



CONNECTICUT STUDENT LOAN FOUNDATION

MINUTES OF THE BOARD OF DIRECTORS

April 23, 2013

A meeting of the Connecticut Student Loan Foundation's Board of Directors was held on Tuesday, April 23, 2013 at 2:00 p.m., at the office of the Connecticut Board of Regents for Higher Education, 39 Woodland Street, Hartford, Connecticut 06105.

Members Present in Person:

Sarah K. Sanders (designee of the State Treasurer of Connecticut) Chairman of the Board
James R. Howarth (designee of the President of the Connecticut Board of Regents for Higher Education)
Vice-Chairman of the Board
Craig S. Lappen (designee of the Chairman of the Connecticut Board of Regents for Higher Education)
Secretary of the Board

Other Attendees:

Jeanette W. Weldon – Connecticut Higher Education Supplemental Loan Authority
Samuel E. Rush – Connecticut Higher Education Supplemental Loan Authority
Nancy A. D. Hancock, Esquire – Pullman & Comley, LLC
Darlene H. Dimitrijevs – Education Solution Partners, LLC
Randall M. Behm – Education Solution Partners, LLC

I. Call to Order:

Ms. Sanders called the meeting to order at 1:58 p.m.

II. Approval of January 23, 2013 Minutes:

A motion was made by Mr. Howarth and seconded by Mr. Lappen that the Board of Directors of the Connecticut Student Loan Foundation approves the minutes of January 23, 2013 as presented.

The motion passed unanimously.

III. Financial Report:

Ms. Dimitrijevs provided the financial report as of March 31, 2013. She presented the Balance Sheet, Net Change in Assets and Non-Trust Cash Flow. She noted that an accrual for the Not-For-Profit servicing income, which was billed at the end of March, was entered in the amount of \$520,000. Ms.

Dimitrijevs indicated that the trust parity ratio now stands at 106.48% versus a planned level of 105.14%. Assets within the Trust exceed the Board required parity level by \$12.1 million.

In response to a question from the Ms. Sanders, Ms. Dimitrijevs reviewed each of the expense lines, identifying if the expense was tied to the outstanding bonds, the outstanding loans, or the general operating expenses. For the six-month ended March 31, 2013 the actual expenses associated with the bonds totaled \$3.8 million, with loans outstanding \$3.2 million, and with general operating expenses \$0.4 million.

Ms. Dimitrijevs reviewed the funds management levels within the trust estate and indicated that CSLF is in compliance with its internal policies for all three ratios. She also provided the current status of the outstanding bonds, noting that in the quarter ended March 21, 2013, bonds totaling \$16,000,000 were redeemed. As of March 31, 2013 the bonds outstanding totaled \$452,150,000. Another \$5 million in bonds were redeemed in early April and \$5 million more in bonds are scheduled to be redeemed in early May.

Following discussion about the outstanding bonds and cash within the Trust, Mr. Lappen made the following motion, which was seconded by Mr. Howarth:

The Board of Directors of the Connecticut Student Loan Foundation temporarily changes the Minimum Cash & Cash Equivalent amount in the Funds Management Policy adopted October 24, 2012 to 0.75% of Outstanding Bonds through June 30, 2013 for the express purpose of [REDACTED].

The motion passed unanimously.

IV. Not for Profit Servicing Update:

Mr. Behm indicated that CSLF “went live” with this program on March 28, 2013 receiving 100,000 accounts from the U.S. Department of Education. He noted that on April 1, 2013 the U.S. Department of Education announced that it was suspending the Not-for-Profit program, due to the federal sequestration, until further notice. As a result no new entities would be added to the program, making CSLF the last organization to enter the program. Mr. Behm indicated that CSLF will be receiving \$500,000 as its share of the conversion fee, plus approximately \$20,000 as a servicing payment for the month of March. These funds have been billed and accrued, and should be received within the next week.

Ms. Hancock indicated that due to the change in CSLF’s approach to this program, from using Campus Partners to using EdFinancial, there was a need to change the agreement between CSLF and Education Solution Partners, LLC for administration of the program. This change would only reflect this operational change and would not alter the duties and responsibilities of ESP, nor the pricing or the term of the agreement.

Mr. Lappen made the motion attached as Appendix A, which was seconded by Mr. Howarth.

The motion passed unanimously.

