

Replacement of UBS Securities LLC as Remarketing Agent for Variable Rate Bonds – North Carolina State University and The University of North Carolina at Chapel Hill

Previously, the Board of Governors issued variable rate general revenue bonds on behalf of North Carolina State University (North Carolina State University at Raleigh Variable Rate General Revenue Bonds, Series 2003B) and The University of North Carolina at Chapel Hill (The University of North Carolina at Chapel Hill Variable Rate General Revenue Bonds, Series 2001C). Both issues are remarketed by UBS Securities LLC. Recently, UBS announced it will exit the municipal finance business. Both NC State and UNC Chapel Hill have requested authority to replace UBS as the remarketing agent on the variable rate bonds described above and appoint new remarketing agents.

It is recommended that the Board authorize the Vice President for Finance to take necessary actions to replace UBS and, after soliciting proposals, appoint new remarketing agents for the variable rate bonds described above, including executing and delivering new remarketing agreements.