

IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

In the Matter of an Order Authorizing the)
Execution and Delivery of an Amendment to)
the Indenture and Certain other Documents and) BOARD ORDER 20-184
Certificates as described herein with respect to)
the County's Revenue Refunding Bonds, Series)
2012A (George Fox University) (Tax-Exempt))

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the "Board") sat for the transaction of county business in formal/informal session on June 18, 2020, Commissioners Casey Kulla and Mary Starrett being present, Richard L. Olson being excused.

THE BOARD MAKES THE FOLLOWING FINDINGS:

A. Yamhill County, Oregon (the "County") is a political subdivision of the State of Oregon and a "municipality" as defined in Oregon Revised Statutes ("ORS") Section 350.665(5) authorized to issue education facilities revenue bonds for the benefit of nonprofit educational institutions within the State of Oregon pursuant to ORS Sections 350.665 to 350.695, 287A.150 and 287A.360 (collectively, the "Act").

B. In July 2012, at the request of George Fox University, a qualified 501(c)(3) organization and an Oregon nonprofit corporation (the "University"), the County issued its Revenue Refunding Bonds, Series 2012A (George Fox University Project) (Tax-Exempt) (the "Series 2012A Bonds") and its Revenue Refunding Bonds, Series 2012B (George Fox University Project) (Federally Taxable) (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds"), in an aggregate principal amount of \$23,515,000 for the purpose of (i) currently refunding all of the County's outstanding Tax-Exempt Variable Rate Demand Revenue Bonds, Series 2005A (George Fox University Project) and all of the County's outstanding Federally Taxable Variable Rate Demand Revenue Bonds, Series 2005B (George Fox University Project) (collectively, the "Refunded Bonds"); and (ii) paying costs relating to the issuance of the Series 2012 Bonds (the "Project").

C. On June 7, 2017, the University redeemed all of the Series 2012B Bonds, and as of such date the Series 2012B Bonds are no longer outstanding.

D. The Series 2012 Bonds were issued pursuant to a Trust Indenture, dated as of July 1, 2012 (the "2012 Indenture"), as amended by a First Amendment to Trust Indenture, dated as of July 1, 2017 (the "First Amendment"), between the County, as issuer, and U.S. Bank National Association as the trustee (the "Trustee").

E. The 2012 Indenture was further amended by a Second Amendment to Trust Indenture, dated as of April 1, 2018 (the "Second Amendment," and together with the 2012 Indenture, the First

Amendment and any further amendments thereto, the “Indenture”), pursuant to which the County issued its Revenue Bonds, Series 2018 (George Fox University Project).

F. The proceeds of the Series 2012 Bonds were loaned by the County to the University pursuant to a Loan Agreement dated as of July 1, 2012 (as amended and supplemented, the “Loan Agreement”), between the County and the University, for the purpose of paying the Refunded Bonds that were issued to finance or refinance the acquisition of qualified education facilities and paying qualified education facilities costs. The Series 2012A Bonds are payable solely from amounts required to be paid by the University pursuant to the Loan Agreement and the security granted by the University to secure payment of such obligations under the Loan Agreement, together with any other funds and assets available therefore under the Indenture. The County does not assume any liability for the payment of the Series 2012A Bonds nor are any assets or funds of the County pledged therefor. The Series 2012A Bonds are not and shall not be a charge upon the tax revenues of the County and are secured solely by the education facility revenues and any other assets pledged by the University.

G. The Series 2012 Bonds were originally sold to an affiliate of U.S. Bank National Association (the “Initial Purchaser”), pursuant to a Bond Purchase Agreement (the “Purchase Contract”) among the County, the University and the Initial Purchaser, and the beneficial ownership of the Series 2012 Bonds was subsequently transferred to U.S. Bancorp Municipal Lending and Finance, Inc. (the “Holder”) in 2013.