V. Procedures to Terminate 403(b) Plan:

Ms. Hancock provided background on the 403(b) Plan. She indicated that it appeared from the current structure of the 403(b) plan that it had been established by CSLF with the advice of insurance planners to purchase individual annuities for each participant. In its current form, the 403(b) Plan involves two separate annuity providers and is serviced by USI. The plan has been funded through a custodial account with Wachovia Bank as custodian as well as through annuity contracts with TIAA-CREF, American Century and Great American. She noted that only one participant remains invested in the custodial account with Wachovia Bank, and there are over 100 former employees with annuities, between the two remaining insurance companies, TIAA-CREF and Great American.

There has been no clear guidance from the IRS on how to terminate the plans. However, they have provided guidance on how to roll the plan into individual annuities. CSLF's plan began with individual annuities and essentially is in the position provided in the guidance from the IRS. One of the insurance carriers in the plan, Great American, does not recognize this position and has insisted on receiving approval from CSLF for any action requested by former employees on their individual accounts. While the plan is ongoing, Great American has been requiring that CSLF, as the sponsoring employer, sign off on any distribution requests made by the participants. Once the plan is terminated, the vendors should assume responsibility for distribution and should no longer will require such signatures by CSLF. Under IRS rules, the termination of the plan is not complete until all benefits have been distributed. Rollovers to IRAs and other plans and distribution of the actual annuity contract are considered to be distributions for purposes of the IRS rules.

In order to eliminate this delay in acting upon the requests of former employees, counsel recommended that CSLF formally terminate its 403(b) Plan. By doing so, Great American will be informed of the termination and directed to rely on the directions of the former employees. In addition, on advice of the Board, counsel was instructed that it should draft letters to the Great American and TIAA-CREF participants informing them of the termination and providing to them the information needed for them to contact Great American and TIAA-CREF respectively to withdraw their annuities from the plan. Counsel was also instructed prepare a letter for CSLF's signature informing the participant invested in the custodial account with Wachovia Bank of the plan termination and requesting that he (or his guardian, if applicable) complete the necessary paperwork to withdraw his account from the plan and if he wishes, to rollover the account to an IRA or another plan. .

Discussion ensued with respect to how this would be communicated by the insurance carriers to the former employees.

Mr. Lappen made the motion attached as Appendix B, which was seconded by Mr. Howarth.

The motion passed unanimously.

VI. Termination of Private Loan Lender Trust Agreement:

Mr. Behm discussed the Private Lender Trust Agreement which was executed by CSLF with JPMorgan Chase. The purpose of the agreement was to provide JPMorgan Chase as the originating lender for private education loans made to borrowers who had no nexus to the State of Connecticut. JPMorgan Chase subsequently sold this agreement to Bank of New York when its trust business was sold.

Through this arrangement the national banking laws allow the regulations from a single state to be exported throughout the country, simplifying the loan operations. However, this agreement was written as if the program would never end and included no provision for the scheduled sale of these loans to CSLF on a regular basis. As a result, JPMorgan Chase has advised CSLF that legal title to approximately \$2 million in private loans is now held by Bank of New York, with beneficial ownership in CSLF Trust supporting the bonds. CSLF is paying Bank of New York \$5,000 annually for this arrangement.

The agreement provides that upon termination, title to the loans transfers to CSLF. Since such a transfer does not impact the ability to export state law nationally, it was suggested that this agreement be terminated. CSLF would take title and legal ownership of the loans and no longer be required to pay a fee for the agreement.

Mr. Howarth made the motion attached as Appendix C, which was seconded by Mr. Lappen.

The motion passed unanimously.

VII. Connecticut Auditors of Public Accounts:

Ms. Dimitrijevs indicated that CSLF had received notice on February 27, 2013 from the Connecticut Auditors of Public Accounts that they intended to conduct an audit beginning on March 5, 2013. The audit would cover the fiscal year of CSLF ended September 30, 2012. It was noted that the Auditors of Public Accounts had just concluded an audit in November 2012 for the three prior fiscal years (2009, 2010 and 2011), which was presented to the Board in the January 4, 2013 and January 23, 2013 meetings.

ESP responded to this letter on March 1, 2013 and received a response from the Principal Auditor that they “would be in touch”. There has been no further follow-up from the auditors.

VIII. Refinancing and Organizational RFI Responses:

Ms. Sanders reminded the Board that in the January 23rd Board Meeting it was decided to issue an RFI to various entities to explore options for refinancing the loan portfolio and for input on possible organizational changes for CSLF.

