

October 16, 2025 at 10 a.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S West Street, Board Room (17th Floor)
Raleigh, North Carolina

AGENDA

- A-1. Approval of the Open Session Minutes Kirk Bradley
 - a. September 15, 2025
 - b. September 17, 2025
- A-2. 2025 Hurricane Helene Grant Additional AllocationJennifer Haygood
- A-3. Sale of Special Obligation Bonds — North Carolina
Agricultural and Technical State University.....Jennifer Haygood
- A-4. Sale of Special Obligation Bonds — University of North Carolina at Chapel Hill.....Jennifer Haygood
- A-5. Authorized Use of Special Obligation Bonds “Commercial Paper Program” —
University of North Carolina at Chapel Hill.....Jennifer Haygood
- A-6. Sale of Special Obligation Bonds “New Commercial Paper” —
University of North Carolina at Chapel Hill.....Jennifer Haygood
- A-7. Sale of Special Obligation Bonds — University of North Carolina Wilmington.....Jennifer Haygood
- A-8. Capital Improvement Projects Katherine Lynn
- A-9. Disposition of Property by Lease — NC State University..... Katherine Lynn
- A-10. 2025-26 NC Promise Annual Report.....Jennifer Haygood
- A-11. Adjourn

Additional Information Available:

FY 2020-2025 Actual General Fund Expenditures and Revenues
University of North Carolina Quarterly Capital Projects Report

DRAFT MINUTES

September 15, 2025 at 10 a.m.

Via Videoconference and PBS North Carolina Livestream

This meeting of the Committee on Budget and Finance was presided over by Chair Kirk Bradley. The following committee members, constituting a quorum, were present via videoconference: Lee Barnes, Harry Brown, John Fraley, Reginald Holley, and Art Pope.

Chancellors participating were Karrie Dixon, Lee Roberts, and Philip Rogers.

The committee Faculty Assembly advisor present was Jim Westerman.

Staff members present included Jennifer Haygood, Brandy Andrews, Katherine Lynn, and others from the University of North Carolina System Office.

1. Call to Order and Approval of OPEN Session Minutes (Item A-1)

The chair called the meeting to order at 10 a.m., on Monday, September 15, 2025. The open session minutes from the Thursday, July 24, 2025, meeting were approved by unanimous consent.

2. 2024-25 Annual Report of the Committee on Budget and Finance (Item A-2)

Chair Bradley called on Senior Vice President Jennifer Haygood to present the 2024-25 annual report summarizing the actions of the committee during FY25. Under the UNC Policy Manual, at least annually, each standing committee should make a written report to the full Board of Governors reviewing the committee's work from the preceding year. The committee approved the report for submission to the University of North Carolina Board of Governors.

The chair asked for a motion to approve the committee's annual report.

MOTION: Resolved, that the Committee on Budget and Finance approve the 2024-25 Annual Report of the Committee on Budget and Finance and submit it to the full Board of Governors.

Motion: Harry Brown

Motion carried

3. 2025 Hurricane Helene Grant Allocations (Item A-3)

The chair called on Vice President Brandy Andrews to present the 2025 Hurricane Helene Grant allocations, which were part of the North Carolina General Assembly-approved S.L. 2025-26, The Disaster Recovery Act of 2025 — Part II. Appalachian State University, The North Carolina Arboretum, University of North Carolina Asheville, and Western Carolina University were allocated funds. Full details of the allocations were included in the committee materials.

The chair asked for a motion to approve the Hurricane Helene grant allocations.

MOTION: Resolved, that the Committee on Budget and Finance approve the 2025 Hurricane Helen grant allocations and recommend them to the full Board of Governors for a vote through the consent agenda.

Motion: Lee Barnes

Motion carried

4. Capital Improvement Projects (Item A-4)

Chair Bradley called on Vice President Katherine Lynn to present the capital improvement projects for the authorization of two new capital projects for a total of \$2.5 million at the University of North Carolina at Charlotte. In addition, she presented six capital projects for increased authorization at East Carolina University, North Carolina Agricultural and Technical State University, North Carolina Central University, University of North Carolina at Pembroke, and University of North Carolina Wilmington for a total of \$ \$9,631,577.

The chair asked for a motion to approve the capital improvement projects.

MOTION: Resolved, that the Committee on Budget and Finance approve the capital improvement projects and recommend them to the full Board of Governors for a vote through the consent agenda.

Motion: Harry Brown

Motion carried

5. Disposition of Property by Ground Lease — East Carolina University (Item A-5)

Chair Bradley called on Ms. Lynn to present East Carolina University's request for authorization to dispose of property by ground lease of the North Recreation Complex (NRC) to the City of Greenville for a 50-year term.

The chair asked for a motion to approve the authorization to dispose of property by ground lease.

MOTION: Resolved, that the Committee on Budget and Finance approve the disposition of property by ground lease for ECU and recommend it to the full Board of Governors for a vote through the consent agenda.

Motion: Reginald Holley

Motion carried

6. Acquisition of Property by Deed — North Carolina Agricultural and Technical State University (Item A-6)

Chair Bradley called on Ms. Lynn to present North Carolina Agricultural and Technical State University's request for authorization to acquire property by deed of approximately 18.39 acres located at 3201 Old McConnell Loop in Greensboro, North Carolina.

The chair asked for a motion to approve the authorization to acquire property by deed.

MOTION: Resolved, that the Committee on Budget and Finance approve the acquisition of property by deed for North Carolina A&T State University and recommend it to the full Board of Governors for a vote through the consent agenda.

Motion: Art Pope

Motion carried

7. Adjourn (Item A-7)

Chair Bradley called on Ms. Haygood to remind the committee that the FY25 Alternative Project Delivery Report was provided as additional information available in its materials.

There being no further business and without objection, the meeting adjourned at 10:21 a.m.

Reginald Holley, Secretary

DRAFT MINUTES

September 17, 2025 at 9 a.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S. West Street, Board Room (17th Floor)
Raleigh, North Carolina

This meeting of the Committee on Budget and Finance was presided over by Chair Kirk Bradley. The following committee members, constituting a quorum, were also present in person, via videoconference, or by phone: Lee Barnes, Harry Brown, John Fraley, Reginald Holley, and Art Pope.

Chancellors participating were Karrie Dixon, Lee Roberts, and Philip Rogers.

The committee Faculty Assembly advisor present was Jim Westerman.

Staff members present included Jennifer Haygood, Brandy Andrews, Katherine Lynn, and others from the University of North Carolina System Office.

The chair called the meeting to order at 9 a.m., Wednesday, September 17, 2025.

Chair Bradley recognized North Carolina House Rep. Ray Pickett and NC Fiscal Research Division staff members Steve Baily and Jennifer Haigwood.

1. 2025-27 General Fund Update (Item A-1)

Chair Bradley called on Senior Vice President Jennifer Haygood to give an update on the 2025-27 General Fund. In addition to appropriating the 2025-27 base budget, the recently enacted S.L. 2025-89 (“mini-budget”) provided additional operating funds for NC Promise, building reserves, and benefit rate increases, as well as reduces funding for nonresident graduate tuition waivers. The legislation also allocated State Capital and Infrastructure Fund monies for various capital projects already in progress and \$100 million for the UNC Repair and Renovation Program. S.L. 2025-89 did not include funding for enrollment growth, performance funding, or legislative salary adjustments; it also did not amend the existing sports wagering tax rate or revenue allocations.

This item was for information only.

2. 2025-26 Operating Budget Allocations (Item A-2)

The chair called on Vice President Brandy Andrews to present the 2025-26 Operating Budget Allocations. The North Carolina General Assembly approved adjustments to 2025-26 state base budgets through S.L. 2025-89. Budget adjustments appropriated funds to the University of North Carolina Board of Governors for allocation and require Board action. The recommended allocations meet all the General Assembly directives as enacted, which were included in the committee’s materials.

The chair called for a motion to approve the operating budget allocations.

MOTION: Resolved, that the Committee on Budget and Finance approve the 2025-26 Operating Budget Allocations and recommend them to the full Board of Governors for a vote through the consent agenda.

Motion: Reginald Holley

Motion carried

3. Performance Funding Reallocations (Item A-3)

The chair called on Ms. Haygood to present the Performance Funding Reallocation as mentioned in the meeting earlier and reminded the committee that neither the NC Senate nor the NC House version of the 2025-27 budget included recurring funds. The committee discussed the proposal that each institution contribute to a \$30 million performance pool through a proportional, recurring reduction based on its FY24 operating revenues and State appropriations. The performance pool will be a recurring allocation with annual adjustments based on the Board-approved performance funding model. There was a committee discussion on the item.

MOTION: Resolved, that the Committee on Budget and Finance amend the performance funding reallocation proposal to provide for a nonrecurring allocation of the performance funding.

Governors Fraley, Holley, and Pope voted in the affirmative, and Governors Barnes, Bradley, Brown, and Chair Murphy in the negative. The motion to amend the performance funding reallocation proposal failed.

Motion: John Fraley

Motion failed

The chair asked for a motion to approve the Performance Funding Reallocations.

MOTION: Resolved, that the Committee on Budget and Finance approve the Performance Funding Reallocations and recommend them to the full Board of Governors for a vote.

Governors Barnes, Bradley, Brown, and Chair Murphy in the affirmative, and Governors Fraley, Holley, and Pope voted in the negative. The motion to approve the performance funding reallocation was approved.

Motion: Harry Brown

Motion carried

4. 2026-27 Tuition and Fees Instructions (Item A-4)

Chair Bradley called on Ms. Haygood to give the presentation of the 2026-27 Tuition and Fees instructions that will provide guidance to the University of North Carolina System institutions. Institutions may propose increases for resident undergraduate students, which only apply to newly enrolled students. For 2026-27, the Board of Governors will consider resident undergraduate increases up to three percent. In addition, institutions may propose increases for nonresident undergraduate and graduate students. Proposals must justify both the need for the increase and why it is not expected to negatively impact enrollment. Requests may not propose using tuition revenue for financial aid. For 2026-27, the Board will consider increases to mandatory fees subject to the three percent statutory cap that are critical to maintaining core activities supported by the fee.

This item was for discussion only.

5. Amend Section 600.1.3 of the UNC Policy Manual, *Policy on Authority for Real Property Transactions* (A-5)

Chair Bradley called on Ms. Haygood to amend Section 600.1.3 of the UNC Policy Manual, *Policy on Authority for Real Property Transactions*, to increase the authority levels for delegated real property transactions, define real property terms, and align with the policies for millennial campuses and associated entities. Conforming changes will be made to The Code and Section 200.6 of the UNC Policy Manual, *Policy on Delegated Authority to the President*, and Section 600.1.1 of the UNC Policy Manual, *Policy on Design, Construction, and Financing of Capital Improvement Projects*, consistent with the delegations provided herein. The secretary, in consultation with the senior vice president and general counsel, shall be authorized to make such updates as technical updates upon the adoption of these policy amendments.

The chair asked for a motion to approve the amendments to *Policy on Authority for Real Property Transactions*.

MOTION: Resolved, that the Committee on Budget and Finance approve to amend Section 600.1.3 of the UNC Policy Manual, *Policy on Authority for Real Property Transactions*, and recommend it to the full Board of Governors for a vote through the consent agenda at its next meeting.

Motion: Reginald Holley

Motion carried

6. 2025-26 State Capital and Infrastructure Fund (SCIF) Repairs and Renovations (R&R) Allocations (Item A-6)

Chair Bradley called on Vice President Katherine Lynn to present the FY 2026 State Capital and Infrastructure Fund (SCIF) allocations for repairs and renovations (R&R) projects totaling \$291,237,227 and appropriated \$100 million in FY 2026 for the University of North Carolina SCIF R&R projects.

The chair asked for a motion to approve the SCIF and R&R allocations.

MOTION: Resolved, that the Committee on Budget and Finance approve the FY 2025-26 State Capital and Infrastructure Fund Repairs and Renovations allocations and recommend them to the full Board of Governors for a vote through the consent agenda.

Motion: Reginald Holley

Motion carried

7. Adjourn (Item A-7)

There being no further business and without objection, the meeting adjourned at 10:06 a.m.

Reginald Holley, Secretary

AGENDA ITEM

A-2. 2025 Hurricane Helene Grant Additional Allocation.....Jennifer Haygood

Situation: The North Carolina General Assembly approved Session Law 2025-92, Part I. Tropical Storm Chantal Funding and Other Disaster Recovery.

Background: One of the principal responsibilities of the University of North Carolina Board of Governors is to “develop, prepare, and present to the Governor and the General Assembly a single, unified recommended budget for the constituent institutions of the University of North Carolina” [G.S. 116-11(9)a]. In odd-numbered years, the governor recommends and the General Assembly enacts a biennial (two-year) budget. In even-numbered years, adjustments are made to the budget for the second fiscal year of the biennium. Unless funds are appropriated directly to institutional budgets, the Board of Governors is responsible for allocating appropriated funds among the institutions, consistent with applicable legislation.

Assessment: S.L. 2025-92 appropriated \$1 million for an additional Hurricane Helene grant allocation to the University of North Carolina Asheville. When combined with the \$1.5 million appropriated in S.L.2025-26 that was approved by the Board of Governors in September 2025, the campus will receive a total of \$2.5 million. Funds are authorized to repair, replace, renovate, or construct buildings or infrastructure damaged by Hurricane Helene, and for resiliency and hazard mitigation on campus property to prepare for future disasters.

The budget adjustment was appropriated to the Board of Governors for allocation and requires Board action. The recommended allocation meets the General Assembly directives as enacted.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

2025 Hurricane Helene Grant Additional Allocation

This document includes actions taken by the North Carolina General Assembly for the University of North Carolina System in Session Law 2025-92 Part I Tropical Storm Chantal Funding and Other Disaster Recovery.

Recommended Allocations for Items Requiring Board Approval

The following appropriation has been allocated to the University of North Carolina Board of Governors and requires approval. It is recommended that the following Hurricane Helene grant allocation be approved and that the president be authorized to approve any plan changes, consistent with the intent of the legislation.

Hurricane Helene Grant Allocations

The General Assembly allocated funds to the UNC Board of Governors to repair, replace, renovate, or construct buildings or infrastructure damaged by Hurricane Helene, and for resiliency and hazard mitigation on campus property to prepare for future disasters.

S.L. 2025-92 appropriated an additional \$1 million to the Board for the University of North Carolina Asheville. In September, the Board appropriated \$1.5 million to UNC Asheville pursuant to S.L. 2025-26. UNC Asheville submitted a revised plan to reflect the additional \$1 million for a total allocation of \$2.5 million. The recommended additional allocation below has been reviewed and meets the General Assembly directives.

Recommended Additional Hurricane Helene Grant — University of North Carolina Asheville

Project Title	Project Category	Allocation (Nonrecurring)
<i>Previously approved on 9/18/25:</i>		
Helene Debris Removal	Repairs and Renovations	\$220,000
Equipment Upgrades for Future Storms	Resiliency and Hazard Mitigation	555,000
Repairs and Mitigation	Infrastructure Repair	225,000
Emergency Operations Center Upgrades	Resiliency and Hazard Mitigation	500,000
		\$1,500,000
<i>Additional \$1 million General Assembly Allocation:</i>		
Equipment Upgrades for Future Storms	Resiliency and Hazard Mitigation	806,438
Emergency Operations Center Upgrades	Resiliency and Hazard Mitigation	193,562
		\$1,000,000
Total Grant Allocation		\$2,500,000

AGENDA ITEM

- A-3. Sale of Special Obligation Bonds —
North Carolina Agricultural and Technical State University.....Jennifer Haygood

Situation: North Carolina Agricultural and Technical State University (“N.C. A&T”) requests that the University of North Carolina Board of Governors issue special obligation bonds (the “2025 Bonds”) in a principal amount not to exceed \$36 million for the purpose of (a) currently refunding all or a portion of N.C. A&T’s General Revenue Bonds, Series 2015A (the “2015A Bonds”) and (b) paying the costs of issuing the 2025 Bonds.

Background: The Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the North Carolina General Assembly. This request is to refinance the 2015A Bonds with tax-exempt bonds using a private bank placement.

In September 2021, the Board approved the taxable refunding of the 2015A Bonds. The transaction did not take place due to adverse market conditions.

Assessment: Due to the favorable interest rate environment, N.C. A&T has the opportunity to refinance the 2015A Bonds for debt service savings. N.C. A&T estimates that it can achieve approximately \$2.8 million in net present value savings by refunding the 2015A Bonds, representing approximately 7.95 percent of the par amount refunded, which is based on a cost of funds of approximately 3.89 percent. The refunding of N.C. A&T’s 2015A Bonds will be subject to final approval by the System Office prior to the sale of the 2025 Bonds.

N.C. A&T is rated “Aa3” with a stable outlook by Moody’s Investors Ratings and “AA” with a stable outlook from Fitch Ratings. N.C. A&T is currently not rated by S&P Global Ratings. The 2025 Bonds will not be rated, and the transaction is expected to have no impact on N.C. A&T’s credit ratings.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Sale of Special Obligation Bonds — North Carolina Agricultural and Technical State University

ISSUE OVERVIEW

The University of North Carolina Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the North Carolina General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

North Carolina Agricultural and Technical State University (“N.C. A&T”) requests that the Board of Governors issue special obligation bonds (the “2025 Bonds”) in a principal amount not to exceed \$36 million for the purpose of (a) currently refunding all or a portion of N.C. A&T’s General Revenue Bonds, Series 2015A (the “2015A Bonds”) and (b) paying the costs of issuing the 2025 Bonds. N.C. A&T estimates that it can achieve approximately \$2.8 million in net present value savings by refunding the 2015A Bonds, representing approximately 7.95 percent of the par amount refunded, which is based on a cost of funds of approximately 3.89 percent.

The 2015A Bonds were used to finance and refinance the costs of the construction, equipping, and furnishing of the new student center and refund other prior obligations.

The 2025 Bonds will be directly placed with Huntington Public Capital Corporation, which was selected through a competitive request for proposal (RFP) process.

N.C. A&T is rated “Aa3” with a stable outlook by Moody’s Investors Ratings and “AA” with a stable outlook from Fitch Ratings. N.C. A&T is currently not rated by S&P Global Ratings. The 2025 Bonds will not be rated, and the transaction is expected to have no impact on N.C. A&T’s credit ratings.

Parker Poe Adams & Bernstein LLP is bond counsel, and First Tryon Advisors, LLC, is the financial advisor.

RECOMMENDATION

It is recommended that the president of the University, or his designee, be authorized to sell the special obligation bonds through the attached resolution.

**RESOLUTION OF THE UNIVERSITY OF NORTH CAROLINA BOARD OF
GOVERNORS AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION
BONDS TO REFINANCE SPECIAL OBLIGATION BOND PROJECTS FOR
NORTH CAROLINA AGRICULTURAL & TECHNICAL STATE UNIVERSITY**

WHEREAS, pursuant to Chapter 116 of the General Statutes of North Carolina, the University of North Carolina Board of Governors (the “Board”) is vested with general control and supervision of the constituent institutions of the University of North Carolina System (the “UNC System”); and

WHEREAS, the Board is authorized by Chapter 116D of the General Statutes of North Carolina (the “Act”) to issue, subject to the approval of the Director of the Budget, at one time or from time to time, (1) special obligation bonds of the Board for the purpose of paying all or any part of the cost of acquiring, constructing, or providing special obligation projects and (2) refunding bonds for the purpose of refunding any bonds issued by the Board under the Act or under any Article of Chapter 116 of the General Statutes of North Carolina, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds refunded; and

WHEREAS, North Carolina Agricultural & Technical State University (“N.C. A&T”) and its financial advisor have advised the Board that it can achieve debt service savings by refunding the North Carolina Agricultural and Technical State University General Revenue Bonds Series 2015A (the “2015A Bonds”), the proceeds of which were used to finance and refinance the costs of the construction, equipping, and furnishing of the new student center on the campus of N.C. A&T and refund other prior obligations, the proceeds of which were used to finance and refinance projects at N.C. A&T;

WHEREAS, the Board has determined to issue North Carolina Agricultural and Technical State University General Revenue Refunding Bond (with appropriate description and series designation) (the “Bond”) in an aggregate principal amount not to exceed \$36,000,000 to (1) refund all or a portion of the 2015A Bonds maturing on and after October 1, 2026 (the “Refunded Bonds”) and (2) pay the costs of issuing the Bond; and

WHEREAS, the Board has determined to issue the Bond under the General Trust Indenture dated as of December 1, 2012 (the “General Indenture”) between the Board and The Bank of New York Mellon Trust Company, N.A., (the “Trustee”), and a series indenture (the “Series Indenture”) between the Board and the Trustee; and

WHEREAS, the Bond and other obligations issued under the General Indenture are payable solely from any funds of N.C. A&T, or the Board held for N.C. A&T, in each fiscal year, but excluding (1) appropriations by the North Carolina General Assembly from the State General Fund, (2) tuition payments by N.C. A&T students, (3) funds whose purpose has been restricted by the gift, grant, or payee thereof, (4) revenues generated by Special Facilities (as defined in the General Indenture), and (5) funds restricted by law (the “Available Funds”); and

WHEREAS, the Board proposes to sell the Bond to Huntington Public Capital Corporation (the “Purchaser”), selected through a request for proposals process whose bid result in the most favorable terms for N.C. A&T; and

WHEREAS, in order to lock the interest rate with the Purchaser, the Board or N.C. A&T may need to enter into an agreement with the Purchaser to pay an amount necessary to make the Purchaser whole

for a change in interest rates if the Bond is not issued by the Board on or before a certain date (the “Rate Lock Agreement”);

WHEREAS, there have been made available to the Board forms of the following documents (the “Board Documents”) which the Board proposes to approve, ratify, execute, and deliver, as applicable, to effectuate the financing:

1. the General Indenture;
2. the Series Indenture; and
3. the Bond in the form set forth in the Series Indenture; and

WHEREAS, the issuance of the Bond does not directly or indirectly or contingently obligate the State or any agency or political subdivision of the State to levy or to pledge any taxes to pay the cost, in whole or in part, of the Bond in compliance with Section 116D-23 of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. **Authorization of Bond.** That the Board hereby authorizes the issuance of the Bond in an aggregate principal amount not to exceed \$36,000,000 under the General Indenture and the Series Indenture to pay the costs of refunding the Refunded Bonds and costs incurred in connection with the issuance of the Bond. The Bond will be issued in accordance with the term sheet provided by the Purchaser and on such other terms as the Senior Vice President for Finance and Administration and Chief Financial Officer of the UNC System (the “SVP-Finance”), or her designee, in consultation with the appropriate officers at N.C. A&T, determine to be in N.C. A&T’s best interest to achieve debt service savings on the Refunded Bonds.

Section 2. **Sufficiency of Available Funds.** That the Board hereby finds that sufficient Available Funds are available to pay the principal of and interest on the Bond and to provide for the maintenance and operation of the facilities at N.C. A&T to the extent required under the General Indenture.

Section 3. **Selection of Financing Team Members.** That the Board authorizes the SVP-Finance and the Vice Chancellor for Business and Finance of N.C. A&T to select the professionals necessary to undertake the financing as contemplated in this Resolution.