H. Pursuant to a Supplemental Agreement dated as of July 1, 2012, between the Initial Purchaser and the University, as amended by a First Amendment to Supplemental Agreement dated as of July 1, 2017, and as further amended by a Second Amendment to Supplemental Agreement dated as of April 1, 2018, each between the Holder and the University (collectively, with the Third Amendment to Supplemental Agreement executed and delivered concurrently with the Third Amendment (as defined below), the “Supplemental Agreement”), the Initial Purchaser agreed to purchase the Series 2012 Bonds for an initial term of five years, which period was extended by the Holder for an additional period through July 1, 2022.

I. At this time, the Holder has agreed to extend the period for which it will hold the Series 2012A Bonds for an additional period through April 1, 2029, at the request of the University, and has agreed to make certain other amendments to the terms of the Series 2012A Bonds, which will require the execution and delivery of an additional amendment to the Indenture (the “Third Amendment”), between the County and the Trustee, as consented to by the University and the Holder.

J. The amendment of interest rate and certain other terms of the Series 2012A Bonds in the Third Amendment may cause a reissuance of the Series 2012A Bonds for federal income tax purposes, which in turn, will require the County to execute and deliver, along with the University, a supplement to the Tax Certificate and Agreement, dated July 5, 2012, as amended, and a new IRS Form 8038 (collectively, the “Tax Documents”).

K. The Board has reviewed the terms and provisions of the Third Amendment and has been advised by the University with respect to the amendments to the terms of the Series 2012A Bonds contained therein.

L. The Board determines that it is in the best interests of the County for the County to assist in continuing to provide education facilities for the people of Yamhill County, Oregon and to proceed with the matters described in this Board Order with regard to the Series 2012A Bonds.

NOW, THEREFORE, IT IS HEREBY ORDERED BY THE BOARD AS FOLLOWS:

(1) Authorization of Third Amendment. As the issuer of the Series 2012A Bonds, the County hereby authorizes execution and delivery of the Third Amendment.

(2) Authorized Representative. The Board designates and authorizes the Chair, the Vice Chair, the County Administrator, County Counsel or any other person designated by the Chair, individually or together, as the “Authorized Representative” on behalf of the County, to approve, execute and deliver the Third Amendment, the Tax Documents and such other notices, agreements, certificates and documents necessary to complete the actions described in this Board Order (collectively, the “Amendment Documents”), and to continue to administer the Series 2012A Bonds from time to time.

(3) Limited Obligations. The Series 2012A Bonds will continue to be special limited obligations of the County payable solely and only from the amounts required to be paid by the University pursuant to the Loan Agreement and other funds and assets available therefor under the Indenture. The Series 2012A Bonds are not and shall not be deemed to constitute a debt or liability of the County within the meaning of any state constitutional provision or statutory debt limitation and do not constitute a pledge of the full faith and credit of the County, but are payable solely from the funds provided for in the Loan Agreement and in the Indenture. The Series 2012A Bonds are not and shall not be a general obligation of the County nor a pledge of the faith and credit of the County or its elected or appointed officials, employees or agents nor a debt or pledge of the faith and credit of the State of Oregon.

(4) Authorization, Execution and Delivery of Amendment Documents. The County authorizes and directs the execution and delivery of and the performance by the County of the obligations and duties on its part as contained in the Amendment Documents. Any one or more of the Authorized Representatives shall approve, execute and deliver each of the above-described documents and such other documents to which the County is a party including, but not limited to any closing documents or certificates, all as may be necessary or appropriate in the opinion of Orrick, Herrington & Sutcliffe LLP, as Bond Counsel to the County, to complete the transactions described in this Board Order.

(5) Effective Date. This Board Order shall take effect immediately upon its adoption by the Board of Commissioners.

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DONE at McMinnville, Oregon on June 18, 2020.

ATTEST:



YAMHILL COUNTY
BOARD OF COMMISSIONERS

BRIAN VAN BERGEN
County Clerk

By: Carolina Rook
Deputy: Carolina Rook

Casey Kulla
Chair CASEY KULLA

Mary Starrett
Commissioner MARY STARRETT

FORM APPROVED BY:

Christian Boenisch
CHRISTIAN BOENISCH
Yamhill County Legal Counsel

Unavailable for signature

Richard L. Olson
Commissioner RICHARD L. OLSON

Accepted by Yamhill County
Board of Commissioners on
6/18/2020 by Board Order
20-184