Mr. Behm provided a written summary of the responses received. He indicated that three investment banking organizations responded to the RFI with four refinancing alternatives. Another entity offered to purchase some or all of the federal loans. Each of these proposals was compared to two status quo scenarios – one applying all available cash to extinguishing bonds (as CSLF is currently doing) and the other allowing for funds above a 7.00% parity level to be released to CSLF.

The highlights of the analysis conducted by ESP were as follows:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

- The use of CHESLA or another entity as the issuer has no material impact on the value of a refinancing.
- The Status Quo provides the most flexibility in terms of the ability to sell loans and/or use funds for Public Purposes in the near-term.

A discussion of the various scenarios ensued, with numerous questions and answers between the Directors, CSLF's Legal Counsel and CSLF's Administrative Agent. The Directors concluded refinancing the loans does not seem to be a viable option at this time. It was noted that maintaining the status quo may provide the most flexibility for now.

Ms. Sanders indicated that consideration of future organizational options for CSLF may be timely and warranted. The CSLF Board will obtain input from the Board of Regents and the Office of the Treasurer, through their Board representatives, but may also want to consult with CHESLA, the Connecticut student loan quasi-public agency, and the Office of Policy and Management in this regard. She also noted that any change would most likely involve legislation.

Ms. Sanders introduced the two guests from CHESLA that were attending the meeting – Ms. Jeanette Weldon, Executive Director of CHESLA, and Mr. Samuel Rush, Deputy Director of CHESLA. Ms. Weldon provided an overview of CHESLA and Mr. Rush reviewed a presentation on the programs that CHESLA offers. Various questions were asked of the CHESLA representatives with regard to CHESLA's organizational structure and recent changes to place CHESLA as a subsidiary of the Connecticut Health and Educational Facilities Authority.

IX. Review of Available Funds and Legal Uses:

Mr. Behm reviewed the Available Funds report. He noted that as of the end of March, CSLF had \$4.9 million available in the Unrestricted Funds category, \$8.9 million of Restricted Funds and \$2.2 million of Trust Restricted Funds that could be released to CSLF. The total Immediate Funds available was \$16.0 million. Mr. Behm also reviewed the legislative and/or contractual restrictions on the use of each of the funds. A question was raised as to the use of the Unrestricted Funds upon dissolution of CSLF. Ms. Hancock provided the legislative language regarding the dissolution of CSLF which indicated that the Board of CSLF would allocate the funds to the scholarship funds of not-for-profit institutions of higher education in the State of Connecticut.

X. Executive Session:

Members of the Board unanimously confirmed that public disclosure of the Board's preliminary discussions, exploration and deliberations concerning the options available to CSLF for refinancing the loan portfolio and for possible organizational changes for CSLF, would have a potentially negative effect on the value of CSLF's loan portfolio, the Trust's bond portfolio and other assets, and CSLF's negotiations with potential deal participants. The members of the Board unanimously confirmed that they had considered and weighed the benefits to the public in not disclosing the Board's preliminary deliberative discussions of these issues to the public at this time, against the public interest in their disclosure, and had determined that the public interest in nondisclosure clearly outweighs the public interest in disclosure.

A motion was made by Mr. Lappen and seconded by Mr. Howarth to enter Executive Session.

The motion passed unanimously.

The Board entered Executive Session at 3:26 p.m. with only Directors present.

The Board exited Executive Session at 4:05. Ms. Hancock, Ms. Dimitrijevs and Mr. Behm rejoined the meeting at this point.

The Board directed ESP, as Administrative Agent, to provide a financial analysis of maintaining the status quo for CSLF versus selling the loan portfolio. The analysis should consider all costs of running CSLF as it currently is configured. It should also show the impact on the three fund categories of a wind-down of CSLF and recommendations on how this could be accomplished.

There was further discussion about the RFI responses, the acceptable uses of funds and the financial impact of winding down CSLF.

XI. Adjournment

Ms. Sanders then asked whether there was any other business properly brought before the Board, and there was none. Ms. Sanders requested a motion for adjournment.

Mr. Lappen made a motion, which was seconded by Mr. Howarth to adjourn the meeting.

The motion passed unanimously and the meeting was adjourned at 4:34 p.m.