Section 4. **Authorization of Board Documents.** That the form and content of the Board documents be in all respects authorized, approved, and confirmed, and the Chair of the Board, the President of the UNC System, the Senior Vice President for Finance and Administration and Chief Financial Officer, the Secretary of the Board, and the Deputy Chief of Staff and Secretary of the UNC System, or anyone acting in an interim capacity, and their respective designees, individually and collectively (the “Authorized Officers”), be and they hereby are each authorized, empowered, and directed to execute and deliver the Board Documents for and on behalf of the Board, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions, or deletions therein as to them seem necessary, desirable, or appropriate, their execution thereof to constitute conclusive evidence of the Board’s approval of any and all such changes, modifications, additions, or deletions therein, and that from and after the execution and delivery of the Board Documents, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things

and to execute all such documents as may be necessary to carry out and comply with the provisions of the Board Documents as executed.

The Authorized Officers and the Vice Chancellor for Business and Finance of N.C. A&T, individually or collectively, are authorized to enter into a Rate Lock Agreement and, to the extent necessary, make any payment from any legally available funds of N.C. A&T that may be required under the Rate Lock Agreement.

Section 5. **General Authority.** From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary to the issuance and ongoing administration of the Bond. Any provision in this Resolution that authorizes more than one officer to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively. The Chancellor and the Vice Chancellor for Business and Finance at N.C. A&T, or their respective designees, individually or collectively, are hereby authorized to execute and deliver all documents as may be necessary to the issuance and ongoing administration of the Bond on behalf of N.C. A&T.

Section 8. **Conflicting Provisions.** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 9. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

PASSED, ADOPTED, AND APPROVED this 16th day of October, 2025.

STATE OF NORTH CAROLINA)
)
COUNTY OF WAKE)

SECRETARY’S CERTIFICATE
OF AUTHENTICATION
SS:

I, Meredith R. McCullen, Deputy Chief of Staff and Secretary of the University of North Carolina System, DO HEREBY CERTIFY that (1) the foregoing is a full, true, and correct copy of the approving resolution adopted by the University of North Carolina Board of Governors (the “Board of Governors”) at its meeting on October 16, 2025 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors held on October 16, 2025 was sent to each member of the Board of Governors, and (3) a quorum was present at the meeting on October 16, 2025 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina System this ____ day of _____, 2025.

[SEAL]

Deputy Chief of Staff and Secretary of the University of
North Carolina System

AGENDA ITEM

A-4. Sale of Special Obligation Bonds — University of North Carolina at Chapel HillJennifer Haygood

- Situation:** The University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) requests that the University of North Carolina Board of Governors issue special obligation bonds (the “2025A Bonds”) in a principal amount not to exceed \$100 million, plus an additional amount not to exceed five percent of such principal amount. The 2025A Bonds will be issued for the purpose of (a) refunding all or a portion of UNC-Chapel Hill General Revenue Bonds, Series 2002A (commercial paper); (b) financing the remaining construction costs of the Avery Residence Hall Renovation, the Bingham Hall Comprehensive Renovation, and portions of the Chilled Water Infrastructure Expansion — Phase I; and (c) paying the costs of issuing the 2025A Bonds.
- Background:** The Board of Governors is authorized to issue special obligation bonds and bond anticipation notes for capital improvements projects that have been approved by the North Carolina General Assembly. All projects in this request have been previously approved by the Board of Governors and were approved by the General Assembly under S.L. 2017-141 (Medical Education Building), S.L. 2023-66 (Avery Residence Hall Renovation, Bingham Hall Comprehensive Renovation, and Chilled Water Infrastructure Expansion — Phase 1), and S.L. 2024-24 (Chilled Water Infrastructure Expansion — Phase 1).
- Assessment:** The aggregate principal of \$100 million will finance projects that were previously funded or that will be funded by UNC-Chapel Hill’s existing commercial paper and include the following: (a) \$19.5 million for the Medical Education Building (Roper Hall), (b) \$30 million for the Avery Residence Hall Renovation, (c) \$9 million for the Bingham Hall Comprehensive Renovation, (d) \$41.5 million for the Chilled Water Infrastructure Project — Phase I, and (e) paying the cost of issuing the 2025A Bonds. The expected cost of funds for the 2025 Bonds is approximately 4.65 percent.
- UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investors Service, “AAA” with a stable outlook by S&P Global Ratings, and “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.
- Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Sale of Special Obligation Bonds — University of North Carolina at Chapel Hill

ISSUE OVERVIEW

The University of North Carolina Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the North Carolina General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

The University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) requests that the Board of Governors issue special obligation bonds (the “2025A Bonds”) in a principal amount not to exceed \$100 million, plus an additional amount not to exceed five percent of such principal amount. The 2025A Bonds will be issued for the purpose of (a) refunding all or a portion of the University of North Carolina at Chapel Hill General Revenue Bonds, Series 2002A (commercial paper), (b) finance the remaining costs to complete construction of the Avery Residence Hall Renovation, the Bingham Hall Comprehensive Renovation, and portions of the Chilled Water Infrastructure Expansion — Phase I and (c) paying the related costs of issuance.

The aggregate principal of \$100 million will finance projects that were funded or that will be funded by UNC-Chapel Hill’s existing commercial paper and include: (a) \$19.5 million for the Medical Education Building (Roper Hall), (b) \$30 million for the Avery Residence Hall Renovation, (c) \$9 million for the Bingham Hall Comprehensive Renovation, (d) \$41.5 million for the Chilled Water Infrastructure Project — Phase I, and (e) paying the cost of issuing the 2025A Bonds. The expected cost of funds for the 2025 Bonds is approximately 4.65 percent. The 2025A Bonds will be sold on a competitive basis in the public market.

All projects in this request have been previously approved by the Board of Governors and were approved by the General Assembly under S.L. 2017-141 (Medical Education Building), S.L. 2023-66 (Avery Residence Hall Renovation, Bingham Hall Comprehensive Renovation, and Chilled Water Infrastructure Expansion — Phase 1), and S.L. 2024-24 (Chilled Water Infrastructure Expansion — Phase 1). The Board also previously authorized the interim financing of these projects under UNC-Chapel Hill’s commercial paper program.

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investors Service, “AAA” with a stable outlook by S&P Global Ratings, and “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.

Parker Poe Adams & Bernstein LLP is bond counsel, and PFM is the financial advisor.

RECOMMENDATION

It is recommended that the president of the University, or his designee, be authorized to remarket the special obligation bonds through the attached resolution.

**RESOLUTION OF THE UNIVERSITY OF NORTH CAROLINA BOARD OF
GOVERNORS AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION
BONDS TO FINANCE AND REFINANCE SPECIAL OBLIGATION BOND
PROJECTS FOR THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL**

WHEREAS, pursuant to Chapter 116 of the General Statutes of North Carolina, the University of North Carolina Board of Governors (the “Board”) is vested with general control and supervision of the constituent institutions of the University of North Carolina System (the “UNC System”);

WHEREAS, the Board is authorized by Chapter 116D of the General Statutes of North Carolina (the “Act”) to issue, subject to the approval of the Director of the Budget, at one time or from time to time, (1) special obligation bonds of the Board for the purpose of paying all or any part of the cost of acquiring, constructing, or providing special obligation bond projects and (2) refunding bonds for the purpose of refunding any bonds by the Board under the Act or under any Article of Chapter 116 of the General Statutes of North Carolina, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds refunded; and

WHEREAS, the University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) has advised the Board it would like to refund the outstanding The University of North Carolina at Chapel Hill General Revenue Bond, Series 2002A and the related commercial paper bonds (the “Commercial Paper Bonds”) in order to provide long-term financing for the following special obligation bond projects all or a portion of which was financed with the outstanding Commercial Paper Bonds: (1) Medical Education Building, authorized by S.L. 2017-141 of the 2017 Session Laws, (2) Avery Residence Hall, authorized by S.L. 2023-66 of the 2023 Session Laws, (3) Bingham Hall Comprehensive Renovation, authorized by S.L. 2023-66 of the 2023 Session Laws, and (4) Chilled Water Infrastructure Expansion — Phase I, authorized by S.L. 2023-66 of the 2023 Session Laws and S.L. 2024-24 of the 2023 Session Laws (collectively, the “CP Projects”);

WHEREAS, UNC-Chapel Hill has requested that the Board, in addition to refinancing the CP Projects, to finance the completion of the Avery Residence Hall and the Bingham Hall projects referenced above and additional portions of the Chilled Water Infrastructure Expansion — Phase I referenced above (the “2025 Bond Projects”);

WHEREAS, to achieve the goals set forth above, the Board has determined to authorize the issuance of The University of North Carolina at Chapel Hill General Revenue Bonds (with appropriate descriptions and series designations) in one or more series (the “Bonds”) in an aggregate principal amount not to exceed \$100,000,000, plus an additional five percent as specified below, to (1) refund the Commercial Paper Bonds, (2) finance the 2025 Bond Projects, and (3) pay the costs of issuing the Bonds; and

WHEREAS, the Board has determined to issue the Bonds under the General Trust Indenture dated as of January 15, 2001 (the “General Indenture”) between the Board and The Bank of New York, the successor to which is The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), and a Series Indenture, Number 19 (the “Series Indenture”) between the Board and the Trustee; and

WHEREAS, the Bonds and other obligations issued under the General Indenture are payable solely from any funds of UNC-Chapel Hill or the Board in each Fiscal Year remaining after satisfying obligations of UNC-Chapel Hill or the Board under a trust indenture, trust agreement, or bond resolution providing for the issuance of debt of the Board with respect to UNC-Chapel Hill as of the date of the General

Indenture, including Unrestricted General Fund balances and Unrestricted Quasi-Endowment Fund balances shown as such on the UNC-Chapel Hill financial statements, but excluding (1) appropriations by the North Carolina General Assembly from the State General Fund, (2) tuition payments by UNC-Chapel Hill students, (3) funds whose purpose has been restricted by the gift, grant, or payee thereof, and (4) revenues generated by Special Facilities (as defined in the General Indenture) (the “Available Funds”); and

WHEREAS, Morgan Stanley & Co. LLC and J.P. Morgan Securities LLC (the “Underwriters”) will agree to purchase all of the Bonds pursuant to the terms of a bond purchase agreement (the “Purchase Agreement”) between the Board and the Underwriters; and

WHEREAS, there have been made available to the Board forms of the following documents (the “Board Documents”), which the Board proposes to approve, ratify, execute and deliver, as applicable, to effectuate the financing:

1. the General Indenture;
2. the Series Indenture;
3. the Purchase Agreement;
4. the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the Bonds, which after the inclusion of certain pricing and other information will become the final Official Statement (the “Official Statement”) relating to the Bonds; and
5. the Bonds in the form set forth in the Series Indenture; and

WHEREAS, the issuance of the Bonds does not directly or indirectly or contingently obligate the State or any agency or political subdivision of the State to levy or to pledge any taxes to pay the cost, in whole or in part, of the Bonds in compliance with Section 116D-23 of the Act;

WHEREAS, the Board desires to proceed with the 2025 Bond Projects and UNC-Chapel Hill will incur and pay certain expenditures in connection with the 2025 Bond Projects prior to the date of issuance of the Bonds (the “Original Expenditures”), such Original Expenditures to be paid for originally from a source other than the proceeds of the Bonds, and the Board intends, and reasonably expects, to cause UNC-Chapel Hill to be reimbursed for such Original Expenditures from a portion of the proceeds of the Bonds to be issued at a date occurring after the dates of such Original Expenditures;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. **Authorization of Bonds.** The Board hereby authorizes the issuance of the Bonds under the General Indenture and the Series Indenture in an aggregate principal amount not to exceed \$100,000,000, the proceeds of such to be used to pay the costs of refunding the Commercial Paper Bonds and the remainder to pay the costs of the 2025 Bond Projects and the costs of issuance of the Bonds related thereto.

The maximum principal amount of Bonds to be issued related to the refunding of the Commercial Paper Bonds and financing of the 2025 Bond Projects may also include an additional five percent (5%) of

the amounts specified above to pay additional issuance expenses and other related costs. The Bonds may be issued in one or more series of bonds in any combination of tax-exempt and taxable bonds for any or all of the purposes set forth herein, as the Senior Vice President for Finance and Administration and Chief Financial Officer of the UNC System (the "SVP-Finance"), or her designee, in consultation with the appropriate officers at UNC-Chapel Hill, determine to be in UNC-Chapel Hill's best interest to achieve the goals set forth herein.

Section 2. **Sufficiency of Available Funds.** The Board hereby finds that sufficient Available Funds are available to pay the principal of and interest on the Bonds and to provide for the maintenance and operation of the facilities at UNC-Chapel Hill to the extent required under the General Indenture.

Section 3. **Selection of Financing Team Members.** The Board authorizes the SVP-Finance and the Vice Chancellor for Finance and Operations of UNC-Chapel Hill to select any professionals necessary to undertake the financing as contemplated in this Resolution.

Section 4. **Authorization of Board Documents.** The form and content of the Board Documents be and the same hereby are in all respects authorized, approved, and confirmed, and the Chair of the Board, the President of the UNC System, the Senior Vice President for Finance and Administration and Chief Financial Officer of the UNC System, the Secretary of the Board, and the Deputy Chief of Staff and Secretary of the UNC System, or anyone acting in an interim capacity, individually and collectively (the "Authorized Officers"), be and they hereby are each authorized, empowered, and directed to execute and deliver the Board Documents for and on behalf of the Board, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions, or deletions therein as to them seem necessary, desirable, or appropriate, their execution thereof to constitute conclusive evidence of the Board's approval of any and all such changes, modifications, additions, or deletions therein, and that from and after the execution and delivery of the Board Documents, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Board Documents as executed.

Section 5. **Authorization of Purchase Agreement.** The Chair of the Board, the President of the UNC System, and the SVP-Finance, individually or collectively, be and they hereby are each authorized, empowered, and directed to execute and deliver the Purchase Agreement for and on behalf of the Board, including necessary counterparts, in a form and substance consistent with the terms of this Resolution and that from and after the execution and delivery of the Purchase Agreement, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Purchase Agreement as executed.

Section 6. **Authorization of Preliminary Official Statement and Official Statement.** The form, terms and content of the Preliminary Official Statement be and the same hereby are in all respects authorized, approved, and confirmed, and the use of the Preliminary Official Statement by the Underwriters in connection with the sale of the Bonds is hereby in all respects authorized, approved, ratified, and confirmed. The President of the UNC System and the SVP-Finance, or their respective designees, individually or collectively, be and they hereby are each authorized, empowered, and directed to deliver the Official Statement for and on behalf of the Board in substantially the form and content of the Preliminary Official Statement presented to the Board, but with such changes, modifications, additions, or deletions therein as to them seem necessary, desirable, or appropriate, their execution of

the Purchase Agreement to constitute conclusive evidence of the Board's approval of any and all such changes, modifications, additions, or deletions therein, and the use of the Preliminary Official Statement and the Official Statement by the Underwriters in connection with the sale of the Bonds to investors is hereby authorized, approved, and confirmed.

Section 7. **Official Declaration of Intent to Reimburse.** The Board presently intends, and reasonably expects, to cause UNC-Chapel Hill to be reimbursed for the Original Expenditures incurred and paid by UNC-Chapel Hill on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Bonds. The Board reasonably expects to issue the Bonds to finance costs of the 2025 Bond Projects and the maximum principal amount of Bonds expected to be issued by the Board to pay costs of the 2025 Bond Projects is \$100,000,000. This Resolution is a declaration of official intent of the Board under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the Board's intent to cause UNC-Chapel Hill to be reimbursed for the Original Expenditures from proceeds of the Bonds.

Section 8. **General Authority.** From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary to the issuance and on-going administration of the Bonds, and otherwise contemplated by this Resolution. Any provision in this Resolution that authorizes more than one Authorized Officer to take certain actions shall be read to permit such Authorized Officers to take the authorized actions either individually or collectively. The Chancellor and the Vice Chancellor for Finance and Operations at UNC-Chapel Hill, or their respective designees, individually or collectively, are hereby authorized to execute and deliver all documents and take such actions as may be necessary to the issuance and on-going administration of the Bonds, and otherwise contemplated by this Resolution on behalf of UNC-Chapel Hill.

Section 9. **Conflicting Provisions.** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 10. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

PASSED, ADOPTED, AND APPROVED this 16th day of October, 2025.

STATE OF NORTH CAROLINA)
)
COUNTY OF WAKE)

SECRETARY’S CERTIFICATE
OF AUTHENTICATION
SS:

I, Meredith R. McCullen, Deputy Chief of Staff and Secretary of the University of North Carolina System, DO HEREBY CERTIFY that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the University of North Carolina Board of Governors (the “Board of Governors”) at its meeting on October 16, 2025 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors held on October 16, 2025 was sent to each member of the Board of Governors, and (3) a quorum was present at the meeting on October 16, 2025 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina System this ____ day of _____, 2025.

[SEAL]

Deputy Chief of Staff and Secretary of the University of
North Carolina System

AGENDA ITEM

- A-5. Authorized Use of Special Obligation Bonds “Commercial Paper” —
University of North Carolina at Chapel HillJennifer Haygood

Situation: The University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) requests that the University of North Carolina Board of Governors authorize UNC-Chapel Hill to finance under its existing commercial paper program, all or a portion of the costs of the capital improvement projects previously approved by the Board and authorized by the North Carolina General Assembly under S.L. 2025-46 (HB 378):

- Electrical Distribution System/Substations & Switchgear Upgrade (\$14,581,920)
- Fetzer Hall Addition/Campus Recreation (\$90,000,000)

The total aggregate principal amount shall not exceed \$104,581,920.

Background: The Board of Governors is authorized to issue special obligation bonds and bond anticipation notes for capital improvements projects that have been approved by the General Assembly. The Board previously issued the University of North Carolina at Chapel Hill General Revenue Bond, Series 2002A, to establish a commercial paper program to provide interim financing for certain projects for UNC-Chapel Hill. Amounts outstanding under the commercial paper program are repaid from time to time from university funds or from proceeds of long-term financings.

This request would authorize UNC-Chapel Hill to finance the projects approved under S.L. 2025-46 (HB378) under the existing commercial paper program, until its discontinuance, and then under the new commercial paper program. This is in addition to the projects previously approved by the Board for financing under the commercial paper program

Assessment: All projects in this request were previously approved by the Board of Governors and approved by the General Assembly under S.L. 2025-46 (HB 378).

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investors Service, “AAA” with a stable outlook by S&P Global Ratings, and “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Authorized Use of Special Obligation Bonds “Commercial Paper” — University of North Carolina at Chapel Hill

ISSUE OVERVIEW

The University of North Carolina Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the North Carolina General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

The Board previously issued the University of North Carolina at Chapel Hill General Revenue Bond, Series 2002A (the “Commercial Paper”) to establish a commercial paper program to provide interim financing for certain projects for the University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) that have been previously approved by the Board and the General Assembly. Amounts outstanding under the commercial paper program are repaid from time to time from university funds or from proceeds of long-term financings.

UNC-Chapel Hill requests authorization to finance, under its commercial paper program, all or a portion of the costs of the capital improvement projects previously approved by the Board and authorized by the General Assembly under S.L. 2025-46. The aggregate principal amount shall not to exceed \$104,581,920 and includes the following:

- Electrical Distribution System/Substations & Switchgear Upgrade (\$14,581,920)
- Fetzer Hall Addition/Campus Recreation (\$90,000,000) — The project includes a new addition and renovation of the existing space. The project is currently under design.

The Electrical Distribution System/Substations and Switchgear Upgrade project will consolidate the emergency substation bus connection among three substations and upgrade a switchgear to create resiliency and reduce unanticipated electrical failures. The Fetzer Hall Addition/Campus Recreation project, currently under design, includes a new addition and renovation of the existing space.

The projects will be authorized under both the existing commercial paper program, until its discontinuation, and then the new commercial paper program. This request is in addition to previous actions approved by the Board for financing under the commercial paper program.

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investors Service, “AAA” with a stable outlook by S&P Global Ratings, and “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.

Parker Poe Adams & Bernstein LLP is bond counsel, and PFM is the financial advisor.

RECOMMENDATION

This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

**RESOLUTION OF THE UNIVERSITY OF NORTH CAROLINA
BOARD OF GOVERNORS AUTHORIZING
SPECIAL OBLIGATION BOND PROJECTS FOR
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL**

WHEREAS, by Chapter 116 of the General Statutes of North Carolina, the University of North Carolina Board of Governors (the “Board”) is vested with general control and supervision of the constituent institutions of the UNC System; and

WHEREAS, the Board is authorized by Chapter 116D of the general statutes of North Carolina to issue, subject to the approval of the Director of the Budget, at one time or from time to time, special obligation bonds of the Board for the purpose of paying all or any part of the cost of acquiring, constructing, or providing a special obligation bond project and refunding bonds for the purpose of refunding any bonds by the Board under the article or under any article of Chapter 116 of the general statutes, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds refunded; and

WHEREAS, the Board has previously issued bonds in the form of a commercial paper program to finance and refinance projects for the University of North Carolina at Chapel Hill (“UNC-Chapel Hill”); and

WHEREAS, the Board has determined to authorize the continuation of the issuance of bonds under a new commercial paper program through the issuance of University of North Carolina at Chapel Hill Commercial Paper Bonds (the “Commercial Paper”) in order to continue to finance and refinance the costs of certain projects for UNC-Chapel Hill;

WHEREAS, the Board has previously authorized projects that were approved by the North Carolina General Assembly as “self-liquidating projects” to be financed under the existing commercial paper program and the Board hereby reauthorizes all of those projects to be eligible to be financed from the proceeds of the new Commercial Paper program;

WHEREAS, the Board also determines to add to the list of projects eligible to be financed with the proceeds of the commercial paper and any other special obligation bonds (collectively, the “Bonds”) issued by the Board on behalf of UNC-Chapel Hill, the projects approved by the North Carolina General Assembly in S.L. 2025-46, under Part V thereof titled UNC Self-Liquidating Capital Projects, and listed in Exhibit A to this resolution (collectively, the “Special Obligation Bond Projects”); and

WHEREAS, the Bonds will be secured under the General Trust Indenture dated as of January 15, 2001 (the “UNC-Chapel Hill General Indenture”) between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, and special obligation bonds issued under the UNC-Chapel Hill General Indenture are payable solely from any funds of UNC-Chapel Hill or the Board in each Fiscal Year remaining after satisfying obligations of UNC-Chapel Hill or the Board under a trust indenture, trust agreement, or bond resolution providing for the issuance of debt as of the date of the UNC-Chapel Hill General Indenture with respect to UNC-Chapel Hill, including Unrestricted General Fund balances and Unrestricted Quasi-Endowment Fund balances shown as such on UNC-Chapel Hill’s financial statements, but excluding (1) appropriations by the General Assembly of the State from the State general fund, (2) tuition payments by UNC-Chapel Hill students, (3) funds whose purpose has been restricted by the gift, grant, or payee thereof,

and (4) revenues generated by Special Facilities, as defined in the UNC-Chapel Hill General Indenture (the “UNC-Chapel Hill Available Funds”);

NOW, THEREFORE, BE IT RESOLVED by the University of North Carolina Board of Governors as follows:

Section 1. **Authorization of Special Obligation Bonds Projects.** That the Board hereby approves and ratifies the use of the proceeds of the Bonds for the Special Obligation Bond Projects listed in Exhibit A to this resolution and the costs of issuance related to the Bonds.

