

MINUTES OF A SPECIAL MEETING OF THE EXECUTIVE COMMITTEE OF THE
BOARD OF VISITORS OF VIRGINIA COMMONWEALTH UNIVERSITY

April 1, 1982

A special meeting of the Executive Committee of the Board of Visitors of Virginia Commonwealth University was held on Thursday, April 1, 1982, at 4:00 p.m. in the Conference Room at 910 West Franklin Street.

Present were Mesdames Bemiss and Thalhimer; Messrs. Balfour, Grey and Wyatt; and Drs. Gayle and Nemuth. Mr. Ludeman was absent. Also present were Dr. Ackell; Messrs. Bruegman, Guerdon, Ross and Schrock; Miss Cosby and Mrs. Price. Mr. John MacConnell from the Attorney General's Office was also present.

Dr. Ackell reported that VCU had acquired \$4.3 million in radiology equipment for the New Hospital through normal State purchasing procedures. Due to limitations in the amount of money budgeted for equipment purchases, it had been decided to enter into a lease-purchase agreement to finance the radiology equipment. A financing company that was one of the unsuccessful bidders on the lease-purchase agreement raised a question with the Department of Purchases and Supply concerning the process by which the financing company was selected. The Department of Purchases and Supply Appeal Board reviewed the case and ruled that they did not have jurisdiction over this type of transaction. The finance company then spoke to the Attorney General who in turn questioned the University's authorization to engage in a lease-purchase agreement.

Mr. Ross reported that, after several meetings with the Attorney General and members of his staff, Mr. Baliles has authorized the University to proceed with the lease-purchase transaction.

Following questions and discussion, on motion made and seconded, the following Resolution was unaimously approved:

RESOLVED, that the proposal for the purchase of approximately \$4.3 million of radiology equipment by the Medical College of Virginia Division ("MCV") of Virginia Commonwealth University (the "University") and the financing thereof by Eden Hannon Goodwin & Co. ("EHG") through a conditional sale agreement, the sale of the University's obligation to an institutional investor under a sale and assignment and tax-exempt conditional sale trust agreement, the procurement of a bank letter of credit to secure the University's obligation and the securing of the bank letter of credit through the pledge of certain funds of the University, all as described to this meeting, is hereby approved; and further

RESOLVED, that the Conditional Sale Agreement (the "Sale Agreement"), dated as of April 2, 1982, between the University and EHG providing for the acquisition and financing of approximately \$4.3 million of radiology equipment for MCV, the Sale and Assignment Agreement (the "Sale and Assignment"), dated as of April 2, 1982, among the University, EHG and United Virginia Bank, as trustee (the "Trustee"), the Tax Exempt Conditional Sale Trust Agreement (the "Trust Agreement"), dated as of April 2, 1982, among the University, EHG and the Trustee, and the Letter of Credit Agreement (the "LC Agreement"), dated as of April 2, 1982, between the University and United Virginia Bank, are hereby approved in substantially the forms presented to this meeting, with such changes as may be approved by the Vice President for Finance of the University, his execution of such documents being conclusive evidence of such approval; and further

RESOLVED, that the Vice President for Finance of the University is hereby authorized to execute and deliver the Sale Agreement, the Sale and Assignment, the Trust Agreement and the LC Agreement referred to above, and such other agreements and documents as may be appropriate to consummate the transactions described above; provided, however, that such execution and delivery is expressly conditioned on the written approval of the Office of the Attorney General of Virginia; and further

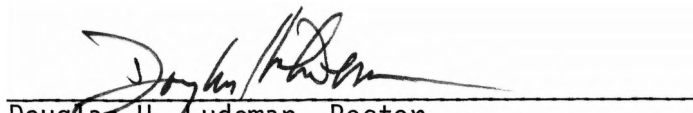
RESOLVED, that James G. Guerdon is hereby authorized to instruct the Trustee with respect to investment of funds under the Trust Agreement; and James G. Guerdon and Richard D. Schrock are hereby authorized to make written application to the Trustee for withdrawal of funds to pay the purchase price of equipment under the Trust Agreement, provided such applications are signed by both of them; and further

RESOLVED, that the officers of the University and MCV are hereby authorized to execute and deliver all other documents, and take all other action, appropriate to consummate the transactions described above.

The meeting was adjourned at 4:45 p.m.


Harold I. Nemuth, Secretary

Approved:


Douglas H. Ludeman, Rector