Respectfully Submitted for the
Board of Directors by:

Craig S. Lappen, Secretary

Appendix A

Amendment of Department of Education Servicer Contract Administration Agreement with Education Solution Partners, LLC

April 23, 2013

WHEREAS, the Health Care and Education Reconciliation Act of 2010 (HCERA), Pub. L. 111-152, requires the United States Department of Education (the "Department") to allocate to each eligible and qualified not-for-profit servicer the servicing rights for the loan accounts of 100,000 federal direct student loans made by the Department, under the not-for-profit servicer requirements set forth in Solicitation Number NFP-RFP-2010 (the "Federal Program"); and

WHEREAS, the Connecticut Student Loan Foundation (the "Foundation") received notification from the Department that the Foundation is an eligible and qualified not-for-profit servicer, as defined in Title IV, Part D, Section 456(c) of the Higher Education Act of 1965, as amended and in effect (the "HEA"); and

WHEREAS, the Foundation entered into a Memorandum of Understanding to provide a platform and servicing functionality sufficient to meet the Department's servicing requirements set forth in the Federal Program;

WHEREAS, the Foundation entered in an Agreement (the "Bridge Agreement") with Educational Loan Servicing, LLC, a Delaware limited liability company doing business as "Campus Partners", pursuant to which Campus Partners is to serve as a vendor providing a platform and servicing functionality sufficient to meet the Department's servicing requirements set forth the Federal Program; and

WHEREAS, in order to manage the Bridge Agreement and the operation of the program with Campus Partners, the Foundation had entered in to a letter agreement with its administrative agent, Education Solution Partners, LLC ("ESP") effective November 1, 2011, pursuant to which ESP agreed to provide services in conjunction with those offered by Campus Partners for servicing Title IV Student Financial Aid pursuant to the RFP on behalf of CSLF in strict compliance with the servicing requirements of USDE and all other rules and regulations applicable to the Federal Program (the "NFP Administration Agreement"); and

WHEREAS, Campus Partners breached the Bridge Agreement by allowing a change in ownership without the written approval of the Foundation; and

WHEREAS, the Foundation received a proposal from Educational Services of America ("EdAmerica") and Edfinancial Services, LLC ("Edfinancial") to provide a platform and servicing

functionality sufficient to meet the Department's servicing requirements set forth in the Federal Program; and

WHEREAS, pursuant to a Notice of Termination of Agreement dated November 7, 2012 from the Foundation to Campus Partners, the Foundation terminated the Campus Partners Agreement pursuant to Section 15(j); and

WHEREAS, the Foundation determined that it still wished to participate in the Federal Program, but with a different servicer, EdAmerica (the "Prime Servicer") and an eligible Not-For-Profit Servicer, that serves as a prime servicer for a not-for-profit servicing team known as the ESA/Edfinancial Teaming Arrangement (the "Team") pursuant to a servicing agreement dated January 23, 2012 between the Prime Servicer and the USDE (the "Prime Servicing Agreement"); and

WHEREAS, the Prime Servicer, each of the members of the Team (with the Prime Servicer, the "NFP Subservicers") and Edfinancial, entered into a subservicing agreement dated as of December 31, 2010, pursuant to which the Prime Servicer agreed, among other things, to allocate to each NFP Subservicer 100,000 Borrower Accounts (as defined in the subservicing agreement) for servicing (as amended and in effect, the "Subservicing Agreement"), and a team administration agreement dated as of December 31, 2010, pursuant to which Edfinancial was appointed as Team Administrator for purposes of administering the Prime Servicing Agreement, and a governing counsel among NFP Servicers was created that has limited decision-making authority; and

WHEREAS, the Foundation joined the Team as an NFP Subservicer, and in connection therewith, the Foundation has entered into a Joinder Agreement made effective January 4, 2013, pursuant to which it is joined into and has agreed to be bound by the Subservicing Agreement and the related Team Administration Agreement; and the Foundation also entered into a second-tier subservicing agreement with Edfinancial made effective January 4, 2013, pursuant to which the Foundation subcontracted to Edfinancial its servicing duties with respect to those Borrower Accounts allocated to the Foundation pursuant to the terms of the Subservicing Agreement (the "Second Tier Subservicing Agreement") (the Subservicing Agreement and the Team Administration Agreement and the Second Tier Subservicing Agreement, as amended and joined by the Foundation, the "Edfinancial NFP Agreements"); and

