

## APPENDIX C

### Sale of Revenue Refunding Bonds – University of North Carolina Hospitals at Chapel Hill

The University of North Carolina Hospitals at Chapel Hill desires to refund its Revenue Bonds, Series 1996, to take advantage of lower interest rates currently available. UNC Hospitals, with the assistance of investment bankers and bond counsel, has developed a detailed refunding plan to maximize savings through the use of bonds bearing variable rates and fixed rates, including an interest rate swap agreement. The refunding bonds will be issued pursuant to the general trust indenture approved by the Board of Governors when the bonds were originally issued. UNC Hospitals is now ready to proceed with the refinancing and requests authority to issue bonds not to exceed \$150,000,000 to defease some or all of the 1996 Bonds.

The refunding plan for UNC Hospitals anticipates achieving net present value savings of at least 6.4%, totaling over \$6,000,000.

It is recommended that the following Resolution be adopted and that the Vice President for Finance be authorized to issue and sell the revenue bonds at such time as the net present value savings equal or exceed \$6,000,000.

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA OF NOT TO EXCEED \$150,000,000 AGGREGATE PRINCIPAL AMOUNT OF REVENUE BONDS FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF THE OUTSTANDING BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA, UNIVERSITY OF NORTH CAROLINA HOSPITALS AT CHAPEL HILL, REVENUE BONDS, SERIES 1996, AND AUTHORIZING AN INTEREST RATE SWAP AGREEMENT IN CONNECTION THEREWITH