Section 2. **Reauthorization of Prior Projects.** That the Board hereby reauthorizes projects that were previously approved by the General Assembly as “self-liquidating projects” and previously authorized by the Board for financing under the prior commercial paper program to be eligible to be financed and refinanced from the proceeds of Bonds.

Section 3. **Sufficiency of Available Funds.** That the Board hereby finds that sufficient UNC-Chapel Hill Available Funds are available to pay the principal of and interest on the Bonds and to provide for the maintenance and operation of the facilities at UNC-Chapel Hill to the extent required under the UNC-Chapel Hill General Indenture.

Section 4. **Conflicting Provisions.** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 5. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

PASSED, ADOPTED, AND APPROVED this 16th day of October, 2025.

STATE OF NORTH CAROLINA

)

SECRETARY'S CERTIFICATE

)

SS:

OF AUTHENTICATION

COUNTY OF WAKE

)

I, Meredith R. McCullen, Deputy Chief of Staff and Secretary of the University of North Carolina System, DO HEREBY CERTIFY that (1) the foregoing is a full, true, and correct copy of the approving resolution adopted by the University of North Carolina Board of Governors ("Board of Governors") at its meeting on October 16, 2025 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors of held on October 16, 2025 was sent to each member of the Board of Governors, and (3) a quorum was present at the meeting on October 16, 2025 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina System this ____ day of _____, 2025.

[SEAL]

Deputy Chief of Staff and Secretary of the University of
North Carolina System

EXHIBIT A

UNC-CHAPEL HILL PROJECTS

The following projects at UNC-Chapel Hill approved by the North Carolina General Assembly in S.L. 2025-46, Part V, AN ACT TO MAKE VARIOUS CHANGES TO EDUCATION AND HIGHER EDUCATION LAWS; TO INCREASE PROTECTIONS FOR FUNDS HELD IN EDUCATION SAVINGS AND INVESTMENT ACCOUNTS AND ABLE ACCOUNTS FROM CLAIMS OF CREDITORS AND OTHER JUDGMENTS; TO AUTHORIZE NAME, IMAGE, AND LIKENESS AGENCY CONTRACTS; AND TO EXEMPT NAME, IMAGE, AND LIKENESS CONTRACTS FROM PUBLIC RECORDS REQUIREMENTS, are added to the list of projects eligible to be financed with proceeds of special obligation bonds issued by the University of North Carolina Board of Governors on behalf of UNC-Chapel Hill:

Electrical Distribution System/Substations & Switchgear Upgrade (\$14,581,920)
Fetzer Hall Addition/Campus Recreation (\$90,000,000)

AGENDA ITEM

A-6. Sale of Special Obligation Bonds “New Commercial Paper Program” —

University of North Carolina at Chapel HillJennifer Haygood

Situation: The University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) requests that the University of North Carolina Board of Governors establish a new commercial paper program to provide short-term, construction financing for capital projects for UNC-Chapel Hill authorized by the North Carolina General Assembly. This includes the issuance of commercial paper bonds under the proposed bond resolution and the issuance of special obligation bonds (the “2025B Bonds”) to secure UNC-Chapel Hill’s obligations related to the commercial paper program.

Background: The Board previously authorized the issuance of special obligation bonds in the form of a commercial paper program to provide interim financing for certain projects for UNC-Chapel Hill and NC State University that have been approved by the Board and the General Assembly. Amounts outstanding under the commercial paper program are repaid from time to time from university funds or from proceeds of long-term financings. The existing commercial paper program was established in 2002 for a 25-year period, and a new commercial paper program needs to be established to permit the continued financing of projects on an interim basis. NC State University has elected not to participate in the commercial paper program going forward, so the new commercial paper program will only include UNC-Chapel Hill.

Assessment: UNC-Chapel Hill requests authorization to establish a new commercial paper program, with the same program limits as the existing commercial paper program, to include permitting up to \$250 million to be outstanding at any time. The bond resolution will authorize the issuance of commercial paper bonds to provide interim financing for certain projects for UNC-Chapel Hill and special obligation bonds to secure the commercial paper bonds obligations.

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investors Service, “AAA” with a stable outlook by S&P Global Ratings, and “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Sale of Special Obligation Bonds “New Commercial Paper Program” — University of North Carolina at Chapel Hill

ISSUE OVERVIEW

The University of North Carolina Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the North Carolina General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

The Board of Governors previously authorized the issuance of special obligation bonds in the form of a commercial paper program to provide interim financing for certain capital improvement projects for UNC-Chapel Hill and NC State University that have been approved by the Board and the General Assembly. Amounts outstanding under the commercial paper program are repaid from time to time from university funds or from proceeds of long-term financings. The existing commercial paper program was established in 2002 for a 25-year period, and a new commercial paper program needs to be established to permit the continued financing of projects on an interim basis. NC State University has elected not to participate in the commercial paper program going forward, so the new commercial paper program will only include UNC-Chapel Hill.

UNC-Chapel Hill requests authorization from the Board to authorize a new commercial paper program to continue to have access to short-term construction financing. The new commercial paper program will have the same program limits to include permitting up to \$250 million to be outstanding at any time. The bond resolution will authorize the issuance of commercial paper bonds and special obligation bonds to secure the commercial paper bonds obligations. The commercial paper program will allow UNC-Chapel Hill to provide for the issuance of commercial paper to finance special obligation bond projects previously authorized by the Board and the General Assembly. UNC-Chapel Hill anticipates discontinuing the existing commercial paper program in December 2025 and transferring the interim financing to the new commercial paper program. UNC-Chapel Hill also expects to seek authorization for additional projects to be financed by this method in the future. Bank of New York Mellon Trust Company, N.A., was selected through a competitive request for proposals (RFP) process as issuing and paying agent for the new commercial paper program.

UNC-Chapel Hill currently has an issuer credit rating of “Aaa” with a stable outlook by Moody’s Investors Service, an issuer credit rating of “AAA” with a stable outlook by S&P Global Ratings, and an issuer credit rating of “AAA” with a stable outlook by Fitch Ratings. The transaction is expected to have no impact on UNC-Chapel Hill’s credit ratings.

Parker Poe Adams & Bernstein LLP is bond counsel, and PFM is the financial advisor.

RECOMMENDATION

It is recommended that the president of the University, or his designee, be authorized to remarket the special obligation bonds for the new commercial paper program through the attached resolution.

BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA

BOND RESOLUTION

**adopted by
the Board of Governors of the University of North Carolina
on October 16, 2025**

**Commercial Paper Bonds
(UNC-Chapel Hill)**

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BOND RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF BONDS DESIGNATED "UNIVERSITY OF NORTH CAROLINA SYSTEM COMMERCIAL PAPER BONDS (UNC-CHAPEL HILL)", AS SPECIAL OBLIGATIONS OF THE BOARD PAYABLE FROM THE REVENUES PLEDGED THEREFOR; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF; AND DETERMINING AND PROVIDING VARIOUS MATTERS RELATED TO THE AUTHORIZATION, ISSUANCE, SALE, DELIVERY AND SECURITY OF SUCH BONDS.

RECITALS

The Board of Governors (the "*Board*") of the University of North Carolina is authorized by Sections 116D-21 *et seq.* of the General Statutes of North Carolina, as amended (the "*Act*"), to issue, subject to the approval of the Director of Budget, at one time or from time to time, special obligation bonds of the Board, for the purpose of paying all or any part of the cost of acquiring, constructing or providing one or more capital facilities at the University of North Carolina at Chapel Hill or refunding any bonds issued under the Act or under any provision of any Article of Chapter 116 of the General Statutes of North Carolina for the benefit of the University of North Carolina at Chapel Hill; and

The Board has determined to authorize under this Resolution the issuance of the University of North Carolina System Tax-Exempt Commercial Paper Bonds (UNC-Chapel Hill) and the University of North Carolina System Taxable Commercial Paper Bonds (UNC-Chapel Hill) (collectively, the "*Commercial Paper Bonds*") in any combination in an aggregate principal amount of up to \$250,000,000 available to UNC-Chapel Hill under terms of this Resolution and the General Trust Indenture dated as of January 15, 2001 between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, as amended or supplemented from time to time, Series Indenture, Number 20 between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, and an Issuing and Paying Agency Agreement between the Board and The Bank of New York Mellon Trust Company, N.A., as issuing and paying agent, in order to finance the costs of the UNC-Chapel Hill Projects and certain costs of issuance of the Commercial Paper Bonds; and

The Commercial Paper Bonds are special obligations of the Board, payable as to principal, interest and premium, if any, from Revenues and other funds as hereinafter provided. The Commercial Paper Bonds, the interest thereon and the premium, if any, are not a debt of the Board or the State of North Carolina (the "*State*"), and neither the State nor the Board is obligated to pay the principal of, premium, if any, and interest on the Commercial Paper Bonds except from the Revenues. Neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is pledged for the payment of the principal of, premium, if any, or the interest on the Commercial Paper Bonds. The Commercial Paper Bonds do not constitute a debt or liability of the State. The issuance of the Commercial Paper Bonds does not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any taxes for the Commercial Paper Bonds; and

This Resolution is adopted pursuant to the requirements and authority of the Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of The University of North Carolina as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions. Certain terms used herein are defined in Appendix A. Terms used in this Resolution have the meanings set forth in Appendix A, unless a different meaning clearly appears from the context.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Resolution:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) Words of the masculine gender include correlative words of the feminine and neuter genders.

(c) The headings and the table of contents set forth in this Resolution are solely for convenience of reference and do not constitute a part of this Resolution nor affect its meaning, construction or effect.

(d) Words importing persons include any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or Board or political subdivision thereof.

(e) A reference to a particular percentage or proportion of the Holders of Commercial Paper Bonds means the Holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Commercial Paper Bonds then Outstanding under this Resolution, except Commercial Paper Bonds held by or for the account of the Board (whether or not theretofore issued and whether or not held in the treasury of the Board or pledged to or by the Board to secure any indebtedness, provided that Commercial Paper Bonds so pledged may be regarded as Outstanding for the purposes of this paragraph if the pledgee shall establish to the satisfaction of the Issuing and Paying Agent the pledgee's right to vote such Commercial Paper Bonds).

(f) A reference herein to the Dealer means the Dealer for a particular Series of Commercial Paper Bonds and the action specified with respect to such Dealer shall apply only to the particular Series of Commercial Paper Bonds with respect to which such Dealer has been designated to serve as Dealer.

(g) A reference to a particular Article or Section is to such Article or Section of this Resolution unless the context otherwise requires.

(h) A reference to any particular time of day is to such time of day in New York, New York, unless the context shall otherwise require.

(i) All references in this instrument to a person shall include the successors and assigns of such person.

Section 1.03. Resolution, Pledge of Revenues and Commercial Paper Bonds Constitute a Contract. In consideration of the purchase and acceptance of any or all of the Commercial Paper Bonds authorized or permitted to be issued under this Resolution by those who hold the same from time to time:

(a) this Resolution is deemed to be and constitutes a contract between the Board and the Holders from time to time of all Outstanding Commercial Paper Bonds;

(b) the pledge made herein and the covenants and agreements set forth herein to be performed by or on behalf of the Board are for the equal and ratable benefit, protection and security of the Holders of the Commercial Paper Bonds, all of which, regardless of the time or times of their issue or maturity, are of equal rank without preference, priority or distinction of any Commercial Paper Bond over any other Commercial Paper Bond except as expressly provided herein or permitted hereby;

(c) the Board does hereby pledge to the Holders of the Commercial Paper Bonds any and all interest of the Board in and to the Revenues as security for the payment of the principal of and interest on the Commercial Paper Bonds, and the performance of any other obligation of the Board under this Resolution, all in accordance with the provisions hereof;

(d) the Commercial Paper Bonds are not general obligations of the Board, but are special obligations only, secured by and payable only from the Revenues and other sources provided herein. The Commercial Paper Bonds, the interest thereon and the premium, if any, are not a debt of the Board or the State, and neither the State nor the Board is obligated to pay the principal of, premium, if any, and interest on the Commercial Paper Bonds except from the Revenues. Neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is pledged for the payment of the principal of, premium, if any, or the interest on the Commercial Paper Bonds. The Commercial Paper Bonds do not constitute a debt or liability of the State. The issuance of the Commercial Paper Bonds does not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any taxes for the Commercial Paper Bonds; and

(e) the covenants, agreements and provisions of this Resolution, the Commercial Paper Bonds and the UNC-Chapel Hill Indentures do not impose any pecuniary obligation on the Board except to the extent that Revenues and other funds pledged hereby are available to the Board to satisfy such obligation.

ARTICLE II

AUTHORIZATION AND DETAILS OF COMMERCIAL PAPER BONDS

Section 2.01. Commercial Paper Bonds Authorized.

(a) There is hereby authorized the issuance of general revenue bonds, designated "University of North Carolina System Tax-Exempt Commercial Paper Bonds (UNC-Chapel Hill)," and "University of North Carolina System Taxable Commercial Paper Bonds (UNC-Chapel Hill)," under the terms of this Resolution, the General Indenture and the Series Indenture for the purpose of financing and refinancing the Costs of the Projects and certain costs of issuance of the Commercial Paper Bonds. The Commercial Paper Bonds may be issued in one or more Series. The Commercial Paper Bonds shall be issued from time to time in accordance with Section 2.03. The Board hereby covenants that no Commercial Paper Bonds shall be issued hereunder unless on the date of issuance thereof, there is in full force and effect authority for the issuance of such Commercial Paper Bonds in accordance with the Act. The aggregate principal

amount of Commercial Paper Bonds that may be issued and Outstanding hereunder shall not exceed, at any one time, the Maximum Aggregate Principal Amount. For purposes of clarity, the Maximum Aggregate Principal Amount applies to all Commercial Paper Bonds issued hereunder whether as part of a Tax-Exempt Program or a Taxable Program. For all purposes of this Resolution, in computing the aggregate principal amount of Commercial Paper Bonds Outstanding on any date, there shall be excluded the amount of any Original Issue Discount on any Commercial Paper Bond.

(b) On written direction of a Board Representative, the Board shall establish one or more Series of New Money Bonds. Each new Series of New Money Bonds will be established by the execution by a Board Representative and the acknowledgement by the Issuing and Paying Agent and the Dealer of (1) a New Program Order in substantially the form or substance attached hereto as Appendix C, if such new Series is being established in connection with a new Program under Section 2.10 or (2) a New Series Order in the form or substance attached hereto as Appendix D, if such Series is being established within and as a part of the then-existing Program. Each Series shall have a distinct designation, beginning with "Series A-1" and consecutively upward, but once all Commercial Paper Bonds of a Series have matured and are no longer Outstanding, the designation used for such Series may be used again.

(c) From time to time, the Board may establish a new Program hereunder, as set forth in, and by compliance with, Section 2.10.

(d) Any Commercial Paper Bond may be refinanced with proceeds of another Commercial Paper Bond in accordance with Section 2.03(c); provided, however, that no Commercial Paper Bond issued to refinance a prior Commercial Paper Bond may mature later than the Final Maturity Date.

Section 2.02. Details of Commercial Paper Bonds. Subject to Section 2.09, the Commercial Paper Bonds shall be evidenced by the forms set forth in Appendix B attached hereto and made a part hereof with such insertions, omissions or variations as may be deemed necessary or appropriate by the Board Representative executing the same and as shall be permitted by the Act. The Board hereby adopts the forms of Commercial Paper Bond set forth in Appendix B hereto, and all of the covenants and conditions set forth therein, as and for the form of obligation to be issued by the Board. The covenants and conditions set forth in the form of Commercial Paper Bonds are incorporated in this Resolution by reference and are binding on the Board as though set forth in full herein. The Commercial Paper Bonds may contain, or have endorsed thereon, any notations, legends or endorsements not inconsistent with the provisions of this Resolution that are necessary or desirable to meet any law, stock exchange rule or usage if approved by an Board Representative before the authentication and delivery thereof. The execution and delivery of the Commercial Paper Bonds by the Board in accordance with this Resolution are conclusive evidence of the approval of the form of the Commercial Paper Bonds by the Board, including any insertions, omissions, variations, notations, legends or endorsements authorized by this Resolution. Notwithstanding the foregoing, while the Commercial Paper Bonds are in the Book-Entry System, in lieu of executing and delivering the Commercial Paper Bonds pursuant to this Section 2.02, the Board will execute and deliver the Master Book-Entry Bonds as set forth in Section 2.09.

The Commercial Paper Bonds shall be numbered in accordance with the policies and procedures of the Securities Depository and otherwise in the manner determined by the Issuing and Paying Agent. Before authenticating and delivering any Commercial Paper Bond, the Issuing and Paying Agent shall complete the form of such Commercial Paper Bond. Commercial Paper Bonds shall be issuable in denominations of \$100,000 and integral multiples of \$1,000 in excess of \$100,000 and may be issued in registered or bearer form.

Each Commercial Paper Bond shall mature on a Business Day determined by the Dealer in accordance with the provisions of this Section that is not later than the earlier of (a) a date that is not more than 270 days after the date of issuance of such Commercial Paper Bond and (b) the Final Maturity Date.

On each date on which Commercial Paper Bonds are issued in accordance with Section 2.03, the Dealer shall determine the maturity date and interest rate for such Commercial Paper Bonds in accordance with this Section. The Dealer shall determine the maturity date of each Commercial Paper Bond on the date of issuance of such Commercial Paper Bond to be the date that, in the judgment of the Dealer as of the date of determination, when considered together with the maturity dates of other Commercial Paper Bonds, produces the greatest likelihood of the lowest net interest cost on the Commercial Paper Bonds to the Board during each year.

It is recognized that (a) the Dealer may, in the exercise of its judgment, determine maturities for Commercial Paper Bonds that result in interest rates on Commercial Paper Bonds that are higher than those that would be borne by Commercial Paper Bonds with other maturity dates in order to increase the likelihood of achieving the lowest overall debt service cost on the Commercial Paper Bonds to the Board and (b) in view of the uncertainties involved in forecasting interest rates, the Dealer may establish different maturities for Commercial Paper Bonds on the same date in order to achieve an average maturity that, in its judgment, is most likely to achieve the lowest debt service on the Commercial Paper Bonds. The determination of maturity dates for Commercial Paper Bonds by the Dealer as herein provided shall be based on the market for and the relative yields of the Commercial Paper Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Dealer, are otherwise comparable to the Commercial Paper Bonds, or any fact or circumstance relating to the Commercial Paper Bonds or affecting the market therefor or affecting such other comparable securities in a manner that, in the judgment of the Dealer, will affect the market for the Commercial Paper Bonds.

Notwithstanding the foregoing provisions of this Section, on receipt of notice from the Board of the aggregate principal amount of Commercial Paper Bonds to be retired on any date, the Dealer shall determine maturity dates for Commercial Paper Bonds in a manner that shall permit the retirement of Commercial Paper Bonds on such date to the extent possible, taking into account the maturity dates of Commercial Paper Bonds then Outstanding.

Commercial Paper Bonds may be issued on an interest-bearing or a discount basis. It is understood that different interest rates may be determined for Commercial Paper Bonds maturing on the same date. Commercial Paper Bonds may be issued, the interest on which is excludable from gross income of the holders thereof for federal income tax purposes or not excludable from gross income of the holders thereof for federal income tax purposes, as designated in each New Program Order. Interest on a Commercial Paper Bond shall be calculated on the basis of the actual number of days elapsed in a year containing 365 or 366 days (as the case may be) and shall be payable on the maturity date of such Commercial Paper Bond.

The Dealer shall give Delivery Instructions for any Commercial Paper Bond to the Board, UNC-Chapel Hill, and the Issuing and Paying Agent in accordance with the terms of the Dealer Agreement. The Dealer and the Issuing and Paying Agent shall keep a record of the Delivery Instructions and shall provide written confirmation thereof on the request of the Board Representative from time to time.

The determination of the interest rates and maturity dates for Commercial Paper Bonds by the Dealer is conclusive and binding on the Holders of such Commercial Paper Bonds, the Board, UNC-Chapel Hill, and the Issuing and Paying Agent.

Section 2.03. Delivery of Commercial Paper Bonds.

(a) On or before the first date on which Commercial Paper Bonds are first delivered hereunder, there shall be delivered to the Issuing and Paying Agent each of the following:

- (1) a copy, certified by the Secretary to be a true and correct copy, of this Resolution;
- (2) a copy, certified by the Secretary to be a true and correct copy, of the UNC-Chapel Hill General Trust Indenture;
- (3) counterparts of the UNC-Chapel Hill Series Indenture, Number 20, the Issuing and Paying Agent Agreement and the Dealer Agreement, each executed by the parties thereto;
- (4) the 2025B Bond executed in accordance with the UNC-Chapel Hill Series Indenture, Number 20;
- (5) an opinion of Bond Counsel in substantially the form attached as Exhibit A to the Offering Memorandum;
- (6) such other documents, certificates and opinions as the Board, Bond Counsel, the Issuing and Paying Agent, the Dealer or the Dealer's counsel may reasonably require.

(b) Subject to the provisions of Section 2.01, New Money Bonds may be authorized by the Board and delivered to the Issuing and Paying Agent from time to time. The Issuing and Paying Agent shall authenticate and deliver such Commercial Paper Bonds to or on the order of the Dealer against receipt of the purchase price therefor, but only on delivery to the Issuing and Paying Agent and the Dealer (unless executed by the Dealer) not less than two Business Days prior to the proposed issuance of such New Money Bonds (unless a shorter period is acceptable to the Issuing and Paying Agent and the Dealer) of a Bond Order delivered by a Board Representative authorizing the issuance of such Commercial Paper Bonds, which shall (1) direct the authentication and delivery of such Commercial Paper Bonds, (2) specify the aggregate principal amount of Commercial Paper Bonds then to be delivered, (3) state the purchase price of such Commercial Paper Bonds, (4) state the date on which such Commercial Paper Bonds are to be issued, (5) specify the Projects to be financed with proceeds of such Commercial Paper Bonds, (6) specify the funds and accounts into which the proceeds of such Commercial Paper Bonds are to be deposited, (7) specify whether the Commercial Paper Bonds are being issued under a Tax-Exempt Program or a Taxable Program and (8) specify the series number within the program under which the Commercial Paper Bonds are being delivered.

Any Bond Order and Series Order delivered under this Resolution may be given in one or more concurrent instruments delivered electronically by notice transmitted directly to the Issuing and Paying Agent by Electronic Means or in such other manner as the Issuing and Paying Agent then employs as its normal business practice.

Not later than 11:30 a.m. on the date New Money Bonds are to be issued, the Dealer will either (i) deliver to the Issuing and Paying Agent and the UNC-Chapel Hill Representative its Delivery Instructions

with respect to the New Money Bonds to be issued, or (ii) deliver notice to the Issuing and Paying Agent and the UNC-Chapel Hill Representative of the failed placement effort with respect to such New Money Bonds. The Dealer shall cause the purchaser or purchasers of the New Money Bonds to deliver the purchase price to the Issuing and Paying Agent or give assurance that the purchase price will be delivered acceptable to the Issuing and Paying Agent, by 1:00 p.m. on the funding date. If the Dealer notifies the Issuing and Paying Agent and the UNC-Chapel Hill Representative of a failed placement effort for New Money Bonds, or if the proceeds of such New Money Bonds have not been delivered to the Issuing and Paying Agent by 1:00 p.m. on the funding date, the related Bond Order for such New Money Bonds shall be deemed revoked.