WHEREAS, in light of the termination of the Campus Partners Agreement, the Foundation has been permitted to enter into the Edfinancial NFP Agreements to participate in the Federal Program, and the Board has determined that it is in the Foundation's best interests to continue to retain the services of ESP that were offered under the NFP Administration Agreement, but amended as necessary satisfy all of the Foundation's obligations under the Edfinancial NFP Agreements;

NOW, THEREFORE, BE IT

RESOLVED, that it is in the Foundation's best interests and the fulfillment of the Foundation's mission and purpose to improve educational opportunity and promote the repayment of loans, for the Foundation to enter into an amendment of the NFP Administration Agreement with ESP, pursuant to which ESP shall agree to fulfill the Foundation's responsibilities under the Edfinancial NFP Agreements; and be it further

RESOLVED, that each of the Chair and the Vice Chair of the Board be, and each of them acting severally hereby is, authorized to take such actions as he or she deems necessary or appropriate after consultation with counsel to the Foundation, to enter into an amendment to the NFP Servicing Agreement to reflect the Foundation's termination of the Campus Partners Agreement and entering into the Edfinancial NFP Agreements; and be it further

RESOLVED, that either one of the Chair of the Board or the Vice Chair of the Board be, and each of them hereby is, acting singly, authorized, empowered and directed to execute and deliver the definitive agreement evidencing the amendment of the NFP Administration Agreement with ESP, subject, however, to such changes as he or she may determine necessary and appropriate, his or her determination to be exclusively evidenced by his or her execution and delivery of the definitive agreement evidencing amendment of the NFP Administration Agreement; and be it further

RESOLVED, that without limiting the generality of the preceding resolutions, each of the Chair of the Board or the Vice Chair of the Board, acting singly, be, and they hereby are, and each of them hereby is, authorized and empowered to execute and deliver, or to cause to be executed and delivered, all such agreements, undertakings, commitments, consents, waivers, assignments, certificates and other documents or papers as such Chair or Vice Chair shall determine to be necessary, desirable or appropriate in order to facilitate the Foundation's participation in the Federal Program and amendment of the NFP Administration Agreement with ESP; and be it further

RESOLVED, that all acts taken before the date hereof by the Chair of the Board of the Foundation in connection with the Federal Program and amendment of the NFP Administration Agreement with ESP be, and they hereby are, and each of them hereby is, ratified, confirmed and adopted to the same effect as if such actions had been authorized by the Board of Directors before the date on which any such action was taken; and be it further

RESOLVED, that the proper officers of the Foundation be, and they hereby are, and each of such officers hereby is, authorized and directed, for and on behalf of the Foundation, to take or cause to be taken all such other or further action that, in the judgment of such officers, may be necessary or suitable to effectuate the terms and purposes of this and the preceding resolutions.

Appendix B

Termination of 403(b) Plan

April 23, 2013

WHEREAS, the Connecticut Student Loan Foundation (the "Foundation") maintains a Section 403(b) Plan for the benefit of its eligible employees (the "403(b) Plan") which is intended to satisfy the requirements of Section 403(b) of the Code, and the Board of Directors (the "Board") has determined to terminate the 403(b) Plan; and

WHEREAS, it is recommended that the Board authorize each of its Chair and Vice Chair, acting severally on to behalf, in implement procedures to terminate the 403(b) Plan and pay 403(b) Plan benefits, after consultation with counsel to the Foundation and the consultants to the 403(b) Plan;

NOW, THEREFORE, BE IT:

RESOLVED, that the 403(b) Plan be and hereby is terminated, effective as of June 1, 2013, or as of such date thereafter as either the Chair or the Vice Chair of the Board, acting severally, shall determine to be the earliest date thereafter that is reasonably practicable; and further

RESOLVED, that each of the Chair and the Vice Chair of the Board be, and each of them acting severally hereby is, authorized to take such actions as he or she deems necessary or appropriate after consultation with counsel to the Foundation and the consultants to the 403(b) Plan including, but not limited to the execution of any additional amendments or other documents, to effectuate benefit payments and complete the termination and winding up of the 403(b) Plan, all in accordance with the terms of the 403(b) Plan and applicable law, and to assure the continued tax-qualified status of the 403(b) Plan under the applicable terms of the Internal Revenue Code of 1986, as amended, and related regulations and guidance thereunder.

