

MINUTES OF THE SPECIAL MEETING OF THE EXECUTIVE COMMITTEE OF THE  
UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

In Open Session

Members of the Executive Committee of the University of Louisville Foundation, Inc., met at 2:00 p.m., on December 8, 2010, in the President's Conference Room, Grawemeyer Hall, Belknap Campus, with members present and absent as follows:

Present: Mr. J. Chester Porter, Chair  
Mr. Burt Deutsch  
Dr. James R. Ramsey, President, *ex officio*  
Mr. Eddy Roberts

Absent: Ms. Joyce Hagen

ULF Legal  
Counsel: Mr. David Saffer, Stites & Harbison

Guests: Mr. Mark Mulloy, Peritus Public Relations

From the  
Foundation: Mrs. Kathleen M. Smith, Assistant Secretary  
Mrs. Debbie Dougherty, Board Liaison

I. Call to Order

Having determined a quorum present, Chair Porter called the meeting to order at 2:00 p.m.

Approval of Minutes, March 8, 2010

Mr. Deutsch made a motion, which Mr. Roberts seconded, to approve the minutes of March 8, 2010. The motion passed.

II. Action Item: Approval of Authorizations for Shelby Campus Building One

Mr. Saffer explained the conditions of the agreement and fielded questions from board members. Mr. Deutsch made a motion, which Mr. Roberts seconded, to approve the following resolution:

**RESOLUTIONS OF THE EXECUTIVE COMMITTEE  
OF UNIVERSITY OF LOUISVILLE FOUNDATION, INC.  
AUTHORIZATIONS FOR SHELBYHURST BUILDING ONE**

WHEREAS, on November 28, 2008, the University of Louisville (the "University") entered into a Ground Lease (the "Ground Lease") with the Foundation pursuant to which the University ground leased portions of the Shelby Campus Property (the "Ground Leased Property") to the Foundation;

WHEREAS, on September 16, 2009, University of Louisville Development Company, LLC, a Kentucky limited liability company which is a wholly-owned subsidiary of the

Foundation (“ULDC”), and NTS Corporation (the “Development Partner”) entered into the Office and Research Facility Term Sheet (the “Term Sheet”) outlining the terms under which ULDC and the Development Partner would plan, design, develop, finance, construct, lease, manage and use ShelbyHurst Building One (the “Initial Project”) on approximately 8.4 acres of the Ground Leased Property (the “Site”);

WHEREAS, working in accordance with and pursuant to the Term Sheet, ULDC and the Development Partner decided to form Campus One, LLC, a Kentucky limited liability company (“Campus One”), to serve as the joint venture vehicle contemplated by the Term Sheet;

WHEREAS, Campus One is owned 51% by ULDC and 49% by NTS Realty Holdings Limited Partnership, a Delaware limited partnership and an affiliate of the Development Partner (“NTSRHLP”), pursuant to an Operating Agreement entered into between ULDC and NTSRHLP (the “Operating Agreement”);

WHEREAS, the Operating Agreement requires ULDC to make an initial capital contribution to Campus One in the amount of \$5,100,000 (the “Initial Capital Contribution”);

WHEREAS, in order for ULDC to make the Initial Capital Contribution, the Foundation will need, at its discretion, to either (i) contribute or lend an amount equal to the Initial Capital Contribution to ULDC or (ii) contribute or lend an amount equal to the Initial Capital Contribution to University Holdings, Inc., a Kentucky nonprofit corporation and the sole Manager of ULDC (“UHI”), which UHI will lend to or contribute to ULDC (the “Equity Injection Transaction”);

WHEREAS, for various tax, structuring and other practical reasons, the Foundation will enter into a direct ground sub-lease (the “Ground Sub-Lease”) of the Site, as ground sub-lessor, to Campus One, as ground sub-lessee (the “Ground Sub-Lease Transaction”);

WHEREAS, Campus One has requested that Republic Bank & Trust Company (“Republic”) extend credit to or for the account of Campus One in order to construct the Initial Project on the Site;

WHEREAS, the construction of the Initial Project plus certain fees, expenses and costs associated therewith, will be funded through a loan (the “Loan”) made by Republic to Campus One in the maximum principal amount of \$10,500,000 secured by, among other things, a first mortgage on the Initial Project, the Ground Sub-Lease and Campus One’s sub-leasehold interest in the Site;

WHEREAS, in connection with the Loan, the Foundation will consent to the encumbrance of Campus One’s sub-leasehold interest in the Site and guarantee the repayment of 51% of the Loan (collectively, the “Loan Transaction”); and

WHEREAS, the Executive Committee, on behalf of the Board of Directors of the Foundation, deems it to be in the best interest of the Foundation to enter into the Equity Injection Transaction, the Ground Sub-Lease Transaction, the Loan Transaction and such other transactions contemplated by the foregoing recitals.

NOW, THEREFORE, BE IT RESOLVED, that the actions of the Foundation, acting through its officers, in negotiating and approving the Equity Injection Transaction, Ground

Sub-Lease Transaction, the Loan Transaction and the development of the Site and the Initial Project be, and they hereby are, in all respects ratified, confirmed and approved by the Executive Committee, on behalf of the Board of Directors of the Foundation, and that the Foundation, acting through its officers, hereby is, authorized and directed, to execute and deliver any and all documents required to carry out the Equity Injection Transaction, the Ground Sub-Lease Transaction, the Loan Transaction any other documents necessary and appropriate to accomplish the development of the Site and the Initial Project (collectively, the "Transactions"), including, without limitation, notes, contribution agreements, ground sub-leases, guarantee agreements, environmental and other indemnity agreements, consents to encumber leasehold interest, certifications, representation letters, affidavits, and all other documents, instruments and certificates as such officers of the Foundation shall, in their sole discretion, deem necessary, convenient or desirable to evidence the Transactions (collectively, the "Documents"), in such form and with such changes, additions, deletions and/or amendments to the Documents as may be approved by such officers of the Foundation, such approval to be conclusively evidenced by the execution thereof by such officers of the Foundation, and when so executed, such Documents, as modified or amended, shall be binding and enforceable against the Foundation;

FURTHER, RESOLVED, that any and all agreements, documents and instruments previously or hereafter executed and delivered on behalf of the Foundation pursuant to the foregoing resolutions shall be deemed to be the act and deed of the Foundation and shall be binding and enforceable against the Foundation in all respects; and

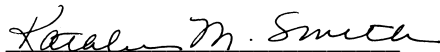
FURTHER RESOLVED, that all actions taken previously or hereafter by the officers of the Foundation, with respect to the preparation, execution and delivery of the Documents and any of the other aforementioned documents, agreements, certificates or other instruments, and all other actions taken in connection with the Transactions be, and they hereby are, in all respects, approved, ratified and confirmed.

The motion passed.

III. Adjournment

Mr. Roberts made a motion, which Mr. Deutsch seconded, to adjourn the meeting at 2:10 p.m. The motion passed.

Approved by:



Asst. Secretary