New Money Bonds in electronic form shall be delivered by the Issuing and Paying Agent in accordance with the Delivery Instructions against receipt by the Issuing and Paying Agent of the purchase price of such New Money Bonds. The purchase price of New Money Bonds may be delivered by the purchaser or by the Dealer on behalf of the purchaser.

(c) On the maturity date of any Outstanding Commercial Paper Bond, Refunding Bonds will be delivered by the Issuing and Paying Agent in accordance with the Delivery Instructions to refund such Commercial Paper Bond against receipt by the Issuing and Paying Agent of the purchase price of such Refunding Bonds. The purchase price of Refunding Bonds may be delivered by the purchaser or by the Dealer on behalf of such purchaser.

Not later than 9:30 a.m. on the date Refunding Bonds are to be issued, the Dealer will deliver notice to the Issuing and Paying Agent and the UNC-Chapel Hill Representative by written, telephonic or other electronically transmitted means of a failed placement effort with respect to such Refunding Bonds. Otherwise, not later than 11:30 a.m. on the same date, the Dealer will deliver to the Issuing and Paying Agent and the UNC-Chapel Hill Representative its Delivery Instructions with respect to such Refunding Bonds. For a successful placement effort, the Dealer shall cause the purchaser or purchasers of the Refunding Bonds to deliver the purchase price to the Issuing and Paying Agent, or give assurance that the purchase price will be delivered acceptable to the Issuing and Paying Agent, by 1:00 p.m. on the date on which the principal and interest is due on the Outstanding Commercial Paper Bonds. A failed placement of all or any portion of the Refunding Bonds will not relieve the Board of its obligation to pay the principal of and interest on the maturing Commercial Paper Bonds Debt Service as provided in Section 4.01. Upon a failed placement effort and payment by the Board or UNC-Chapel Hill of the Commercial Paper Bonds coming due with its funds, UNC-Chapel Hill will be deemed to have purchased the Refunding Bonds which will be registered in the name of UNC Chapel Hill and be Outstanding unless cancelled by written notice of the UNC Chapel Hill Representative to the Issuing and Paying Agent.

Refunding Bonds in electronic form shall be delivered by the Issuing and Paying Agent in accordance with the Delivery Instructions against receipt by the Issuing and Paying Agent of the purchase price of such Refunding Bonds. The purchase price of Refunding Bonds may be delivered by the purchaser or by the Dealer on behalf of such purchaser. Proceeds of the Refunding Bonds shall be deposited in the Debt Service Fund.

(d) The Issuing and Paying Agent shall not authenticate or deliver any Commercial Paper Bonds of a Series after a Non-Issuance Notice with respect to such Series has been received by the Issuing and Paying Agent.

Section 2.04. Method of Payment. The principal of and interest on each Commercial Paper Bond will be payable in any lawful money of the United States of America by check or wire transfer to an account in the United States (provided that wire instructions are delivered to the Issuing and Paying Agent at least three Business Days prior to the date for payment) on presentation and surrender of such Commercial Paper Bond at the Designated Office of the Issuing and Paying Agent. Notwithstanding the foregoing, so long as the Commercial Paper Bonds are issued pursuant to a Book-Entry System, payment of principal of and interest on the Commercial Paper Bonds shall be made in accordance with the procedures established by the Securities Depository and no presentation and surrender of such Commercial Paper Bonds are required.

Section 2.05. Execution and Authentication. The Book-Entry Master Bonds shall be executed in the name and on behalf of the Board by the manual, facsimile or electronic signature of its Chairman, Vice Chairman or other Board Representative.

Section 2.06. Reserved.

Section 2.07. Book-Entry Master Bond Mutilated, Destroyed, Lost or Stolen. If a Book-Entry Master Bond becomes mutilated or is destroyed, lost or stolen, the Board in its discretion may execute, and on its request the Issuing and Paying Agent shall authenticate and deliver, a new Book-Entry Master Bond in exchange for the mutilated Book-Entry Master Bond, or in lieu of and substitution for the Book-Entry Master Bond so destroyed, lost or stolen.

Section 2.08. Cancellation and Disposition of Book-Entry Master Bond. When all Commercial Paper Bonds have been paid at maturity and all Commercial Paper Bonds surrendered to the Issuing and Paying Agent for cancellation or purchased by the Issuing and Paying Agent with amounts on deposit in the Debt Service Fund, the Book-Entry Master Bonds and all Commercial Paper Bonds shall be canceled by the Issuing and Paying Agent and destroyed by cremation or by other means. On the request of the Board, the Issuing and Paying Agent shall deliver to the Board and the Board a certificate of any such cremation or other destruction.

Section 2.09. Book-Entry System.

(a) Subject to the provisions of Section 2.09(b), the ownership, transfer, exchange and payment of Commercial Paper Bonds shall be governed by the Book-Entry System administered by DTC or any other securities depository for the Commercial Paper Bonds appointed pursuant by the Board Representative, or their successors (DTC and any other such securities depository being referred to herein as a “*Securities Depository*”).

(b) The administration of the Book-Entry System is subject to the following provisions:

(1) The Board shall execute and the Issuing and Paying Agent shall authenticate the Book-Entry Master Tax-Exempt Bond in the form required by the rules and regulations of the Book-Entry System that will facilitate the issuance and delivery of the Tax-Exempt Bonds in electronic form and shall authenticate the Book-Entry Master Taxable Bond in the form required by the rules and regulations of the Book-Entry System that will facilitate the issuance and delivery of the Taxable Bonds in electronic form. The terms of any such Book-Entry Master Bond must be consistent with the terms of this Resolution. The Book-Entry Master Bonds shall be registered in the name of the Securities Depository on a register (the “*Bond Register*”) maintained by the Issuing and Paying Agent. The Issuing and Paying Agent shall hold the Book-Entry Master Bonds in safekeeping for the account of the Securities Depository, in accordance with the

Issuing and Paying Agent's customary practice. The Commercial Paper Bonds issued to Holders shall be in electronic form under the rules and regulations of the Book-Entry System.

(2) Notwithstanding the fact that the Securities Depository may own the Book-Entry Master Bonds, the term "Commercial Paper Bond" means each separate security credited to a beneficial owner (or entitlement holder) pursuant to the Book-Entry System, and the term "Holder" means the person identified pursuant to the Book-Entry System as the beneficial owner of the related security. So long as the Securities Depository or its nominee is the registered owner of the Commercial Paper Bonds, the Board, UNC-Chapel Hill, and the Issuing and Paying Agent will recognize the Securities Depository or its nominee, respectively, as the Holder of all of the Commercial Paper Bonds for all purposes, including (without limitation) the payment of the principal of and interest on the Commercial Paper Bonds, the giving of notices and any consent or direction required or permitted to be given to, or on behalf of, the Holders under this Resolution.

(3) The terms and limitations of this Resolution with respect to each separate Commercial Paper Bond shall be applicable to each separate security credited to a beneficial owner under the Book-Entry System.

(4) All payments of principal and interest on the Commercial Paper Bonds shall be made by the Issuing and Paying Agent through the Book-Entry System, and payments by such method shall be valid and effective fully to satisfy and discharge the Board's obligations with respect to such payments.

(5) A tender of a Commercial Paper Bond shall be made by the Holder to the Issuing and Paying Agent through the Book-Entry System.

(6) The Board Representative and the Issuing and Paying Agent may elect to terminate the Book-Entry System in accordance with the rules and regulations of the Book-Entry System. If the Book-Entry System is terminated, this Resolution shall be amended pursuant to Section 5.01 in order to provide for the issuance of Commercial Paper Bonds in physical certificates and the ownership, transfer, exchange and payment of Commercial Paper Bonds.

(c) Each Securities Depository, the Participants and the Beneficial Owners, by their acceptance of the Commercial Paper Bonds, agree that the Board, UNC-Chapel Hill, and the Issuing and Paying Agent have no liability for the failure of any Securities Depository to perform its obligations to any Participant or any Beneficial Owner, nor is the Board, UNC-Chapel Hill, or the Issuing and Paying Agent liable for the failure of any Participant or other nominee of any Beneficial Owner to perform any obligation that such Participant or other nominee may incur to any Beneficial Owner.

Section 2.10. The Establishment of New Programs.

(a) A new Program may be established hereunder, from time to time, by the completion and execution by a Board Representative, and the acknowledgment by the Issuing and Paying Agent and the Dealer, of a New Program Order in substantially the form attached hereto as Appendix C, and compliance with the provisions of Section 2.10(c). Each New Program Order shall specify that the Program is either a Tax-Exempt Program or a Taxable Program. No further action is required to be taken by the Board in order to establish a new Program hereunder, other than as set forth in this Section 2.10. The establishment of a new Program, in and of itself, does not require the consent of the Holders.

Any Program Order delivered under this Resolution may be given in one or more concurrent instruments delivered electronically by notice transmitted directly to the Issuing and Paying Agent's computers or in such other manner as the Issuing and Paying Agent then employs as its normal business practice.

(b) Unless the Board determines to terminate a Program earlier than such date, it is the intention of the Board that all Commercial Paper Bonds issued under a Tax-Exempt Program, as a part of one or more Series, over the 18-month period beginning on the date of the first issuance of Commercial Paper Bonds under such Tax-Exempt Program (such 18-month period, the "*New Money Issuance Period*") constitute a single issue under the Code. Under each Tax-Exempt Program, Commercial Paper Bonds may be issued during the New Money Issuance Period to finance or refinance (1) Costs of the Projects, (2) certain costs of issuance of the Commercial Paper Bonds or (3) Commercial Paper Bonds issued under a prior Tax-Exempt Program. After the New Money Issuance Period or such other date that the Board has terminated such Program, Commercial Paper Bonds may be issued under a Tax-Exempt Program only to refinance Commercial Paper Bonds previously issued under that Tax-Exempt Program. Outstanding Commercial Paper Bonds issued under a prior Tax-Exempt Program continue to be subject to the terms and provisions of this Resolution until the maturity date thereof.

Under each Taxable Program, Commercial Paper Bonds may be issued to finance or refinance (1) Costs of the Projects, (2) certain costs of issuance of the Commercial Paper Bonds or (3) Commercial Paper Bonds issued under a prior Program.

(c) The establishment and effectiveness of a new Program is conditioned on the delivery to the Issuing and Paying Agent of each of the following:

- (1) A fully executed copy of the New Program Order;
- (2) An opinion of Bond Counsel with respect to each New Program;
- (3) Such other documents, certificates and opinions as the Board, Bond Counsel, the Issuing and Paying Agent, the Dealer or the Dealer's counsel may reasonably require.

ARTICLE III

REVENUES AND FUNDS

Section 3.01. *Creation of Debt Service Fund, Costs of Issuance Fund and Program Fund.* There is hereby created a Debt Service Fund which is held and maintained by the Issuing and Paying Agent. There is hereby created a UNC-Chapel Hill Program Fund and a Costs of Issuance Fund which is held and maintained by a depository selected by UNC-Chapel Hill on behalf of UNC-Chapel Hill. For the purposes of internal accounting, the funds created under this Section may contain one or more accounts and sub-accounts, as the Board directs or as determined by the holder of such fund. The Board will cause UNC-Chapel Hill to establish accounts within each fund and sub-accounts within each account, as the case may be, such that there shall be separate accounts and sub-accounts for each Program established hereunder and for each Series within a Program.

Pending the application of amounts on deposit in the Funds and Accounts, such amounts are hereby pledged to the payment of the principal of and interest on all Outstanding Commercial Paper Bonds.

Section 3.02. Application of Proceeds of Commercial Paper Bonds.

(a) The proceeds of the Commercial Paper Bonds shall be received by the Issuing and Paying Agent, on behalf of the Board, and held in trust for the Holders from time to time of the Commercial Paper Bonds, until used in accordance with the terms and conditions of this Resolution.

(b) The proceeds of all Commercial Paper Bonds issued under Section 2.03(b) received by the Issuing and Paying Agent shall be deposited as follows: (1) the amount, if any, of such proceeds required to be deposited in the Costs of Issuance Fund in accordance with the Bond Order pursuant to which such Commercial Paper Bonds are issued shall be deposited in the Costs of Issuance Fund; and (2) the amount of such proceeds required to be deposited in the UNC-Chapel Hill Program Fund in accordance with the Bond Order pursuant to which such Commercial Paper Bonds are issued shall be transferred to the depository of the UNC-Chapel Hill Program Fund for deposit therein.

(c) The proceeds of all Commercial Paper Bonds issued under Section 2.03(c) received by the Board or the Issuing and Paying Agent shall be deposited in the Debt Service Fund, except as otherwise provided in any Bond Order with respect to such Commercial Paper Bonds.

Section 3.03. Covenant as to Arbitrage. The Board agrees that money on deposit in the Funds and Accounts related to the proceeds of Tax-Exempt Bonds, whether or not such money was derived from the proceeds of the sale of the Tax-Exempt Bonds or from any other sources, and whether or not the Tax-Exempt Bonds are Outstanding hereunder, (1) will not be used in a manner that would cause the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and (2) will not be used in any other manner that will cause the interest on the Tax-Exempt Bonds to become includable in gross income of the recipients thereof for federal income tax purposes; provided, however, that neither the Board nor the Issuing and Paying Agent have an obligation to pay any amounts necessary to comply with this covenant other than from money received by the Board or the Issuing and Paying Agent from the Board. The Board and the Issuing and Paying Agent shall observe and not violate the requirements of Section 148 of the Code. The Issuing and Paying Agent is fully protected in relying on any written investment instruction given by the Board. If the Board is of the opinion that it is necessary to restrict or limit the yield on the investment of money held by the Issuing and Paying Agent under this Resolution or to use such money in a certain manner in order to avoid the Tax-Exempt Bonds being considered “arbitrage bonds” within the meaning of Section 148 of the Code as such may be applicable to the Tax-Exempt Bonds at such time, the Board may issue to the Issuing and Paying Agent a written certificate to such effect and appropriate instructions, in which event the Issuing and Paying Agent shall take such action as is set forth in such certificate and instructions.

Section 3.04. Costs of Issuance Fund and Program Fund.

(a) Any moneys deposited in the Costs of Issuance Fund shall be used only to finance Costs of Issuance. If there is any balance in the Costs of Issuance Fund on the date that is one year after the date of delivery of the Commercial Paper Bonds to which such costs of issuance relate, then such balance shall be transferred to the depository of the UNC-Chapel Hill Program Fund for deposit therein.

(b) Subject to the further provisions of this Section, any moneys deposited in the UNC-Chapel Hill Program Fund shall be used only to finance or refinance the Costs of the UNC-Chapel Hill Project.

(c) If the amount on deposit in the UNC-Chapel Hill Program Fund exceeds the amount required for payment of Costs of the UNC-Chapel Hill Projects, the UNC-Chapel Hill Representative shall direct the depository of the UNC-Chapel Hill Program Fund to transfer such amount to the Issuing and Paying Agent for deposit in the Debt Service Fund to be applied solely to the payment of principal of or interest on the Commercial Paper Bonds as a credit against the UNC-Chapel Hill obligations under the UNC-Chapel Hill Indentures.

(d) The Board shall cause UNC-Chapel Hill, with respect to the UNC-Chapel Hill Program Fund and the Costs of Issuance Fund, to create separate accounts within each fund in which to deposit proceeds of Taxable Bonds and Tax-Exempt Bonds. No proceeds of Taxable Bonds shall be commingled with proceeds of Tax-Exempt Bonds and vice-versa.

Section 3.05. Deposit of Revenues. The Revenues received by the Board pursuant to the UNC-Chapel Hill Series Indenture, Number 20 shall be promptly paid over or caused to be paid over by the Board to the Issuing and Paying Agent. Such moneys received by the Issuing and Paying Agent shall be deposited, immediately on receipt thereof, in the Debt Service Fund.

Section 3.06. Debt Service Fund. On each date on which the principal of or interest on any Outstanding Commercial Paper Bond becomes due, the Issuing and Paying Agent shall pay the principal and interest due on such Commercial Paper Bond on such date from amounts on deposit in the Debt Service Fund. Any balance remaining in the Debt Service Fund (other than any amount transferred from the UNC-Chapel Hill Program Fund under Section 3.04(c) or any investment earnings thereon, or any amount otherwise constituting proceeds of Commercial Paper Bonds or investment earnings on such proceeds) on any date after the payment of the principal and interest due on the Commercial Paper Bonds on such date shall be returned to UNC-Chapel Hill as an overpayment.

Section 3.07. Investment of Moneys. The Issuing and Paying Agent shall invest money in the Funds and Accounts held by the Issuing and Paying Agent as directed in writing by the UNC-Chapel Hill Representative. All investments must be in Investment Obligations maturing or redeemable at the option of the holder in such amounts and on such dates as may be necessary to provide moneys to meet the payments from such Funds and Accounts. Notwithstanding the foregoing, the proceeds of any Commercial Paper Bond issued to refund a prior Commercial Paper Bond shall be invested only in Government Obligations. In the absence of such written investment instructions to the Issuing and Paying Agent, money in the Funds and Accounts will remain uninvested.

Interest earned, profits realized and losses suffered by reason of any investment of the Funds and Accounts is credited or charged, as the case may be, to the fund or account for which such investment has been made.

The Issuing and Paying Agent may sell or redeem any obligations in which money has been invested as in this Section provided to the extent necessary to provide cash in the respective Funds or Accounts to make any payments required to be made therefrom or to facilitate the transfers of money between various Funds and Accounts as may be required or permitted from time to time pursuant to the provisions of this Article.

In computing the value of the assets held in any of the Funds and Accounts, investments and accrued interest thereon are a part thereof. Such investments shall be valued at the current market value thereof.

The Issuing and Paying Agent is not liable for any depreciation in the value of any obligations or securities in which money of the Funds or Accounts are invested as aforesaid, or for any loss arising from any investment permitted hereby. The Issuing and Paying Agent has not agreed to act as an investment manager nor to exercise any investment discretion. The investments authorized by this Section are subject to the provisions of applicable law, as amended from time to time.

The Board and UNC-Chapel Hill hereby agrees that confirmations of investments are not required to be issued by the Issuing and Paying Agent for each month in which a monthly statement is rendered and that such monthly statement is an adequate substitute for such broker confirmation. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. Such reports may be provided by granting the Board and UNC-Chapel Hill online access to the Issuing and Paying Agent's on-line communication system electronic platform.

ARTICLE IV

PARTICULAR COVENANTS

Section 4.01. *Payment of Commercial Paper Bonds.* The Board shall pay or cause to be paid, solely from Revenues or from the proceeds of the obligations in anticipation of which the Commercial Paper Bonds are issued, the principal of and interest on every Commercial Paper Bond on the date, at the place and in the manner provided herein and in such Commercial Paper Bond. The Commercial Paper Bonds are secured by a lien on and pledge of the Revenues.

In order to assure the timely payment of the principal of and interest on the Commercial Paper Bonds, the Board agrees that it will cause UNC-Chapel Hill not later than 1:00 p.m. on each Bond Payment Date to deposit in the Debt Service Fund the amount of principal and interest due on such Bond Payment Date. If proceeds from the sale of Refunding Bonds are deposited in the Debt Service Fund after UNC-Chapel Hill makes such deposit, the Issuing and Paying Agent will transfer the excess funds on deposit as set forth in Section 3.06.

The Commercial Paper Bonds, the interest thereon and the premium, if any, are not a debt of the Board or the State, and neither the State nor the Board is obligated to pay the principal of, premium, if any, and interest on the Commercial Paper Bonds except from the Revenues. Neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is pledged for the payment of the principal of, premium, if any, or the interest on the Commercial Paper Bonds. The Commercial Paper Bonds do not constitute a debt or liability of the State. The issuance of the Commercial Paper Bonds does not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any taxes for the Commercial Paper Bonds.

Section 4.02. *Performance of Covenants, Undertakings and Agreements; Representations as to Authorization and Validity of Commercial Paper Bonds.* The Board shall faithfully perform at all times all of its covenants, undertakings and agreements contained in the UNC-Chapel Hill Indentures and in each Commercial Paper Bond delivered under this Resolution and in any proceedings of the Board pertaining thereto.

The Board represents and covenants that: (1) it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Commercial Paper Bonds and the obligations in anticipation of which the Commercial Paper Bonds are issued, to enter into the UNC-Chapel Hill Indentures, the Issuing and Paying Agency Agreement and the Dealer Agreement and to pledge the Revenues in the manner and to the extent set forth in this Resolution; (2) all action on its part for the issuance of the Commercial Paper Bonds has been or will be duly and effectively taken; and (3) the Commercial Paper Bonds in the hands of the Holders thereof are and will be valid and binding special obligations of the Board according to their terms.

Section 4.03. Enforcement of Duties and Obligations of the Board. The Board shall take reasonable action to cause UNC-Chapel Hill to perform fully all duties and acts and comply fully with the covenants of UNC-Chapel Hill contained in the UNC-Chapel Hill Indentures.

Section 4.04. Records and Accounts. The Board shall not create and, to the extent Revenues are received from the Board for the discharge thereof, shall not suffer to remain, any lien, encumbrance or charge on the Revenues. To the extent Revenues or other moneys are received from the Board therefor, the Board will cause to be discharged, or will make adequate provisions to satisfy and discharge, within 60 days after the same shall accrue, all lawful claims and demands that, if unpaid, might by law become a lien on any Revenues, provided that nothing contained in this Section requires the Board to pay or cause to be discharged, or make provision for, any such lien, encumbrance or charge so long as the validity thereof is contested in good faith and by appropriate legal proceedings.

The Issuing and Paying Agent shall keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the financing and refinancing of the Projects and to this Resolution, which books and accounts shall be subject to the inspection of UNC-Chapel Hill and the Board.

Section 4.05. Amendment of the Projects. The UNC-Chapel Hill Projects may be amended by (1) the adoption by the Board of a resolution identifying additional projects or revised projects as “special obligation bond projects” within the meaning of the Act, (2) if required by the Act, the adoption by the Board of Trustees of UNC-Chapel Hill of resolutions identifying projects as “special obligation bond projects” within the meaning of the Act, (3) if required by the Act, the approval of the North Carolina General Assembly of “special obligation bond projects” and (4) complying with any other requirements of the Act with respect to the designation of “special obligation bond projects.”

Section 4.06. Restrictions on Action by Individual Holders. No Holder has any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or for any other remedy hereunder, but nothing herein shall affect or impair the right of any Holder of any Commercial Paper Bond to enforce payment of the principal of or interest on such Commercial Paper Bond at the time and place, from the source and in the manner expressed herein and in the Commercial Paper Bonds.

ARTICLE V

MODIFICATION OR AMENDMENT OF RESOLUTION AND AGREEMENTS

Section 5.01. Supplemental Resolutions Without Consent. Notwithstanding any other provision of this Article, without notice to or the consent of the Holders, the Board may adopt Supplemental Resolutions from time to time supplementing or amending this Resolution or any

Supplemental Resolution so as to modify or amend such resolutions for one or more of the following purposes:

(a) to grant to or confer on the Holders any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred on the Holders;

(b) to add to the covenants and agreements of the Board contained in this Resolution other covenants and agreements thereafter to be observed relative to the acquisition, construction or equipping of the Projects or relative to the application, custody, use or disposition of the proceeds of Commercial Paper Bonds;

(c) to surrender any right, power or privilege reserved to or conferred on the Board by this Resolution;

(d) to confirm, as further assurance, any pledge under, and the subjection to any lien on, or claim or pledge of (whether created or to be created by this Resolution), the Revenues;

(e) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provisions contained in this Resolution or to make such provisions in regard to matters or questions arising under this Resolution as may be necessary or desirable and not contrary to or inconsistent with this Resolution;

(f) in connection with the delivery of any credit or liquidity facility supporting the Commercial Paper Bonds, in order to provide for the realization of moneys thereunder at times and in amounts sufficient to provide for the payment of the principal of and interest on the Commercial Paper Bonds when due;

(g) to facilitate the use of, or to terminate, the Book-Entry System;

(h) to amend the definition of “*Maximum Aggregate Principal Amount*” so as to increase or decrease the maximum aggregate principal amount of Commercial Paper Bonds that may be issued and Outstanding hereunder from time to time as long as there is a corresponding increase or decrease in the corresponding UNC-Chapel Hill 2025B Bond.

