td>
<td>98,473</td>
<td>5.440%</td>
<td>46,430</td>
<td>68.0%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,899,000</td>
<td>4.500%</td>
<td>82,394</td>
<td>4.348%</td>
<td>51,631</td>
<td>61.5%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>1,980,000</td>
<td>5.000%</td>
<td>119,173</td>
<td>-5.842%</td>
<td>58,430</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>2,040,000</td>
<td>3.500%</td>
<td>(93,297)</td>
<td>4.736%</td>
<td>54,870</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>2,070,000</td>
<td>3.500%</td>
<td>(119,173)</td>
<td>-5.842%</td>
<td>58,430</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>2,150,000</td>
<td>4.625%</td>
<td>29,879</td>
<td>2.390%</td>
<td>39,048</td>
<td>43.3%</td>
<td></td>
</tr>
</tbody>
</table>

## Tax-Exempt Forward Refunding Monitor

<table>
<thead>
<tr>
<th>Series</th>
<th>Par Amount</th>
<th>Par Maturity</th>
<th>Coupon</th>
<th>Savings</th>
<th>% Savings</th>
<th>Neg. Arb.</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006A (Med)</td>
<td>3,410,000</td>
<td>4.000%</td>
<td>(22,536)</td>
<td>-0.661%</td>
<td>6,894</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>3,150,000</td>
<td>3.750%</td>
<td>19,831</td>
<td>1.724%</td>
<td>3,390</td>
<td>85.4%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>3,285,000</td>
<td>5.000%</td>
<td>228,844</td>
<td>5.906%</td>
<td>14,199</td>
<td>94.2%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>4,060,000</td>
<td>5.000%</td>
<td>345,768</td>
<td>8.516%</td>
<td>17,090</td>
<td>95.3%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>4,265,000</td>
<td>5.000%</td>
<td>440,033</td>
<td>10.317%</td>
<td>20,802</td>
<td>95.5%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>4,480,000</td>
<td>5.000%</td>
<td>508,090</td>
<td>11.361%</td>
<td>25,157</td>
<td>95.3%</td>
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<tr>
<td>2006A (Med)</td>
<td>4,710,000</td>
<td>5.000%</td>
<td>544,893</td>
<td>11.900%</td>
<td>30,140</td>
<td>94.8%</td>
<td></td>
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<tr>
<td>2006A (Med)</td>
<td>4,940,000</td>
<td>4.500%</td>
<td>443,352</td>
<td>8.975%</td>
<td>33,872</td>
<td>92.9%</td>
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<tr>
<td>2006A (Med)</td>
<td>5,180,000</td>
<td>5.000%</td>
<td>644,413</td>
<td>12.440%</td>
<td>37,690</td>
<td>94.5%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>5,430,000</td>
<td>4.500%</td>
<td>467,077</td>
<td>8.602%</td>
<td>41,591</td>
<td>91.8%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>5,680,000</td>
<td>4.500%</td>
<td>379,099</td>
<td>6.681%</td>
<td>46,183</td>
<td>89.2%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>5,910,000</td>
<td>3.500%</td>
<td>(217,614)</td>
<td>-3.682%</td>
<td>49,755</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>6,125,000</td>
<td>3.500%</td>
<td>(323,809)</td>
<td>-5.287%</td>
<td>52,855</td>
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<tr>
<td>2006A (Med)</td>
<td>6,185,000</td>
<td>5.000%</td>
<td>141,587</td>
<td>7.551%</td>
<td>18,195</td>
<td>88.6%</td>
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<tr>
<td>2006A (Med)</td>
<td>6,115,000</td>
<td>4.250%</td>
<td>(64,672)</td>
<td>-0.580%</td>
<td>109,724</td>
<td>N/A</td>
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<tr>
<td>2006A (Med)</td>
<td>5,750,000</td>
<td>4.250%</td>
<td>118,742</td>
<td>3.166%</td>
<td>34,390</td>
<td>77.5%</td>
<td></td>
</tr>
<tr>
<td>2006A (Med)</td>
<td>6,100,000</td>
<td>4.500%</td>
<td>95,899</td>
<td>0.914%</td>
<td>103,821</td>
<td>48.0%</td>
<td></td>
</tr>
</tbody>
</table>

# University of Hawaii

Resolution Parameters

## Not-to-Exceed Par Amount

<table>
<thead>
<tr>
<th>Description</th>
<th>Current Market</th>
<th>Current Market Less 0.50%</th>
<th>All Prior Bonds Refunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Money (30-year, Taxable)</td>
<td>8,570,000</td>
<td>8,570,000</td>
<td>8,570,000</td>
</tr>
<tr>
<td>2006A &amp; 2009A Refunding (25% Taxable Refunding)</td>
<td>82,540,000</td>
<td>119,160,000</td>
<td>163,080,000</td>
</tr>
<tr>
<td>Medical Center Refunding (Combined Taxable and Forward)</td>
<td>80,700,000</td>
<td>98,055,000</td>
<td>123,645,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>171,810,000</strong></td>
<td><strong>225,785,000</strong></td>
<td><strong>295,295,000</strong></td>
</tr>
</tbody>
</table>

## Additional Parameters

- Maximum Tax-Exempt True Interest Cost: 5.000%
- Maximum Taxable True Interest Cost: 6.000%
- Maximum Final Maturity: October 1, 2045