Appendix C

Approval of Instrument of Termination of and Assignment of Loans regarding Lender Trust Agreement dated as of October 1, 2005

April 23, 2013

WHEREAS, the Connecticut Student Loan Foundation (the "Foundation") has heretofore issued its Student Loan Revenue Bonds (the "Bonds") pursuant to an Indenture of Trust dated as of October 1, 2004, as amended and supplemented (the "2004 Indenture"); (capitalized terms used but not defined herein are used as defined for purposes of the 2004 Indenture), between the Foundation and JPMorgan Chase Bank, National Association ("JPM"), as initial trustee under the 2004 Indenture (in such capacity, along with any corporate successors, the "Initial 2004 Trustee"); and

WHEREAS, the 2004 Indenture provides that all loans financed pursuant to the 2004 Indenture (the "2004 Indenture Loans") shall be credited to the Loan Account established thereunder (the "2004 Indenture Loan Account") and be subject to the lien of the trust estate established under the 2004 Indenture; and

WHEREAS, the Foundation entered into a Lender Trust Agreement dated as of October 1, 2005 (the "Lender Trust Agreement") by and among the Foundation, the Initial Trustee and JPM, as initial lender trustee (in such capacity, along with any corporate successors, the "Initial Lender Trustee") under the Lender Trust Agreement, providing for the underwriting, origination and administration of certain Eligible Loans and for the Initial Lender Trustee to hold legal title to such Eligible Loans, subject to such Lender Trust Agreement (the "Funded Loans"); and

WHEREAS, the Board of Directors of the Foundation has determined that the Lender Trust Agreement is not necessary and that it would be in the Foundation's best interest to terminate the Lender Trust Agreement; and

WHEREAS, Section 3.16 of the Lender Trust Agreement provides for the transfer of legal title to the Funded Loans and the related documentation upon termination of the Lender Trust Agreement;

NOW, THEREFORE, BE IT

RESOLVED, that it is in the Foundation's best interests and the fulfillment of the Foundation's mission and purpose to improve educational opportunity and promote the repayment of loans, for the Foundation to enter into an instrument terminating the Lender

Trust Agreement and confirming the assignment of the Funded Loans and related documentation to the 2004 Indenture Trustee, subject to the reserved rights of the Foundation with respect to Loans under the 2004 Indenture; and be it further

RESOLVED, that the Board hereby authorizes Randall Behm and Darlene Dimitrijevs, acting jointly in their capacity as the Managers of Education Solution Partners, LLC, the Foundation's administrative agent, to take such actions as they deem necessary or appropriate after consultation with counsel to the Foundation, to execute and deliver the definitive agreement constituting the instrument terminating the Lender Trust Agreement and confirming the assignment of the Funded Loans and related documentation to the 2004 Indenture Trustee, subject to the reserved rights of the Foundation with respect to Loans under the 2004 Indenture, subject, however, to such changes as they may determine necessary and appropriate, their determination to be exclusively evidenced by their execution and delivery of the definitive agreement; and be it further

RESOLVED, that without limiting the generality of the preceding resolutions, Randall Behm and Darlene Dimitrijevs, acting jointly in their capacity as the Managers of Education Solution Partners, LLC, the Foundation's administrative agent, be, and they hereby are, authorized and empowered in their capacity as administrative agent to execute and deliver, or to cause to be executed and delivered, all such agreements, undertakings, commitments, consents, waivers, assignments, certificates and other documents or papers as such Managers shall jointly determine to be necessary, desirable or appropriate in order to facilitate the Foundation's effectuating the termination and transfer described in the foregoing resolutions; and be it further

RESOLVED, that all acts taken before the date hereof by Randall Behm and Darlene Dimitrijevs, acting jointly in their capacity as the Managers of Education Solution Partners, LLC, the Foundation's administrative agent, in connection with terminating the Lender Trust Agreement and confirming the assignment of the Funded Loans and related documentation to the 2004 Indenture Trustee, subject to the reserved rights of the Foundation with respect to Loans under the 2004 Indenture, be, and they hereby are, and each of them hereby is, ratified, confirmed and adopted to the same effect as if such actions had been authorized by the Board of Directors before the date on which any such action was taken; and be it further

RESOLVED, that the proper officers of the Foundation be, and they hereby are, and each of such officers hereby is, authorized and directed, for and on behalf of the Foundation, to take or cause to be taken all such other or further action that, in the judgment of such officers, may be necessary or suitable to effectuate the terms and purposes of this and the preceding resolutions.