(i) to make any other change in this Resolution that does not prejudice in any material respect the rights of the Holders of the Commercial Paper Bonds Outstanding at the date as of which such change becomes effective;

(j) to make any changes necessary to permit another constituent institution of the UNC System to be eligible to benefit from the issuance of Commercial Paper Bonds under corresponding terms related to such constituent institution as apply to UNC-Chapel Hill; or

(k) to make any other change in this Resolution, as long as such change becomes effective only with respect to Commercial Paper Bonds issued after such change is adopted.

Section 5.02. Supplemental Resolutions Requiring Consent of Holders.

(a) At any time or from time to time with the consent of the Holders of a majority in principal amount of the Commercial Paper Bonds then Outstanding, the Board may adopt a Supplemental

Resolution amending or supplementing this Resolution, any Supplemental Resolution or any Commercial Paper Bond to modify any of the provisions of this Resolution, any Supplemental Resolution or any Commercial Paper Bond or to release the Board from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained.

(b) Notwithstanding the foregoing provisions of this Section, nothing contained herein shall permit (1) a change in the due date for the payment of the principal of or interest on any Commercial Paper Bond or any reduction in the principal of or interest rate on any Commercial Paper Bond without the consent of the Holder of such Commercial Paper Bond or (2) the creation of a claim or lien on, or a pledge of, the Revenues ranking before or on a parity with the claim, lien and pledge created by this Resolution, a preference or priority of any Commercial Paper Bond over any other Commercial Paper Bond or a reduction in the percentage of the aggregate principal amount of Commercial Paper Bonds the consent of the Holders of which is required for any modification of this Resolution, without the unanimous consent of the Holders.

Section 5.03. Notation on Commercial Paper Bonds. Commercial Paper Bonds authenticated and delivered after the effective date of any action taken as provided in this Article may, and if the Board so determines, shall, bear a notation by endorsement or otherwise in form approved by the Board of such action, and in that case, on demand of the Holder of any Outstanding Commercial Paper Bond at such effective date and presentation of such Commercial Paper Bond for such purpose to the Board, the Board shall make suitable notation on such Commercial Paper Bond of any such action. If the Board so determines, new Commercial Paper Bonds so modified as in the opinion of the Board conform to such action shall be prepared, authenticated and delivered, and on demand of the Holder of any Outstanding Commercial Paper Bond and surrender of such Commercial Paper Bond to the Board or the Issuing and Paying Agent, such Commercial Paper Bond shall be exchanged, without cost to such Holder, for a new Commercial Paper Bond so modified.

Section 5.04. Amendment of UNC-Chapel Hill Indentures. The Board may from time to time enter into any supplements, amendment, change or modification of the UNC-Chapel Hill Indentures in accordance with the terms and conditions of the UNC-Chapel Hill Indentures.

ARTICLE VI

DEFEASANCE

Section 6.01. Satisfaction and Discharge; Defeasance.

(a) If the Board pays or causes to be paid the principal of and interest on all of the Commercial Paper Bonds and the Issuing and Paying Agent has received a Non-Issuance Notice with respect to all Series of Commercial Paper Bonds, then the pledge of the Revenues and other moneys and securities and funds hereby pledged to the Commercial Paper Bonds and all other rights granted hereby to the Holders shall be discharged and satisfied. In such event, on the request of the Board, the Issuing and Paying Agent shall pay or deliver all moneys, securities and funds held by it under this Resolution that are not required for the payment of Commercial Paper Bonds not theretofore surrendered for such payment to, or as directed by, the Board.

(b) A Commercial Paper Bond is deemed to have been paid within the meaning of and with the effect expressed in this Section if sufficient money for the payment of the principal of and interest on

such Commercial Paper Bond, whether at or before the maturity of such Commercial Paper Bond, or noncallable Government Obligations, the principal of and the interest on which when due will provide sufficient money for such payments, or any combination thereof, is then held by the Issuing and Paying Agent and, if such deposit is made before the maturity of such Commercial Paper Bond, the Board has made provision, satisfactory to the Issuing and Paying Agent, for the giving of notice to the Holder of such Commercial Paper Bond that such money and/or Government Obligations are so available for such payment. If the Board elects to deposit noncallable Government Obligations with the Issuing and Paying Agent pursuant to this Section 6.01(b), then the Board shall deliver to the Issuing and Paying Agent either (A) a verification report of an independent certified public accountant, verification agent or similar expert to the effect that such securities and/or cash, together with the earnings thereon, will be sufficient to pay interest and principal (and applicable premium) on the Commercial Paper Bonds to redemption or maturity or (B) an opinion of counsel to the effect that all conditions precedent to the defeasance of the Commercial Paper Bonds, or satisfaction and discharge of this Resolution, as applicable, have been complied with.

(c) Anything in this Resolution to the contrary notwithstanding, any moneys held by the Issuing and Paying Agent in trust for the payment and discharge of any of the Commercial Paper Bonds that remain unclaimed for a period of five years after the date on which such Commercial Paper Bonds have become payable shall be treated as abandoned property under Section 116B-53 of the North Carolina General Statutes, as amended, and the Issuing and Paying Agent shall report and remit this property to the Escheat Fund according to the requirements of Article 4 of Chapter 116B of the North Carolina General Statutes, and thereafter the Holders shall look only to the Escheat Fund for payment and then only to the extent of the amounts so received, without any interest thereon, and the Issuing and Paying Agent and the Board have no responsibility with respect to such money.

ARTICLE VII

ISSUING AND PAYING AGENT; DEALER

Section 7.01. Issuing and Paying Agent. The Issuing and Paying Agent and any successor Issuing and Paying Agent shall perform the duties and obligations imposed on it hereunder and under the Issuing and Paying Agency Agreement. The Issuing and Paying Agent may be removed by the Board at any time by notice to the Issuing and Paying Agent and the Dealer or may resign in accordance with the terms of the Issuing and Paying Agency Agreement. On the resignation or removal of the Issuing and Paying Agent, the Board shall appoint a substitute Issuing and Paying Agent. Any successor Issuing and Paying Agent shall execute and deliver an instrument satisfactory to the Board accepting the duties and responsibilities of the Issuing and Paying Agent hereunder.

The duties of the Issuing and Paying Agent shall be solely as provided in this Resolution and no implied duties, covenants or obligations shall be read into this Resolution against the Issuing and Paying Agent. The Issuing and Paying Agent may consult with counsel and shall not be liable for any action taken in good faith in reliance upon the written advice of counsel. Except as otherwise provided herein, the Issuing and Paying Agent may act in reliance upon any resolution or other document transmitted to it on behalf of the other Board Representative if executed on behalf of such entity by any duly authorized representative thereof. In acting hereunder the Issuing and Paying Agent shall be entitled to all rights, protections and indemnities set forth in the Issuing and Paying Agency Agreement.

Section 7.02. Dealer. The Board Representative will appoint a Dealer or Dealers for the Commercial Paper Bonds under one or more Dealer Agreements and shall assure that at least one firm is serving as Dealer while this Resolution is in effect.

Each Dealer shall perform the duties and obligations imposed on it hereunder and under the Dealer Agreement. A Dealer may be removed at any time by the Board Representative, by notice to the Dealer and the Issuing and Paying Agent. A Dealer may resign in accordance with the terms of the Dealer Agreement. On the resignation or removal of a Dealer, the Board Representative may appoint a substitute Dealer.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Further Assurances. The Board shall, so far as it may be authorized by law, adopt, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming all and singular the rights and the Revenues and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the Board may hereafter become bound to pledge or assign.

Section 8.02. Authorization of Bonds; Sufficiency of Available Funds. The Board hereby authorizes the issuance of the 2025B Bond under the UNC-Chapel Hill Indentures and the Commercial Paper Bonds to pay the costs of financing the UNC-Chapel Hill Projects and costs incurred in connection with the issuance of the 2025B Bonds and the Commercial Paper Bonds.

The Board hereby finds that sufficient Available Funds (as defined in the UNC-Chapel Hill General Trust Indenture) are available to pay the UNC-Chapel Hill's Repayments and therefore to pay the principal of and interest on the Commercial Paper Bonds and to provide for the maintenance and operation of the facilities at UNC-Chapel Hill to the extent required under the UNC-Chapel Hill General Trust Indenture.

Section 8.03. Authorization of Documents. The Board reaffirms its approval of the form and content of the UNC-Chapel Hill General Trust Indenture.

The form and content of (a) UNC-Chapel Hill Series Indenture, Number 20, (b) the Commercial Paper Dealer Agreement between the Board and BofA Securities, Inc., (c) the Commercial Paper Dealer Agreement between the Board and Wells Fargo Bank, National Association and (d) the Issuing and Paying Agent Agreement between the Board and The Bank of New York Mellon Trust Company, N.A. (collectively, the "*Board Documents*") be and the same hereby are in all respects authorized, approved and confirmed, and the Chairman of the Board, the Senior Vice President for Finance & Administration and Chief Financial Officer of the University of North Carolina System, the Secretary of the Board and the Secretary of the University of North Carolina System, and their respective designees (the "*Authorized Board Signatories*"), be and they hereby are authorized, empowered and directed to execute and deliver the Board Documents for and on behalf of the Board, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Board's approval of any and all such changes, modifications, additions or deletions therein, and that from and after the execution and delivery of the Board Documents the Authorized Board Signatories

are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Board Documents as executed.

Section 8.04. Authorization of Offering Memorandum. The form, terms and content of the Offering Memorandum be and the same hereby are in all respects authorized, approved and confirmed, and the use of the Offering Memorandum in connection with the sale of the Commercial Paper Bonds is hereby in all respects authorized, approved, and confirmed. The Senior Vice President for Finance & Administration and Chief Financial Officer of the University of North Carolina System, and her designees, be and he hereby is authorized, empowered and directed to execute and deliver, as applicable, the Offering Memorandum for and on behalf of the Board in substantially the form and content of the Offering Memorandum presented to the Board, but with such changes, modifications, additions or deletions therein as shall to him seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of the Board's approval of any and all such changes, modifications, additions or deletions therein, and the use of the Offering Memorandum by the Dealer in connection with the sale of the Commercial Paper Bonds to investors is hereby authorized, approved and confirmed.

The Senior Vice President for Finance & Administration and Chief Financial Officer of the University of North Carolina System, and her designees, may also authorize and deliver supplements to the Offering Memorandum from time to time in conjunction with the proper administration and issuance of Commercial Paper Bonds under this Resolution.

Section 8.05. General Authority. From and after the execution and delivery of the documents hereinabove authorized, the Authorized Board Signatories are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary to the issuance of the Commercial Paper Bonds. Any provision in this Resolution that authorizes more than one of the Authorized Board Signatories to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively.

The Authorized Board Signatories are hereby authorized, empowered and directed to make any administrative and procedural changes, modifications, additions or deletions to this Resolution to promote the effective and efficient operations of the commercial paper program in accordance with the intent of this Resolution. Such changes, modifications, additions or deletions to this Resolution shall be set forth in a certificate executed by one or more of the Authorized Board Signatories and such change, modification, addition or deletion will be effective on the date of such certificate. Such execution by the Authorized Board Signatories constitutes conclusive evidence of the Board's approval thereof.

Section 8.06. Evidence of Signatures of Holders and Ownership of Commercial Paper Bonds. Any request, direction, consent or other instrument that this Resolution may require or permit to be executed by the Holders may be in one or more instruments of similar tenor, and shall be executed by such Holders in person, by their attorneys duly appointed in writing or by their legal representatives. Except as otherwise expressly provided herein, proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any person of Commercial Paper Bonds is sufficient for any purpose of this Resolution and is conclusive in favor of the Issuing and Paying Agent and the Board with regard to any action taken under such instrument if made in the following manner, but

the Issuing and Paying Agent or the Board may nevertheless in its discretion require further or other proof in cases where it deems such further or other proof desirable:

(a) The fact and date of the execution by any Holder or his attorney or legal representative of such instrument may be proved by the certificate (which need not be acknowledged or verified) of an officer of a bank or trust company satisfactory to the Board or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of any person executing any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary, or its treasurer or an assistant treasurer.

(b) The ownership of Commercial Paper Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the registration books.

Any request, direction, consent or vote of the owner of any Commercial Paper Bond binds all future owners of such Commercial Paper Bond in respect of anything done or suffered to be done or omitted to be done by the Board or the Issuing and Paying Agent in accordance therewith.

Section 8.07. Preservation and Inspection of Documents. The Issuing and Paying Agent shall retain all documents received from the Board, UNC-Chapel Hill, or any Holders under this Resolution or the UNC-Chapel Hill Series Indenture, Number 20 in its possession and subject at all reasonable times to the inspection of the Board, UNC-Chapel Hill, a Holder and their agents and representatives, any of whom may make copies thereof.

Section 8.08. Moneys and Funds Held for Particular Commercial Paper Bonds. The amounts held by the Issuing and Paying Agent for the payment of the principal of and interest on any Commercial Paper Bond due on any date is, pending such payment, to be set aside and held in trust by it for the Holder of such Commercial Paper Bond, and for the purposes of this Resolution such Commercial Paper Bond is no longer to be considered to be Outstanding.

Section 8.09. No Recourse Against Members, Officers or Employees of Board. No recourse under, or on, any statement, obligation, covenant, or agreement contained in this Resolution, in any Commercial Paper Bond, or in any document or certification relating to the Commercial Paper Bonds, or under any judgment obtained against the Board or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any member, officer or employee, as such, of the Board, either directly or through the Board, or otherwise, for the payment for or to the Board or any receiver of the Board, or for, or to, any Holder or otherwise, of any sum that may be due and unpaid on any such Commercial Paper Bond. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee, as such, to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the Board or any receiver of the Board, or for, any Holder or otherwise, of any sum that may remain due and unpaid on the Commercial Paper Bonds hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the adoption of this Resolution and the issuance of the Commercial Paper Bonds.

Section 8.10. Severability of Invalid Provision. If any one or more of the covenants or agreements provided in this Resolution on the part of the Board or the Issuing and Paying Agent to be performed is contrary to law, then such covenant or agreement is null and void and does not affect the validity of the other provision of this Resolution or of the Commercial Paper Bonds

Section 8.11. Notices. All notices or other communications will be sufficiently given and will be deemed given when delivered by Electronic Means or mailed by overnight service or certified or registered mail, postage prepaid, as follows:

If to the Board:

Board of Governors of the University of North Carolina
223 S. West Street, Suite 1800
Raleigh, NC 27603
Chapel Hill, North Carolina 27515
Attention: Senior Vice President for Finance & Administration and Chief Financial Officer

If to UNC-Chapel Hill:

University of North Carolina at Chapel Hill
301 South Building, Campus Box 1000
Chapel Hill, North Carolina 27599-1000
Attention: Vice Chancellor for Finance and Operations

If to the Issuing and Paying Agent: as provided in Issuing and Paying Agent Agreement

If to the Dealer, as applicable: as provided in applicable Dealer Agreement

The Issuing and Paying Agent shall have the right to accept and act upon directions or instructions given pursuant to this Resolution or any other document reasonably relating to the Commercial Paper Bonds, including, but not limited to a Program Order, a Series Order and a Bond Order, and delivered using Electronic Means; provided, however, that the Board or UNC-Chapel Hill, as the case may be, shall provide to the Issuing and Paying Agent an incumbency certificate listing Authorized Officers with the authority to provide such directions or instructions (each an “Authorized Officer”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Board or UNC-Chapel Hill elects to give the Issuing and Paying Agent directions or instructions using Electronic Means and the Issuing and Paying Agent in its discretion elects to act upon such directions or instructions, the Issuing and Paying Agent’s reasonable understanding of such directions or instructions shall be deemed controlling. The Board and UNC-Chapel Hill each understands and agrees that the Issuing and Paying Agent cannot determine the identity of the actual sender of such directions or instructions and that the Issuing and Paying Agent shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Issuing and Paying Agent have been sent by such Authorized Officer. The Board and UNC-Chapel Hill, as the case may be, shall each be responsible for ensuring that only Authorized Officers transmit such directions or instructions to the Issuing and Paying Agent and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Issuing and Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Issuing and Paying Agent’s reliance upon and compliance with such directions or instructions notwithstanding such

directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. Each of the Board and UNC-Chapel Hill agree: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Issuing and Paying Agent, including without limitation the risk of the Issuing and Paying Agent acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Issuing and Paying Agent and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Issuing and Paying Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

Notice required by this Resolution may be waived by the required recipient, either before or after the event, and such waiver shall be the equivalent of such notice.

Notices and other communications to owners of Commercial Paper Bonds will be delivered to owners through the Book-Entry System and shall be deemed delivered to owners upon receipt by DTC. Any notice to DTC shall be deemed given when received by DTC. Any defect in a notice to any particular owner shall not affect the sufficiency of such notice with respect to other owners.

Section 8.12. Business Days. Except as otherwise expressly provided herein, if any date specified herein for the payment of any Commercial Paper Bond or the performance of any act is not a Business Day, such payment or performance will be made on the next succeeding Business Day with the same effect as if made on such date, and in case any payment of the principal of or interest on any Commercial Paper Bond is due on a date that is not a Business Day, such payment will be made on the immediately succeeding Business Day and no interest will accrue on the amount of such payment during the intervening period.

Section 8.13. North Carolina Law. This Resolution is governed by and to be construed in accordance with the laws of the State of North Carolina without regard to conflict of law principles.

Section 8.14. Intention as to Seal and Contract. It is intended that this Resolution, when signed on behalf of the Board and duly delivered, constitute a contractual obligation under seal under the laws of the State of North Carolina with force and effect as an agreement and indenture of trust.

Section 8.15. Execution in Counterparts; Electronic Signatures. Any documents executed in connection with this Resolution may be executed in any number of counterparts, by manual, digital, electronic or .pdf file signatures, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument. An executed copy of this Resolution delivered by facsimile, email, or other electronic means will be deemed to have the same legal effect as delivery of a manual signed copy of this Resolution. This Resolution and related documents may be sent and stored by electronic means.

Section 8.16. Cancellation of Prior Commercial Paper Program. The Bond Resolution adopted by the Board on October 12, 2001, which was amended and restated by a resolution adopted by the Board on January 9, 2004 and further amended by a resolution adopted by the Board on April 11, 2006 (the "Prior Commercial Paper Resolution"), authorizing the issuance, sale and delivery from time to time of its Commercial Paper Bonds (UNC-Chapel Hill/NC State), is hereby repealed effective on the first date that Commercial Paper Bonds are issued under this Resolution. Upon the effective date of the repeal of this

Resolution, the agreements related to the issuance of bonds under the Prior Commercial Paper Resolution are hereby terminated on such date, including but not limited to the issuing and paying agency agreement and the dealer agreements related to such bonds. For purposes of clarity, this Resolution is intended to supersede, replace and amend and restate the Prior Commercial Paper Resolution.

Section 8.17. Effective Date. This Resolution is effective immediately on its adoption.

STATE OF NORTH CAROLINA

)

SECRETARY'S CERTIFICATE

)

SS:

OF AUTHENTICATION

COUNTY OF WAKE

)

I, Meredith R. McCullen, Deputy Chief of Staff and Secretary of the University of North Carolina System, *DO HEREBY CERTIFY* that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the Board of Governors of the University of North Carolina System (the "*Board of Governors*") at its meeting on October 16, 2025 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors held on October 16, 2025 was sent to each member of the Board of Governors, and (3) a quorum was present at the meeting on October 16, 2025 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina System this ____ day of _____, 2025.

[SEAL]

Deputy Chief of Staff and Secretary of the University of
North Carolina System

APPENDIX A

DEFINITIONS

“Act” means Chapter 116D of the General Statutes of North Carolina, as amended, and any successor statute.

“Additional Required Payments” means the payments so designated by and set forth in the UNC-Chapel Hill Series Indenture, Number 20.

“Agent” or ***“Issuing and Paying Agent”*** means The Bank of New York Mellon Trust Company, N.A., and any other issuing and paying agent appointed under Section 7.01 of the Resolution and their successors.

“Beneficial Owner” means the person in whose name a Commercial Paper Bond is recorded as beneficial owner of such Commercial Paper Bond on the records of a Participant of the Securities Depository.

“Board” means the Board of Governors of the University of North Carolina.

“Board Representative” means the Senior Vice President for Finance & Administration and Chief Financial Officer of the University of North Carolina System or any successor officer performing the functions currently performed by the Senior Vice President for Finance & Administration and Chief Financial Officer of the University of North Carolina System and his or her designees.

“Bond Counsel” means a law firm appointed by the Board having a national reputation in the field of municipal law whose legal opinions are generally accepted by purchasers of municipal obligations. The firm of Parker Poe Adams & Bernstein L.L.P. is hereby recognized as constituting Bond Counsel, subject to further action by the Board.

“Bond Order” means an order delivered in writing by a Board Representative or the Dealer directing the authentication and delivery of New Money Bonds in accordance with Section 2.03 of the Resolution.

“Bond Payment Date” means a date on which principal and interest is due on the Commercial Paper Bonds.

“Book-Entry System” means a book-entry system established and operated for the recordation of beneficial ownership interests in the Commercial Paper Bonds under the Resolution.

“Book-Entry Master Bonds” means the Book-Entry Master Tax-Exempt Bond and the Book-Entry Master Taxable Bond.

“Book-Entry Master Taxable Bond” means a certificate evidencing the Commercial Paper Bonds issued under a Taxable Program delivered in accordance with Section 2.09 of the Resolution substantially in the form attached hereto or, while the Commercial Paper Bonds are in the Book-Entry System, in such form as required by the Securities Depository.

“Book-Entry Master Tax-Exempt Bond” means a certificate evidencing the Commercial Paper Bonds issued under a Tax-Exempt Program delivered in accordance with Section 2.09 of the Resolution substantially in the form attached hereto or, while the Commercial Paper Bonds are in the Book-Entry System, in such form as required by the Securities Depository.

“Business Day” means a day other than (1) a Saturday, Sunday or other day on which banking institutions in the State or in the city in which the Designated Office of the Issuing and Paying Agent or the Dealer is located are authorized or required to close or (2) a day on which the New York Stock Exchange is closed.

“Code” means the Internal Revenue Code of 1986, as amended, including regulations promulgated thereunder.

“Commercial Paper Bond” or ***“Commercial Paper Bonds”*** means the University of North Carolina Commercial Paper Bonds (UNC-Chapel Hill) authorized by Section 2.01 of the Resolution, which while in the Book-Entry System will be evidenced by the Book-Entry Master Bonds.

“Costs of Issuance Fund” means the Costs of Issuance Fund established and so designated under Section 3.01 of the Resolution.

“Costs of the Issuance” means all items of expense, directly or indirectly payable by or reimbursable to the Board and UNC-Chapel Hill, related to the authorization, sale and issuance of Commercial Paper Bonds.

“Costs of the Projects” means the cost of construction and acquisition of all lands, structures, property (real or personal), rights, rights-of-way, franchises, easements and interests acquired for the Projects, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all machinery and equipment, financing charges, interest before and during construction and for such a limited period after completion of construction as the Board deems advisable, reserves for principal and interest and for extensions, enlargements, additions and improvements, the cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues and administrative expenses necessary or incidental to determining the feasibility or practicability of constructing the Projects and such other expenses as may be necessary or incidental to the construction and acquisition and the placing of the Projects in operation.

“Dealer” means any dealer appointed pursuant to Section 7.02 of the Resolution, and their successors.

“Dealer Agreement” means any agreement between the Board and a Dealer, as amended, modified or supplemented from time to time.

“Debt Service Fund” means the fund established and so designated under Section 3.01 of the Resolution.

“Defeased Municipal Obligations” means obligations of state or local government municipal bond issuers which are rated in the highest rating category by S&P and Moody’s, respectively, provision for the payment of the principal of and interest on which shall have been made by deposit with a trustee or escrow agent of (1) noncallable Government Obligations, (2) evidences of ownership of a proportionate

interest in specified noncallable Government Obligations, (3) cash or (4) any combination of such noncallable Government Obligations, evidences of ownership and cash, which Government Obligations or evidences of ownership, together with any cash, are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, the maturing principal of and interest on such Government Obligations or evidences of ownership, when due and payable, being sufficient, together with any cash, to provide money to pay the principal of, premium, if any, and interest on such obligations of such state or local government municipal bond issuers.

“Designated Office” means (1) when used with reference to the Issuing and Paying Agent, the corporate trust office of the Issuing and Paying Agent designated as such, and (2) when used with reference to the Dealer, the office of the Dealer designated as such.

“Delivery Instructions”, when used with respect to the issuance of Commercial Paper Bonds, means the notice provided by the Dealer to the Issuing and Paying Agent and the UNC-Chapel Hill Representative that specifies the principal amount, maturity and interest rate on such Commercial Paper Bonds and the instructions for delivery of such Commercial Paper Bonds to the purchaser.

“DTC” means the Depository Trust Company.

“Electronic Means” means the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords or authentication keys, or another method or system specified by the Issuing and Paying Agent as available for use in connection with its services under this Resolution.

“Favorable Opinion of Bond Counsel” means, when used with respect to or in connection with any action, a written opinion of Bond Counsel to the effect that such action will not adversely affect the excludability from gross income of interest paid on any Commercial Paper Bond for federal income tax purposes.

“Final Maturity Date” means January 31, 2041.

“Funds and Accounts” means the Debt Service Fund, the Costs of Issuance Fund, the UNC-Chapel Hill Program Fund and any other fund, account or sub-account established pursuant to the Resolution.

“Government Obligations” means (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged; (b) obligations the payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of the Trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the Owner; (c) Defeased Municipal; (d) the interest only portions of obligations issued by the Resolution Funding Corporation; or (e) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

“Holder,” “holder,” “owner” or any similar term, when used with reference to a Commercial Paper Bond, means the registered owner of such Commercial Paper Bond.

“Investment Obligations” means, to the extent from time to time permitted by law:

- (1) Government Obligations;
- (2) direct obligations of, or obligations the principal of and interest on which shall be unconditionally guaranteed by any of the following agencies of the United States government: Federal Farm Credit System, Federal Home Loan Banks, Export-Import Bank of the United States of America, Government National Mortgage Association, Federal National Mortgage Association, Farmer's Home Administration, Federal Home Loan Mortgage Corporation, Federal Housing Administration, or Financing Corporation and all other obligations issued or unconditionally guaranteed by any agency controlled or supervised by and acting as an instrumentality of the United States government under authority granted by the Congress;
- (3) bankers acceptances drawn on and accepted by banks (which may include the Issuing and Paying Agent and the Trustee), or certificates of deposit or commercial paper of banks (which may include the Paying Agent and the Trustee), with a combined capital and surplus aggregating at least \$100,000,000 and the unsecured securities of which are currently rated within one of the two highest rating categories (without regard to any gradations by numerical qualifier or otherwise) assigned by S&P or Moody's;
- (4) interest-bearing demand or time deposits or certificates of deposit, fully insured by the Federal Deposit Insurance Corporation, of a bank (which may include the Paying Agent and the Trustee) or trust company or, to the extent not so insured, of a bank or trust company (which may include the Paying Agent and the Trustee), the unsecured securities of which are currently rated within one of the two highest rating categories (without regard to any gradations by numerical qualifier or otherwise) assigned by S&P or Moody's;
- (5) interest-bearing notes, issued by a bank (which may include the Paying Agent and the Trustee) or bank holding company and rated within one of the two highest rating categories assigned by S&P or Moody's (without regard to any gradations by numerical qualifier or otherwise) and which bank or bank holding company has a combined capital and surplus aggregating at least \$100,000,000;
- (6) repurchase agreements, reverse repurchase agreements, or investment agreements with a financial institution (which may include the Paying Agent and the Trustee) (a) with a combined capital and surplus aggregating at least \$100,000,000 and the unsecured long term-debt obligations of which are currently rated within one of the two highest rating categories (without regard to any gradations by numerical qualifier or otherwise) assigned by S&P or Moody's, or (b)(i) continuously secured and collateralized by segregated obligations referred to in (1) through (5) above having a market value at least equal at all times to the principal balance collectible pursuant thereto and the accrued interest thereon and (ii) as to which the University receives evidence that a

custodian has possession of the collateral, evidence that the collateral is free and clear of any third-party liens or claims and an opinion that the custodian has a perfected security interest in the collateral, any substitutes therefor and all proceeds thereof;

(7) debt securities of any entity whose long-term debt obligations are rated within one of the two highest rating categories assigned by S&P or Moody's, (without regard to any gradations by numerical qualifier or otherwise);

(8) bonds or other obligations, rated within one of the two highest rating categories assigned by S&P or Moody's (without regard to any gradations by numerical qualifier or otherwise), of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state or any unit investment trust investing solely in such bonds or obligations;

(9) commercial paper rated "A-1+" by S&P and "P-1" by Moody's and maturing in not more than 365 days;

(10) money market funds rated in the highest rating category by S&P or Moody's; and

(11) the State Treasurer's Short-Term Investment Fund.

"Issuing and Paying Agent" is defined above under ***"Agent."***

"Issuing and Paying Agency Agreement" means the Issuing and Paying Agency Agreement between the Board and the Issuing and Paying Agent related to the Commercial Paper Bonds, as amended, modified or supplemented from time to time.

"Letter of Representations" means the Letter of Representations among the Board, the Issuing and Paying Agent and DTC, and any other agreement entered into among the Board, the Issuing and Paying Agent and any other Securities Depository, for purposes of making the Commercial Paper Bonds eligible for the Book-Entry System.

"Maximum Aggregate Principal Amount" means \$250,000,000, as may be amended from time to time.

"Moody's" means Moody's Investors Service, Inc., its successors and assigns, and if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, ***"Moody's"*** refers to any other nationally recognized securities rating agency designated by the Board by notice to the Issuing and Paying Agent.

"New Money Bond" means a Commercial Paper Bond the proceeds of which are applied to pay, or reimburse the Board or UNC-Chapel Hill for paying, the Costs of the Projects or certain costs of issuance of the Commercial Paper Bonds.

"New Money Issuance Period" has the meaning given in Section 2.10(b) of the Resolution.

"Non-Issuance Notice" means a notice received by the Issuing and Paying Agent from the Board directing the Issuing and Paying Agent to cease authenticating and delivering Commercial Paper Bonds of one or more Series under the Resolution.

“Offering Memorandum” means the offering memorandum for the initial issuance of Commercial Paper Bonds under this Resolution, in substantially the form presented to the Board at the time of the adoption of the Resolution, which such changes as are permitted by the Resolution, as may be supplemented from time to time.

“Original Issue Discount” means, when used with respect to any Commercial Paper Bond, the difference between the principal amount of such Commercial Paper Bond payable at maturity and the initial public offering price of such Commercial Paper Bond.

“Outstanding” or ***“outstanding”*** means, when used with reference to Commercial Paper Bonds, as of any particular date, all Commercial Paper Bonds authenticated and delivered under the Resolution except:

(1) any Commercial Paper Bond canceled by the Issuing and Paying Agent (or delivered to the Issuing and Paying Agent for cancellation) at or before such date;

(2) any Commercial Paper Bond for the payment of the principal of and interest on which provision has been made as provided in Section 6.01 of the Resolution; and

(3) any Commercial Paper Bond in lieu of or in substitution for which a new Commercial Paper Bond has been authenticated and delivered pursuant to Article II or Section 5.03 of the Resolution.

“Participant” means a participant of the Securities Depository in accordance with its rules and procedures.

“Program” means the initial commercial paper program established under the Resolution and each additional commercial program established thereunder, each of which is intended to constitute a single issue of Commercial Paper Bonds pursuant to the Code.

“Projects” means, initially, the UNC-Chapel Hill Projects, as may be amended from time to time.

“Rating Agency” means Moody’s or S&P or any other securities rating agency that have assigned a rating that is then in effect with respect to the Commercial Paper Bonds, and their successors and assigns, and ***“Rating Agencies”*** means all of them.

“Refunding Bonds” means Commercial Paper Bonds issued to refund an Outstanding Commercial Paper Bond. The procedures for issuing Refunding Notes are described in Section 2.03(c).

“Repayments” means those payments so designated by and set forth in the UNC-Chapel Hill Series Indenture, Number 20.

“Resolution” means this Bond Resolution, adopted by the Board on October 16, 2025, as may be amended, modified or supplemented from time to time by any Supplemental Resolution.

“Revenues” means (1) all payments to the Board or the Issuing and Paying Agent pursuant to the UNC-Chapel Hill Indentures related to Commercial Paper Bonds, such obligations being evidenced by the UNC-Chapel Hill 2025B Bond and (2) all moneys and securities on deposit in the Funds and Accounts.

“Securities Depository” means The Depository Trust Company, New York, New York, and any substitute for or successor to such securities depository that maintains a Book-Entry System with respect to the Commercial Paper Bonds.

“Series” or ***“Series of Commercial Paper Bonds”*** means the series of Commercial Paper Bonds bearing the designation “A-1” and each additional series of Commercial Paper Bonds issued under the Resolution.

“State” means the State of North Carolina.

“Supplemental Resolution” means any resolution adopted by the Board amending, modifying or supplementing the Resolution, any Supplemental Resolution or any Commercial Paper Bond in accordance with the terms of the Resolution.

“S&P” means S&P Global Ratings, its successors and assigns, and if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, “S&P” refers to any other nationally recognized securities rating agency designated by the Board by notice to the Issuing and Paying Agent.

“Taxable Bonds” means Commercial Paper Bonds issued under a Taxable Program.

“Taxable Program” means a Program under which Commercial Paper Bonds are issued the interest on which is not excludable from gross income of the holders thereof for federal income tax purposes.

“Tax Certificate” means the tax certificate executed by the Board in connection with the initial issuance and delivery of the Commercial Paper Bonds, as amended, modified or supplemented from time to time, and any tax certificate executed by the Board in connection with the establishment of a new Program, as amended, modified or supplemented from time to time.

“Tax-Exempt Bonds” means Commercial Paper Bonds issued under a Tax-Exempt Program.

“Tax-Exempt Program” means a Program under which Commercial Paper Bonds are issued the interest on which is excludable from gross income of the holders thereof for federal income tax purposes.

“2025B Bond” means The University of North Carolina at Chapel Hill General Revenue Bond, Series 2025B issued under the UNC-Chapel Hill Indentures to evidence and secure the indebtedness related to the Commercial Paper Bonds.

“UNC-Chapel Hill” means The University of North Carolina at Chapel Hill.

“UNC-Chapel Hill General Trust Indenture” means the General Trust Indenture dated as of January 15, 2001 between the Board and the Trustee, as amended, modified or supplemented from time to time, under which the Board issues bonds for the benefit of UNC-Chapel Hill.

“UNC-Chapel Hill Indentures” means the UNC-Chapel Hill General Trust Indenture and the UNC-Chapel Hill Series Indenture, Number 20.

“UNC-Chapel Hill Program Fund” means the Program Fund established and so designated under Section 3.01 of the Resolution.

“UNC-Chapel Hill Projects” means the project or projects financed or refinanced with proceeds of the Commercial Paper Bonds as set forth in Exhibit B to the UNC-Chapel Hill Series Indenture, Number 20, as such project or projects may be amended in accordance with the provisions of the Resolution and the UNC-Chapel Hill Series Indenture, Number 20.

“UNC-Chapel Hill Representative” means (1) the UNC-Chapel Hill Vice Chancellor for Finance and Operations or any successor officer performing the functions currently performed by the UNC-Chapel Hill Vice Chancellor for Finance and Operations or (2) his or her designee.

“UNC-Chapel Hill Series Indenture, Number 20” means Series Indenture, Number 20 dated as of December 1, 2025 between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, as amended, modified or supplemented from time to time, under which the UNC-Chapel Hill 2025B Bond is issued.

“UNC-Chapel Hill 2025B Bond” means The University of North Carolina at Chapel Hill General Revenue Bond, Series 2025B (commercial paper) issued under the UNC-Chapel Hill Series Indenture, Number 20 that secures the Board’s obligation to repay the Commercial Paper Bonds pursuant to the UNC-Chapel Hill Indentures.

APPENDIX B

FORM OF BOND

**UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA**

**THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA
UNIVERSITY OF NORTH CAROLINA SYSTEM
[TAX-EXEMPT][TAXABLE]COMMERCIAL PAPER BONDS,
(UNC-CHAPEL HILL)**

Chapel Hill, North Carolina
_____, 20__

Up to \$_____

DATE OF ISSUANCE
December ___, 2025

MATURITY DATE

CUSIP

THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA (the “Board”), a body politic and corporate under the name of the University of North Carolina (the “University”), for value received hereby promises to pay (but solely from the funds hereinafter mentioned), on the maturity date hereof, without the option of prior payment, to Cede & Co., or registered assigns (the “Holder”), the outstanding principal amount hereof plus interest thereon to the maturity date at the rate and on the maturity dates determined from time to time in accordance with the Resolution (as hereinafter defined). This bond is issued pursuant to the Board’s Bond Resolution, adopted on October 16, 2025, as such resolution may be amended or supplemented from time to time (the “Resolution”), and the Issuing and Paying Agency Agreement, dated as of December ___, 2025 (the “Issuing and Paying Agency Agreement”), between the Board and The Bank of New York Mellon Trust Company, N.A., as issuing and paying agent (the “Issuing and Paying Agent”). The proceeds of this bond will be advanced by the Board to the University of North Carolina at Chapel Hill (“UNC-Chapel Hill”) under the terms of the Resolution and Series Indenture, Number 20 dated as of December 1, 2025 between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, as may be supplemented and amended (the “UNC-Chapel Hill Series Indenture, Number 20”).

The Board is required to pay the principal amount hereof and interest thereon only to the extent that there are Revenues (as defined in the Resolution) received under the Resolution, including amounts received as Repayments pursuant to and as defined in the UNC-Chapel Hill Series Indenture, Number 20. The Bond is a special obligation of the Board. The Bond, the interest thereon and the premium, if any, are not a debt of the Board or the State, and neither the State nor the Board is obligated to pay the principal of, premium, if any, and interest on the Bond except from the Revenues. Neither the faith and credit nor

the taxing power of the State or of any political subdivision of the State is pledged for the payment of the principal of, premium, if any, or the interest on the Bond. The Bond does not constitute a debt or liability of the State. The issuance of the Bond does not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any taxes for the Bond.

This Bond has been issued by the Issuing and Paying Agent for the account of the Board under the Resolution and the Issuing and Paying Agency Agreement, and is entitled to the benefits of the Resolution. The Resolution, the Issuing and Paying Agency Agreement and the UNC-Chapel Hill Indentures (as defined in the Resolution) are on file with the Issuing and Paying Agent at its office at The Bank of New York Mellon Trust Company, N.A., 4655 Salisbury Road, Suite 300, Jacksonville, Florida 32256, Attention: Corporate Trust Division.

This note and all instruments securing the same are to be construed according to the laws of the State of North Carolina.

IN WITNESS WHEREOF, the Board of Governors of the University of North Carolina has caused this Bond to be signed on its behalf by its Chair by her manual, facsimile or electronic signature and by its Secretary by her manual or facsimile signature and the manual or facsimile seal of the University to be imprinted hereon, all as of its date of issuance.

Chair of the Board of Governors of
the University of North Carolina

[SEAL]

Secretary of the Board of Governors
of the University of North Carolina

Countersigned for Authentication only:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Issuing and Paying Agent

By: _____
Authorized Agent

**THIS NOTE IS NOT VALID FOR ANY PURPOSE UNLESS COUNTERSIGNED BY THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A., AS ISSUING AND PAYING AGENT.**

APPENDIX C

FORM OF NEW PROGRAM ORDER

**UNIVERSITY OF NORTH CAROLINA SYSTEM
COMMERCIAL PAPER BONDS,
(UNC-CHAPEL HILL), SERIES A-__**

To: The Bank of New York Mellon Trust Company, N.A., as Issuing and Paying Agent
 _____, as Dealer

Reference is hereby made to the Bond Resolution, adopted by the Board of Governors of the University of North Carolina (the "*Board*") on October 16, 2025, as such resolution has been previously modified, supplemented and amended (the "*Resolution*"). All capitalized terms used but not otherwise defined herein have the meanings given them in Appendix A of the Resolution.

In accordance with Section 2.10 of the Resolution, the Board hereby gives notice as follows:

1. Effective _____, 20__, on the satisfaction of the conditions set forth in Section 2.10 of the Resolution, a new Program shall be established under the Resolution. The new Program shall initially comprise __ Series of Bonds, designated "Series A_" [to "Series A_"].

2. This new Program will be a [Tax-Exempt][Taxable] Program under the Resolution.

3. [For Tax-Exempt Programs only: On the effective date of the new Program, no Bonds may be issued under the current Program, which was established [as the initial Program under the Resolution][under the Resolution and the New Program Order dated _____, 20__].]

4. The Board, and by executing the acknowledgment below, the Issuing and Paying Agent and [Dealer], as the Dealer with respect to the Series A_ Bonds [and [Dealer] with respect to the Series A_ Bonds], acknowledge that the Resolution, the Issuing and Paying Agency Agreement, the UNC-Chapel Hill Indentures and the Dealer Agreement(s) identified on Appendix A hereto shall apply to the new Program.

IN WITNESS WHEREOF, the Board, by their duly authorized representatives, hereby executed and delivered this New Program Order, as of the __ day of _____, 20__.

BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA

By: _____
Board Representative

The undersigned hereby acknowledge receipt of this New Program Order.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Issuing and Paying Agent

By: _____
Authorized Agent

[DEALER],
as Dealer

By: _____
Authorized Officer

Exhibit A

[Identify Dealer Agreement(s), specifying which Dealer and which Dealer Agreement pertains to which Series of Bonds]

APPENDIX D

FORM OF NEW SERIES ORDER

**UNIVERSITY OF NORTH CAROLINA SYSTEM
COMMERCIAL PAPER BONDS,
(UNC-CHAPEL HILL), SERIES__-**

To: The Bank of New York Mellon Trust Company, N.A., as Issuing and Paying Agent
 _____, as Dealer

Reference is hereby made to the Bond Resolution, adopted by the Board of Governors of the University of North Carolina (the “*Board*”) on October 16, 2025, as such resolution has been previously modified, supplemented and amended (the “*Resolution*”). All capitalized terms used but not otherwise defined herein have the meanings given them in Appendix A of the Resolution.

In accordance with Section 2.01(b) of the Resolution, the Board hereby gives notice as follows:

1. Effective _____, 20__, a new Series shall be established under the Resolution. The new Series shall be part of the [Tax-Exempt][Taxable] Program established [as the initial Program under the Resolution][under the New Program Order dated _____, 20__] and shall be designated “Series A_.”

2. [Dealer] shall be the Dealer with respect to the new Series, pursuant to the Dealer Agreement identified on Exhibit A hereto. [BOND: Unless the Dealer currently serves as Dealer with respect to another Series of Bonds pursuant to a Dealer Agreement previously approved, executed and delivered by the Agency, the appointment of a new Dealer will require Board approval in accordance with its practices and procedures.]

3. The Board, and by executing the acknowledgment below, the Issuing and Paying Agent and [Dealer], as the Dealer with respect to the new Series of Bonds, acknowledge that the Resolution, the Issuing and Paying Agency Agreement, the UNC-Chapel Hill Indentures and the Dealer Agreement identified on Exhibit A hereto shall apply to the new Series.

IN WITNESS WHEREOF, the Board, by their duly authorized representatives, hereby delivered this New Program Order, as of the __ day of _____, 20__.

BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA

By: _____
Board Representative

The undersigned hereby acknowledge receipt of this New Series Order.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Issuing and Paying Agent

By: _____
Authorized Agent

[DEALER],
as Dealer

By: _____
Authorized Officer

Exhibit A

[Identify Dealer Agreement]

APPENDIX E

FORM OF BOOK-ENTRY MASTER TAX-EXEMPT BOND

MASTER BOND

**UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA**

**THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA
UNIVERSITY OF NORTH CAROLINA SYSTEM
TAX-EXEMPT COMMERCIAL PAPER BONDS,
(UNC-CHAPEL HILL)**

_____, 20__

THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA (the “*Board*”), a body politic and corporate under the name of the University of North Carolina (the “*University*”), for value received hereby promises to pay (but solely from the funds hereinafter mentioned), without the option of prior payment, to Cede & Co., as nominee of The Depository Trust Company, or registered assigns (the “*Holder*”), (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records (the “*Underlying Records*”) of Board, as being evidenced by this Master Bond, which Underlying Records are being maintained the Issuing and Paying Agent; (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made by wire transfer to the registered owner from the Issuing and Paying Agent without the necessity of presentation and the surrender of this Master Bond. This Master Bond represents the commercial paper bonds issued under a Tax-Exempt Program pursuant to the Board’s Bond Resolution, adopted on October 16, 2025, as such resolution may be amended or supplemented from time to time (the “*Resolution*”), and the Issuing and Paying Agency Agreement, dated as of December __, 2025 (the “*Issuing and Paying Agency Agreement*”), between the Board and The Bank of New York Mellon Trust Company, N.A., as issuing and paying agent (the “*Issuing and Paying Agent*”). The proceeds of this bond will be advanced by the Board to the University of North Carolina at Chapel Hill (“*UNC-Chapel Hill*”) under the terms of the Resolution and Series Indenture, Number 20 dated as of December 1, 2025 between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, as may be supplemented and amended (the “*UNC-Chapel Hill Series Indenture, Number 20*”).

Capitalized terms not otherwise defined in this Master Bond shall have the meaning assigned in the Resolution.

The Board is required to pay the principal amount hereof and interest thereon only to the extent that there are Revenues (as defined in the Resolution) received under the Resolution, including amounts received as Repayments pursuant to and as defined in the UNC-Chapel Hill Series Indenture, Number 20. This Master Bond is a special obligation of the Board. This Master Bond, the interest thereon and the premium, if any, are not a debt of the Board or the State, and neither the State nor the Board is obligated to pay the principal of, premium, if any, and interest on this Master Bond except from the Revenues. Neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is pledged for the payment of the principal of, premium, if any, or the interest on this Master Bond. This Master

Bond does not constitute a debt or liability of the State. The issuance of this Master Bond does not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any taxes for this Master Bond.

This Master Bond has been issued under the Resolution and is entitled to the benefits of the Resolution. The Resolution, the Issuing and Paying Agency Agreement and the UNC-Chapel Hill Indentures (as defined in the Resolution) are on file with the Issuing and Paying Agent at its office at The Bank of New York Mellon Trust Company, N.A., 4655 Salisbury Road, Suite 300, Jacksonville, Florida 32256, Attention: Corporate Trust Division.

This note and all instruments securing the same are to be construed according to the laws of the State of North Carolina.

IN WITNESS WHEREOF, the Board of Governors of the University of North Carolina has caused this Master Bond to be signed on its behalf by its Board Representative by her manual, facsimile or electronic signature.

Board Representative

[SEAL]

Secretary of the Board of Governors
of the University of North Carolina

Countersigned for Authentication only:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Issuing and Paying Agent

By: _____
Authorized Agent

THIS BOND IS NOT VALID FOR ANY PURPOSE UNLESS COUNTERSIGNED BY THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS ISSUING AND PAYING AGENT.

Attachment 1

At the request of the registered owner, the Board shall promptly issue and deliver one or more separate Bond certificates evidencing each obligation evidenced by this Master Bond. As of the date any such Bond certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Bond.

=====

For value received, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Name, Address, and Taxpayer Identification Number of Assignee)

the Master Bond and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney to transfer said Master Bond on the books of the Board with full power of substitution in the premises.

Dated:

Signature(s) Guaranteed:

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Master Bond, in every particular, without alteration or enlargement or any change whatsoever.

=====

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Board or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein

FORM OF BOOK-ENTRY MASTER TAXABLE BOND

MASTER BOND

**UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA**

**THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA
UNIVERSITY OF NORTH CAROLINA SYSTEM
TAXABLE COMMERCIAL PAPER BONDS,
(UNC-CHAPEL HILL)**

_____, 20__

THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA (the “*Board*”), a body politic and corporate under the name of the University of North Carolina (the “*University*”), for value received hereby promises to pay (but solely from the funds hereinafter mentioned), without the option of prior payment, to Cede & Co., as nominee of The Depository Trust Company, or registered assigns (the “*Holder*”), (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records (the “*Underlying Records*”) of Board, as being evidenced by this Master Bond, which Underlying Records are being maintained the Issuing and Paying Agent; (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made by wire transfer to the registered owner from the Issuing and Paying Agent without the necessity of presentation and the surrender of this Master Bond. This Master Bond represents the commercial paper bonds issued under a Taxable Program pursuant to the Board’s Bond Resolution, adopted on October 16, 2025, as such resolution may be amended or supplemented from time to time (the “*Resolution*”), and the Issuing and Paying Agency Agreement, dated as of December __, 2025 (the “*Issuing and Paying Agency Agreement*”), between the Board and The Bank of New York Mellon Trust Company, N.A., as issuing and paying agent (the “*Issuing and Paying Agent*”). The proceeds of this bond will be advanced by the Board to the University of North Carolina at Chapel Hill (“*UNC-Chapel Hill*”) under the terms of the Resolution and Series Indenture, Number 20 dated as of December 1, 2025 between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee, as may be supplemented and amended (the “*UNC-Chapel Hill Series Indenture, Number 20*”).

Capitalized terms not otherwise defined in this Master Bond shall have the meaning assigned in the Resolution.

The Board is required to pay the principal amount hereof and interest thereon only to the extent that there are Revenues (as defined in the Resolution) received under the Resolution, including amounts received as Repayments pursuant to and as defined in the UNC-Chapel Hill Series Indenture, Number 20. This Master Bond is a special obligation of the Board. This Master Bond, the interest thereon and the premium, if any, are not a debt of the Board or the State, and neither the State nor the Board is obligated to pay the principal of, premium, if any, and interest on this Master Bond except from the Revenues. Neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is pledged for the payment of the principal of, premium, if any, or the interest on this Master Bond. This Master Bond does not constitute a debt or liability of the State. The issuance of this Master Bond does not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any taxes for this Master Bond.

This Master Bond has been issued under the Resolution and is entitled to the benefits of the Resolution. The Resolution, the Issuing and Paying Agency Agreement and the UNC-Chapel Hill Indentures (as defined in the Resolution) are on file with the Issuing and Paying Agent at its office at The Bank of New York Mellon Trust Company, N.A., 4655 Salisbury Road, Suite 300, Jacksonville, Florida 32256, Attention: Corporate Trust Division.

This note and all instruments securing the same are to be construed according to the laws of the State of North Carolina.

IN WITNESS WHEREOF, the Board of Governors of the University of North Carolina has caused this Master Bond to be signed on its behalf by its Board Representative by her manual, facsimile or electronic signature, all as of its date of issuance.

Board Representative

[

Countersigned for Authentication only:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Issuing and Paying Agent

By: _____
Authorized Agent

THIS BOND IS NOT VALID FOR ANY PURPOSE UNLESS COUNTERSIGNED BY THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS ISSUING AND PAYING AGENT.

Attachment 1

At the request of the registered owner, the Board shall promptly issue and deliver one or more separate Bond certificates evidencing each obligation evidenced by this Master Bond. As of the date any such Bond certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Bond.

=====

For value received, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Name, Address, and Taxpayer Identification Number of Assignee)

the Master Bond and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney to transfer said Master Bond on the books of the Board with full power of substitution in the premises.

Dated:

Signature(s) Guaranteed:

(Signature)

Notice: The signature on this assignment must correspond with the name as written upon the face of this Master Bond, in every particular, without alteration or enlargement or any change whatsoever.

=====

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Board or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein

AGENDA ITEM

A-7. Sale of Special Obligation Bonds — University of North Carolina Wilmington.....Jennifer Haygood

Situation: The University of North Carolina Wilmington (“UNC Wilmington”) requests that the University of North Carolina Board of Governors issue special obligation bonds (the “2025 Bonds”) in a principal amount not to exceed \$71,002,458, plus an additional amount not to exceed five percent of such principal amount. The 2025 Bonds will finance (a) the cost of the construction of a new residence hall referred to as “Student Housing Village — Phase III” (the “Project”), (b) capitalized interest on the bonds, and (c) certain costs incurred in connection with the issuance of the 2025 Bonds.

Background: The Board of Governors is authorized to issue special obligation bonds and bond anticipation notes for capital improvements projects that have been approved by the North Carolina General Assembly. The project was authorized under S.L. 2025-46 (HB 378). The expected cost of funds for the 2025 Bonds is approximately 4.05 percent.

The project will construct a new residence hall and include approximately 540 additional beds for UNC Wilmington’s students. Site preparation will begin in late fall of 2025, and the anticipated completion date is fall 2027.

Assessment: UNC Wilmington is rated “Aa3” with a stable outlook by Moody’s Investors Service. UNC Wilmington is not currently rated by S&P Global Ratings or Fitch Ratings. The transaction is expected to have no impact on UNC Wilmington’s credit rating.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Sale of Special Obligation Bonds — University of North Carolina Wilmington

ISSUE OVERVIEW

The University of North Carolina Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the North Carolina General Assembly. Although a specific source of funding is used by an institution when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

The University of North Carolina Wilmington (“UNC Wilmington”) requests that the Board of Governors issue special obligation bonds (the “2025 Bonds”) in a principal amount not to exceed \$71, 002,458, plus an additional amount not to exceed five percent of such principal amount. The 2025 Bonds will finance (a) the cost of the construction of a new residence hall referred to as “Student Housing Village — Phase III” (the “Project”), (b) capitalized interest on the bonds, and (c) certain costs incurred in connection with the issuance of the 2025 Bonds.

The General Assembly authorized the Projects under S.L. 2025-46 (HB 378). The expected cost of funds for the 2025 Bonds is approximately 4.05 percent. The 2025 Bonds will be directly placed with TD Public Finance LLC, which was selected through a competitive request for proposal (RFP) process.

The Project will construct a new residence hall providing approximately 540 traditional-style beds for freshman and sophomore students. Site preparation will begin late fall of 2025, and the anticipated completion date is fall 2027.

UNC Wilmington is rated “Aa3” with a stable outlook by Moody’s Investors Services. UNC Wilmington is not currently rated by S&P Global Ratings or Fitch Ratings. The transaction is expected to have no impact on UNC Wilmington’s credit rating.

Parker Poe Adams & Bernstein LLP is bond counsel, and First Tryon Advisors, LLC, is the financial advisor.

RECOMMENDATION

It is recommended that the president of the University, or his designee, be authorized to sell the special obligation bonds through the attached resolution.

**RESOLUTION OF THE UNIVERSITY OF NORTH CAROLINA BOARD OF
GOVERNORS AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION
BOND TO FINANCE SPECIAL OBLIGATION BOND PROJECT FOR
THE UNIVERSITY OF NORTH CAROLINA WILMINGTON**

WHEREAS, pursuant to Chapter 116 of the General Statutes of North Carolina, the University of North Carolina Board of Governors (the “Board”) is vested with general control and supervision of the constituent institutions of the University of North Carolina System (the “UNC System”);

WHEREAS, the Board is authorized by Chapter 116D of the General Statutes of North Carolina (the “Act”) to issue, subject to the approval of the Director of the Budget, at one time or from time to time, (1) special obligation bonds of the Board for the purpose of paying all or any part of the cost of acquiring, constructing, or providing special obligation projects and (2) refunding bonds for the purpose of refunding any bonds by the Board under the Act or under any Article of Chapter 116 of the General Statutes of North Carolina, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds refunded;

WHEREAS, the General Assembly has authorized the issuance of special obligation bonds under the Act for the University of North Carolina Wilmington (“UNC Wilmington”) to finance the construction, equipping, and furnishing of Student Housing Village — Phase III at UNC Wilmington pursuant to S.L. 2025-46 of the 2025 Session Laws of the North Carolina General Assembly (the “Special Obligation Bond Project”);

WHEREAS, UNC Wilmington has requested that the Board issue special obligation bonds, the proceeds of which are to be used by UNC Wilmington to finance, or reimburse UNC Wilmington for, the costs of the Special Obligation Bond Project;

WHEREAS, the Board has determined to issue UNC Wilmington General Revenue Bond (with appropriate descriptions and series designations) (the “Bond”) to (1) finance the Special Obligation Bond Project, (2) pay capitalized interest on the Bond, and (3) pay the costs of issuing the Bond;

WHEREAS, the Board has determined to issue the Bond under the General Trust Indenture dated as of May 1, 2002 (the “General Indenture”) between the Board and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), and a Series Indenture (the “Series Indenture”) between the Board and the Trustee; and

WHEREAS, the Bond and other obligations issued under the General Indenture are payable solely from any funds of UNC Wilmington or the Board in each Fiscal Year remaining after satisfying obligations of UNC Wilmington or the Board under a trust indenture, trust agreement, or bond resolution providing for the issuance of debt of the Board with respect to UNC Wilmington as of the date of the General Indenture, but excluding (1) appropriations by the North Carolina General Assembly (the “State”) from the State General Fund, (2) tuition payments by UNC Wilmington students, (3) funds whose purpose has been restricted by the gift, grant, or payee thereof, (4) revenues generated by Special Facilities (as defined in the General Indenture), and (5) funds restricted by law (the “Available Funds”);

WHEREAS, the Bond will be purchased by TD Public Finance LLC (the “Purchaser”) selected via a request for proposals process by UNC Wilmington and its financial advisor pursuant to a term sheet submitted by the Purchaser and under the terms of the Series Indenture;

WHEREAS, there have been made available to the Board form of the Series Indenture and the Bond (the “Board Documents”) which the Board proposes to approve, ratify, execute, and deliver, as applicable, to effectuate the financing;

WHEREAS, the issuance of the Bond does not directly, indirectly, or contingently obligate the State or any agency or political subdivision of the State to levy or to pledge any taxes to pay the cost, in whole or in part, of the Bond in compliance with Section 116D-23 of the Act;

WHEREAS, the Board desires to proceed with the Special Obligation Bond Project and UNC Wilmington will incur and pay certain expenditures in connection with the Special Obligation Bond Project prior to the date of issuance of the Bond (the “Original Expenditures”), such Original Expenditures to be paid for originally from a source other than the proceeds of the Bond, and the Board intends, and reasonably expects, to cause UNC Wilmington to be reimbursed for such Original Expenditures from a portion of the proceeds of the Bond to be issued at a date occurring after the dates of such Original Expenditures;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. **Authorization of Bond.** The Board hereby authorizes the issuance of the Bond in an aggregate principal amount not to exceed \$71,002,458 plus up to an additional five percent (5%) of such amount to pay issuance expenses, capitalized interest, and other related additional costs, under the General Indenture and the Series Indenture to pay the costs of financing the Special Obligation Bond Project, capitalized interest, and costs incurred in connection with the issuance of the Bond.

Section 2. **Sufficiency of Available Funds.** The Board hereby finds that sufficient Available Funds are available to pay the principal of and interest on the Bond and to provide for the maintenance and operation of the facilities at UNC Wilmington to the extent required under the General Indenture.

Section 3. **Selection of Financing Team Members.** The Board authorizes the Senior Vice President for Finance and Administration and Chief Financial Officer of the UNC System and the Vice Chancellor for Business Affairs of UNC Wilmington, and their respective designees, to select the professionals necessary to undertake the financing as contemplated in this Resolution.

Section 4. **Authorization of Board Documents.** The form and content of the Board Documents are in all respects authorized, approved and confirmed, and the Chair of the Board, the President of the UNC System, the Senior Vice President for Finance and Administration and Chief Financial Officer of the UNC System, the Secretary of the Board, and the Deputy Chief of Staff and Secretary of the UNC System, or anyone acting in an interim capacity, and their respective designees, individually and collectively (the “Authorized Officers”), are each authorized, empowered, and directed to execute and deliver, as applicable, the Board Documents for and on behalf of the Board, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions, or deletions therein as to them seem necessary, desirable, or appropriate, their execution thereof to constitute conclusive evidence of the Board’s approval of any and all such changes, modifications, additions, or deletions therein. From and after the execution and delivery of the Board Documents, as applicable, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Board Documents as executed.

Section 5. **Official Declaration of Intent to Reimburse.** The Board presently intends, and reasonably expects, to cause UNC Wilmington to be reimbursed for the Original Expenditures incurred and paid by UNC Wilmington on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Bond. The Board reasonably expects to issue the Bond to finance costs of the Special Obligation Bond Project and the maximum principal amount of Bond expected to be issued by the Board to pay costs of the Special Obligation Bond Project is \$71,002,458. This Resolution is a declaration of official intent of the Board under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the Board's intent to cause UNC Wilmington to be reimbursed for the Original Expenditures from proceeds of the Bond.

Section 6. **General Authority.** From and after the execution and delivery of the Board Documents, as applicable, the Authorized Officers are each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary to the issuance and ongoing administration of the Bond. Any provision in this Resolution that authorizes more than one Authorized Officer to take certain actions shall be read to permit such Authorized Officers to take the authorized actions either individually or collectively. The Chancellor and the Vice Chancellor for Business Affairs of UNC Wilmington, or their respective designees, individually or collectively, are hereby authorized to execute and deliver all documents as may be necessary to the issuance and ongoing administration of the Bond on behalf of UNC Wilmington.

Section 7. **Conflicting Provisions.** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 8. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

PASSED, ADOPTED, AND APPROVED this 16th day of October, 2025.

STATE OF NORTH CAROLINA)
)
COUNTY OF WAKE)

SECRETARY’S CERTIFICATE
OF AUTHENTICATION
SS:

I, Meredith R. McCullen, Deputy Chief of Staff and Secretary of the University of North Carolina System, DO HEREBY CERTIFY that (1) the foregoing is a full, true and correct copy of the approving resolution adopted by the University of North Carolina Board of Governors (the “Board of Governors”) at its meeting on October 16, 2025 and appearing in the minutes of such meeting, (2) notice of the meeting of the Board of Governors held on October 16, 2025 was sent to each member of the Board of Governors, and (3) a quorum was present at the meeting on October 16, 2025 at which time the foregoing Resolution was adopted.

WITNESS, my hand and the seal of the University of North Carolina System this ____ day of _____, 2025.

[SEAL]

Deputy Chief of Staff and Secretary of the University of
North Carolina System

AGENDA ITEM

A-8. Capital Improvement Projects..... Katherine Lynn

- Situation:** Appalachian State University, East Carolina University, NC State University, University of North Carolina at Greensboro, and The North Carolina Arboretum have requested seven new projects and App State, ECU, NC State, and UNC Greensboro have requested increased authorization for six projects.
- Background:** The University of North Carolina Board of Governors may authorize capital construction projects at University of North Carolina System institutions using available funds.
- Assessment:** App State, ECU, NC State, UNC Greensboro, and The Arboretum are requesting projects that meet statutory requirements. It is recommended that the Board approve the projects and the method of funding. It is further recommended that these projects be reported to the North Carolina Office of State Budget and Management as non-appropriated projects that do not require any additional debt or burden on state appropriations.
- Action:** This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Capital Improvement Projects – Appalachian State University, East Carolina University, NC State University, University of North Carolina at Greensboro, and The North Carolina Arboretum

ISSUE OVERVIEW

University of North Carolina System institutions are required to request authority from the University of North Carolina Board of Governors to proceed with non-appropriated projects using available funds (non-general funds). Non-appropriated capital projects are funded by the institution and include the construction, repair, or renovation of facilities such as residence halls, dining facilities, research buildings, athletic facilities, and student health buildings.

Four UNC System institutions and one affiliate have requested 13 capital improvement projects: seven new projects and six projects for increased authorization.

I. NEW PROJECTS

Institution/Project Title		Total Project Cost	Previous Authorization	Requested Authorization	Funding Source
Appalachian State University					
1.	Dining Master Plan Renovations - Phase 1	\$4,500,000	\$0	\$4,500,000	Trust Funds (Dining)
<i>App State Subtotal</i>		<i>\$4,500,000</i>	<i>\$0</i>	<i>\$4,500,000</i>	
East Carolina University					
2.	Joyner Library - Starbucks Relocation ¹	\$1,000,000	\$80,000	\$920,000	Trust Funds (Dining)
<i>ECU Subtotal</i>		<i>\$1,000,000</i>	<i>\$80,000</i>	<i>\$920,000</i>	
NC State University					
3.	Chick-Fil-A Atrium Upgrades	\$2,000,000	\$0	\$2,000,000	Trust Funds (Dining)
4.	Whole Building Backup Power-Avent Ferry Technology Center	\$800,000	\$0	\$800,000	Trust Funds (Other Auxiliary)
<i>NC State Subtotal</i>		<i>\$2,800,000</i>	<i>\$0</i>	<i>\$2,800,000</i>	
University of North Carolina at Greensboro					
5.	High Rise Roof Replacement	\$1,575,000	\$0	\$1,575,000	Trust Funds (Housing)
6.	Spring Garden Apts. Roof & HVAC Replacement ¹	\$4,815,000	\$200,000	\$4,615,000	Trust Funds (Housing)
<i>UNC Greensboro Subtotal</i>		<i>\$6,390,000</i>	<i>\$200,000</i>	<i>\$6,190,000</i>	
The North Carolina Arboretum					
7.	Arboretum Property Fencing Repairs	\$917,000	\$0	\$917,000	Donations, Gifts/Grants (Insurance Reimbursement)
<i>NC Arb Subtotal</i>		<i>\$917,000</i>	<i>\$0</i>	<i>\$917,000</i>	
Grand Total		\$15,607,000	\$280,000	\$15,327,000	

¹ Previous authorization reflects advance planning authority delegated to Boards of Trustees.

II. INCREASED AUTHORIZATION

Institution/Project Title		Total Project Cost	Previous Authorization	Requested Authorization	Funding Source
Appalachian State University					
1.	New River Light & Power (NRLP) Oak Grove Substation & Misc. Repairs	\$971,879	\$748,000	\$223,879	Trust Funds (Utility)
<i>App State Subtotal</i>		<i>\$971,879</i>	<i>\$748,000</i>	<i>\$223,879</i>	
East Carolina University					
2.	Medical Examiner Office	\$40,700,000	\$35,000,000	\$5,700,000	SCIF 86%/Trust Funds (Clinical Receipts) 14%
<i>ECU Subtotal</i>		<i>\$40,700,000</i>	<i>\$35,000,000</i>	<i>\$5,700,000</i>	
NC State University					
3.	Lab Renovation - Room 101 - 2101 Blue Ridge Road	\$1,550,000	\$670,000	\$880,000	Trust Funds (Fac & Admin)
4.	Ligon St - Beryl Rd Water Line Improvements	\$2,500,000	\$1,500,000	\$1,000,000	Trust Funds (NC DOT I-440 rerouting)
5.	Tri-Towers Residence Halls Mechanical Systems Update	\$2,750,000	\$2,000,000	\$750,000	Trust Funds (Housing)
<i>NC State Subtotal</i>		<i>\$6,800,000</i>	<i>\$4,170,000</i>	<i>\$2,630,000</i>	
University of North Carolina at Greensboro					
6.	Taylor Theater Infrastructure Renovation	\$14,804,664	\$14,504,664	\$300,000	Carry-forward 71%/Trust funds (Unrestricted) 29%
<i>UNC Greensboro Subtotal</i>		<i>\$14,804,664</i>	<i>\$14,504,664</i>	<i>\$300,000</i>	
Grand Total		\$63,276,543	\$54,422,664	\$8,853,879	

RECOMMENDATION

All projects and associated funding sources are in compliance with G.S. 143C-8-12 (State Budget Act).

It is recommended that these projects be authorized and reported to the NC Office of State Budget and Management as non-appropriated projects that will be funded and operated entirely with non-General Fund and non-State Capital and Infrastructure Fund monies.

III. REPORTING

The following projects are being reported to the Board of Governors and Fiscal Research Division in compliance with GS 143C-8-13 (d) which permits Chancellors to authorize Repairs and Renovation projects less than \$600,000 in thirteen allowable categories.

Institution/Project Title		Amount	Fund Source	R&R Category
East Carolina University				
1.	Building 141 - PASS Clinic Relocation	\$600,000	Carry-forward	(9) Improvements and renovations to improve use of existing space

AGENDA ITEM

A-9. Disposition of Property by Lease — NC State University Katherine Lynn

Situation: NC State University Board of Trustees requests authorization to dispose of property by lease for the operation of a cellular tower on the roof of Metcalf Residence Hall.

Background: NC State is requesting approval to dispose of approximately 400 square feet of roof space on Metcalf Residence Hall to AT&T for a cellular tower. The cellular tower has been in operation since 2011, and the existing lease will expire on June 30, 2026. The new lease will support cellular coverage on NC State's campus. The lease is for an initial term of 10 years with one five-year renewal. The initial rent is \$66,562 per year with an annual escalation rate of four percent.

The NC State Board of Trustees approved the disposition by lease on September 12, 2025.

Assessment: It is recommended that the disposition by lease be approved to support cellular coverage on campus.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Disposition of Property by Lease — NC State University

ISSUE OVERVIEW

The University of the North Carolina System institutions are required to request authority from the University of North Carolina Board of Governors to proceed with certain acquisitions and dispositions of real property.

The NC State University Board of Trustees requests authorization for the disposition of property by lease to support an existing cellular tower on the roof on Metcalf Residence Hall, located at 2811 Thurman Drive, Raleigh, North Carolina. The area to be leased is approximately 400 square feet with additional space on and within the building for the attachment and installation of antennae, wires, cables, conduits, and other supporting devices, as needed. The lease to AT&T is required to continue cellular coverage on campus. The cellular tower has been maintained by New Cingular Wireless on behalf of AT&T since 2011, and the existing lease will expire on June 30, 2026. The proposed lease is for an initial term of 10 years, with one five-year renewal. The initial rent will be \$66,562 per year with an annual escalation rate of four percent. The lease revenue will be retained by university housing.

The NC State Board of Trustees approved the disposition by lease on September 12, 2025.

RECOMMENDATION

It is recommended that the Board of Governors approve the request for disposition of property by lease. This item also requires approval from the Council of State.

**STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION**

DISPOSITION OF REAL PROPERTY

Institution or Agency: North Carolina State University

Date: August 4, 2025

The Department of Administration is requested, as provided by GS 146-28 et seq., to dispose of the real property herein described by purchase, lease, rental or other (specify). Lease

This disposition is recommended for the following reasons:

The university requests approval of rooftop lease to New Cingular Wireless PCS, LLC at Metcalf Residence Hall for the operation of an AT&T cellular tower. New Cingular Wireless has maintained this cellular tower on behalf of AT&T since 2011, and the existing lease is set to expire on June 30, 2026. The proposed disposition will allow for continuation of this cellular coverage to NC State's campus.

Description of Property: (Attach additional pages if needed.)

Approximately 400 sq. ft of space on the roof of Metcalf Residence Hall, together with additional space on and within the building for the attachment and installation of antennae, wires, cables and conduits (as needed).

Estimated value: \$66,562.00/year

Where deed is filed, if known: Wake County Register of Deeds

If deed is in the name of agency other than applicant, state the name: N/A

Rental income, if applicable, and suggested terms:

Initial Term: 10 years + one 5 year renewal period

Initial Rent: \$66,562.00/year (escalating annually by 4%)

Funds from the disposal of this property are recommended for the following use:

Lease Revenue will be retained by the University Housing (Project ID 350217), pursuant to NCGS §116-36.1 Regulation of institutional trust funds.

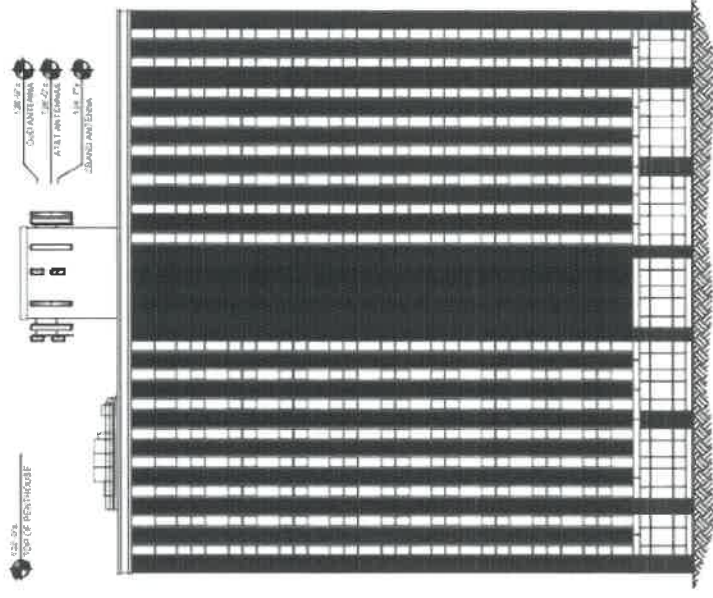
(Complete if Agency has a Governing Board.)

Action recommending the above request was taken by the Board of Trustees and is recorded in the minutes thereof on 9/12/25.

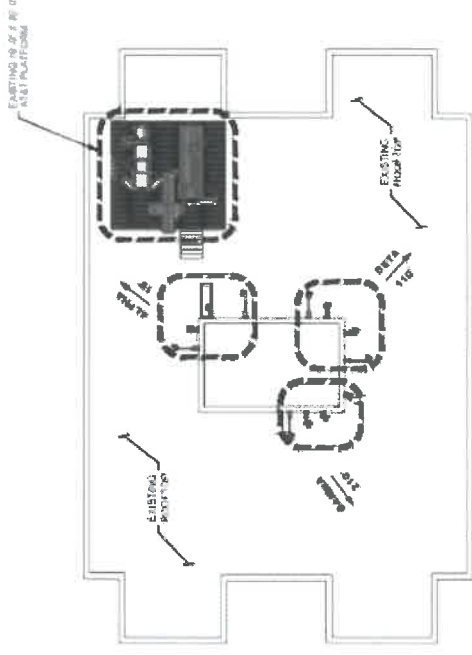
Signature Magie Thompson
Title: Assistant Secretary, Board of Trustees

Dispositions by Lease

AT&T Cell Tower at Metcalf Dormitory



Building Profile



Roof Plan

Disposition by Lease – Summary and Key Terms

- Requesting approval a rooftop lease to New Cingular Wireless PCS, LLC at Metcalf Residence Hall for the operation of an AT&T cellular tower.
- New Cingular Wireless has operated and maintained a cell tower in this location since 2011, providing cellular service coverage to the campus.
- Revenues from this lease will be retained by NC State Housing pursuant to NCGS § 116-36.1: Regulation of institutional trust funds.

Key Terms:

- Initial Term of ten (10) years, with one (1) additional five (5) year renewal period.
- Initial Rent of \$66,562.00/year (escalating annually by 4%).
- Leases will include approximately 400 sq. ft. of space on the roof of Metcalf Residence Hall, together with additional space on and within the building for the attachment and installation of antennae, wires, cables and conduits (as needed).

**DISPOSITION
OF REAL PROPERTY
LEASE**

GRANTOR The State of North Carolina, NC State University

GRANTEE New Cingular Wireless PCS, LLC

LOCATION Metcalf Residence Hall
2811 Thurman Drive, Raleigh, NC 27607

SIZE Approximately 400 s. ft of rooftop space together with additional space on and within the building for the attachment and installation of antennae, wires, cables and conduits (as needed).

RATE Initial Rent of \$66,562.00/year, escalating 4% annually

TERM Initial Term (10 years) + Renewal Term (5 years)

USE The proposed disposition will allow for continued operation of existing cellular service infrastructure on the roof of Metcalf Residence Hall, providing service to NC State's campus. New Cingular Wireless has maintained this cellular tower on behalf of AT&T since 2011.

TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL PROPERTY

Form

Number: PO-2

Preparation

Date: August 4, 2025

Request: The university requests approval of a lease to New Cingular Wireless PCS, LLC at Metcalf Residence Hall for the operation of an AT&T cell tower. New Cingular Wireless has maintained this cell tower on behalf of AT&T since 2011.

Institution NORTH CAROLINA STATE UNIVERSITY

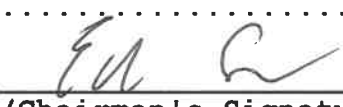
RECOMMENDED BY CHANCELLOR, NCSU


(Chancellor's Signature)

RECOMMENDED BY COMMITTEE ON
BUILDINGS AND PROPERTY


(Chairman's Signature)

RECOMMENDED BY BOARD OF TRUSTEES,
NCSU


(Chairman's Signature)

RECOMMENDED BY BOARD OF GOVERNORS


(Secretary's Signature)

AGENDA ITEM

A-10. 2025-26 NC Promise Tuition Plan Annual Report.....Jennifer Haygood

Situation: General Statute 116-143.11(d) requires the University of North Carolina Board of Governors to report annually on the amount required to offset the forgone tuition receipts at each of the NC Promise institutions, how the funds were allocated to the institutions, the number of enrolled resident students at each institution, and the number of enrolled nonresident students at each institution.

Background: S.L. 2016-94 created the NC Promise Tuition Plan at Elizabeth City State University, University of North Carolina at Pembroke, and Western Carolina University. The 2021 Appropriations Act added Fayetteville State University to the NC Promise Program beginning in 2022-23. The plan sets resident tuition at \$500 per semester and nonresident tuition at \$2,500 per semester beginning in the fall 2018 academic semester. The State promised to buydown the difference in tuition receipts created by the lower tuition compared to the established tuition rate at the four NC Promise schools. The North Carolina General Assembly appropriated \$92 million to offset the lower tuition receipts for 2025-26 and 2026-27.

Assessment: The NC Promise Tuition Plan Annual Report includes all the information required by G.S.116-143.11(d). To offset the decrease in tuition revenue, ECSU will receive \$8.5 million, FSU will receive \$18.4 million, UNCP will receive \$17.9 million, and WCU will receive \$39.4 million. The University of North Carolina System Office will make initial allocations to the institutions in the fall based upon fall census data and an average of fall-to-spring retention rates. Allocations will be further adjusted in late February based on spring census data and any funds remaining after the spring adjustment will be allocated based on the prior year's summer term enrollment on a nonrecurring basis.

Action: This item is for information only.



NC PROMISE TUITION PLAN FY 2025-26 ANNUAL REPORT

Committee on Budget and Finance

October 16, 2025

NC Promise: An Overview

- Established in S.L. 2016-94
- Provides special undergraduate tuition rates
 - \$500 per semester for residents
 - \$2,500 per semester for nonresidents
- Funding “buys down” difference between the regular tuition rates and NC Promise rates
- NC Promise institutions
 - ECSU, UNCP, WCU since inception (fall 2018)
 - FSU added effective fall 2022

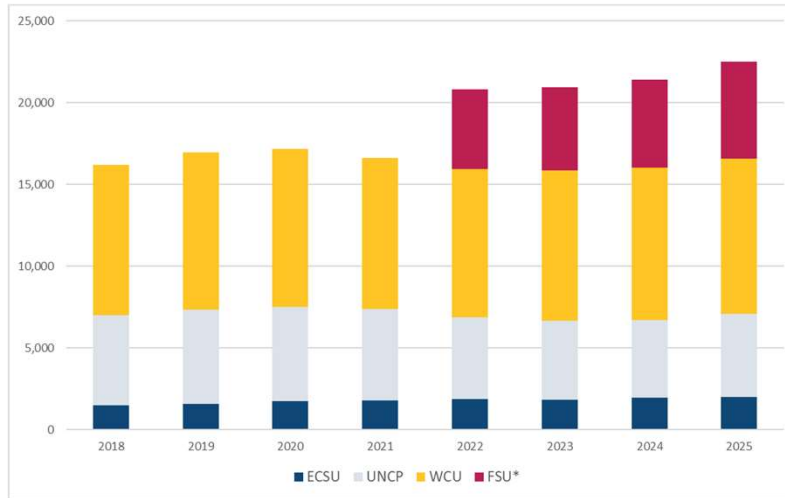
Buydown Rate Calculation

Institution	Residency	Previous Base Tuition	New Base Tuition	NC Promise Tuition	Buydown Rate
ECSU	Resident	\$ 2,856	\$ 2,856	\$1,000	\$ 1,856
	Nonresident	16,855	16,956	5,000	11,956
FSU	Resident	2,982	2,982	1,000	1,982
	Nonresident	14,994	15,084	5,000	10,084
UNCP	Resident	3,602	3,602	1,000	2,602
	Nonresident	16,005	16,101	5,000	11,101
WCU	Resident	3,971	3,971	1,000	2,971
	Nonresident	15,131	15,222	5,000	10,222

FY 2025-26 Calculated Buydown and Initial Allocation

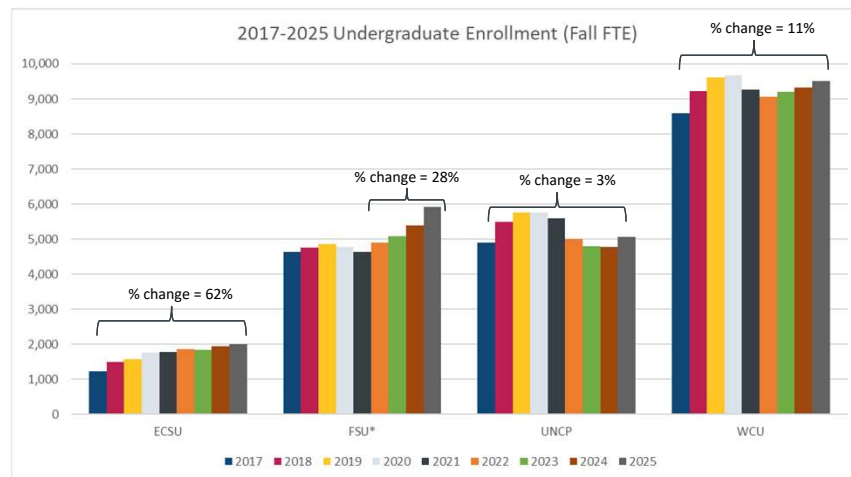
Institution	Residency	Fall FTE	Estimated Spring FTE	Buydown Rate	Calculated Buydown
ECSU	Resident	1,486	1,313	\$ 1,856	\$ 2,597,873
	Nonresident	523	462	11,956	5,889,910
	Total	2,009	1,776		8,487,783
FSU	Resident	5,027	4,734	1,982	9,673,204
	Nonresident	889	837	10,084	8,703,469
	Total	5,916	5,571		18,376,673
UNCP	Resident	4,383	3,871	2,602	10,738,437
	Nonresident	681	601	11,101	7,118,222
	Total	5,064	4,472		17,856,660
WCU	Resident	7,733	7,077	2,971	22,000,650
	Nonresident	1,779	1,628	10,222	17,413,925
	Total	9,512	8,705		39,414,576
Total	Resident	18,629	16,996		45,010,164
	Nonresident	3,872	3,529		39,125,527
	Total	22,501	20,525		\$ 84,135,691

NC Promise Serves Over 22,000 Students



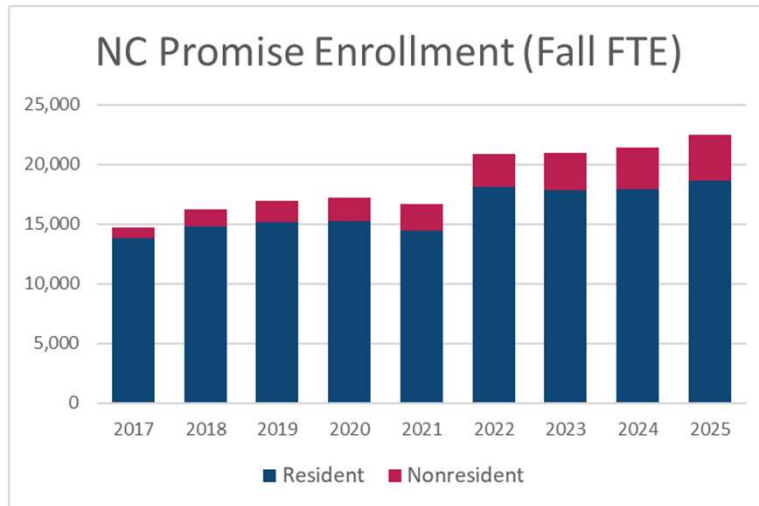
*FSU added to NC Promise effective Fall 2022

NC Promise Enrollment Trends



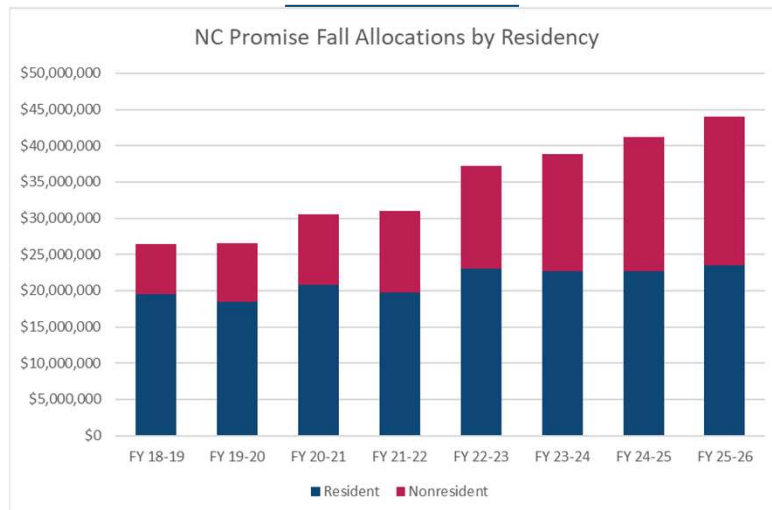
*FSU added to NC Promise effective Fall 2022

NC Promise Enrollment by Residency



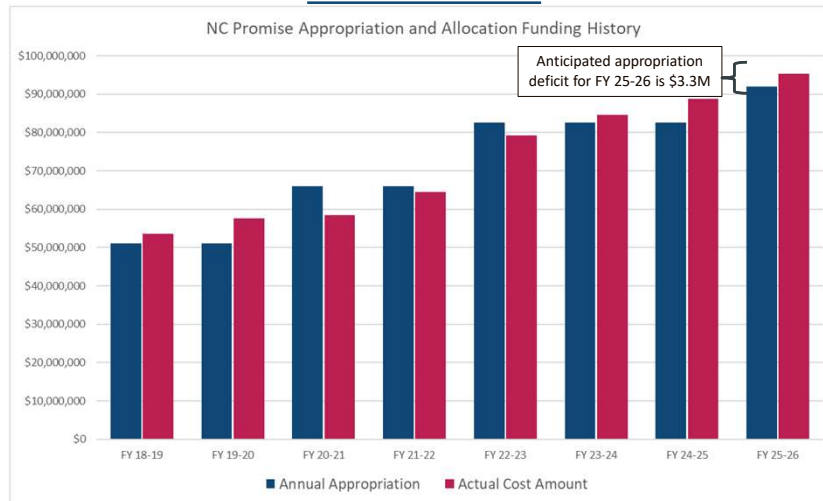
*FSU added to NC Promise effective Fall 2022

NC Promise Allocation by Residency



*FSU added to NC Promise effective Fall 2022

NC Promise Funding History



*FSU added to NC Promise effective Fall 2022



9

QUESTIONS?



**THE UNIVERSITY OF
NORTH CAROLINA SYSTEM**

**NC Promise Tuition Plan
FY 2025-26 Annual Report
as required by G.S. 116-143.11(d)**

October 16, 2025

NC Promise Tuition Plan Annual Report 2025-26

Session Law 2016-94 created the NC Promise Tuition Plan, which sets tuition at \$500 per semester for residents and \$2,500 per semester for nonresidents at Elizabeth City State University, Fayetteville State University, University of North Carolina at Pembroke, and Western Carolina University. The North Carolina General Assembly implemented a “buy down” of any financial obligations resulting from the loss of tuition receipts with a \$51 million appropriation for each of the first two years of the program, 2018-19 and 2019-20. The General Assembly appropriated an additional \$15 million in nonrecurring funds in 2020-21, which was then appropriated on a recurring basis in 2021-22 in the 2021 Appropriations Act, for a total of \$66 million. The 2021 Appropriations Act also added Fayetteville State University to the NC Promise program beginning in 2022-23. There was an additional \$11.5 million appropriated on a recurring basis beginning in 2022-23 for the tuition buydown of FSU students and an additional \$5 million recurring in 2022-23 for enrollment growth at ECSU, UNCP, and WCU. The total appropriated for the program in 2023-24 and 2024-25 was \$82.5 million recurring. The General Assembly appropriated an additional \$9.5 million in recurring funds for the FY 2025-27 biennium bringing the total appropriation to \$92 million.

The \$92 million buydown that is appropriated to offset the reduced tuition will be allocated for the 2025-26 fiscal year by the University of North Carolina System Office to ECSU, FSU, UNCP, and WCU based upon the enrollment at each institution and the difference in the tuition rate charged by the campus and the NC Promise rate.

Undergraduate enrollment at all four NC Promise institutions is above enrollment prior to the implementation of the program, and nonresident enrollment has increased significantly at all four institutions. UNCP and WCU enrolled their largest classes to date in the fall 2018 at the outset of the program, and ECSU reversed a decreasing enrollment trend. FSU has increased enrollment each year since joining the NC Promise program. Undergraduate fall 2025 full-time equivalent (FTE) enrollment increased for each NC Promise institution compared to fall 2024. The NC Promise Program has been a success on multiple fronts. In addition to increased enrollments at all four institutions, college affordability has increased, contributing to a significant decrease in undergraduate student debt at graduation at all NC Promise institutions.

The table below shows the buydown rate calculation for the four NC Promise institutions. To keep up with higher costs and for parity with other institutions, the base tuition rate for nonresidents attending NC Promise institutions increased by 0.6 percent in 2025-26. The increase is equal to the average increase in nonresident tuition at the other non-research institutions in the UNC System for the 2025-26 academic year. Increasing the base tuition will increase the buydown rate for the institutions but not increase the tuition paid by students.

Table 1: Buydown Rate Calculation

Institution	Residency	Previous Base Tuition	New Base Tuition	NC Promise Tuition	Buydown Rate
ECSU	Resident	\$ 2,856	\$ 2,856	\$ 1,000	\$ 1,856
	Nonresident	16,855	16,956	5,000	11,956
FSU	Resident	2,982	2,982	1,000	1,982
	Nonresident	14,994	15,084	5,000	10,084
UNCP	Resident	3,602	3,602	1,000	2,602
	Nonresident	16,005	16,101	5,000	11,101
WCU	Resident	3,971	3,971	1,000	2,971
	Nonresident	15,131	15,222	5,000	10,222

Now that enrollment has been verified at census, the initial 2025-26 allocation of the NC Promise funds will be distributed. Spring semester enrollment was estimated using a three-year average fall-to-spring retention at each institution. ECSU averaged 88.4 percent retention, FSU averaged 94.2 percent, UNCP averaged 88.3 percent retention, and WCU averaged 91.5 percent. The methodology was the same as required by G.S. 116-30.7 and previously used for the enrollment funding allocation.

Table 2: FY 2025-26 Calculated Buydown and Initial Allocation

Institution	Residency	Fall FTE	Estimated Spring FTE	Buydown Rate	Calculated Buydown
ECSU	Resident	1,486	1,313	\$ 1,856	\$ 2,597,873
	Nonresident	523	462	11,956	5,889,910
	Total	2,009	1,776		8,487,783
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Total	Resident	18,629	16,996		45,010,164
	Nonresident	3,872	3,529		39,125,527
	Total	22,501	20,525		\$ 84,135,691

Because G.S. 116-143.11(d) requires the System Office to submit an NC Promise report by October 1, this report only reflects the initial allocation of NC Promise funds for this fiscal year. Allocations will be further adjusted after the spring census. Any funds remaining after the spring adjustment will be allocated based on the prior year's summer term enrollment on a nonrecurring basis. The System Office will distribute the funds for summer proportionally based on the buydown rates and summer credit hours. In FY 2024-25, the summer allocation was able to cover only 32 percent of the buydown. The System Office estimates that for FY 2025-26 the allocation will cover approximately 70 percent of the buydown.