

UNT SYSTEM™

Office of Finance – Treasury Department

Commercial Paper Program Failed Remarketing Plan and Notification Procedures

Updated as of October 2024

Note: All times are Eastern Standard Time

- 1.1 **UNT System Revenue Financing System Commercial Paper Program “CP” and Purpose:** CP is utilized as interim capital financing. CP issued matures within 270 days as the market allows, rolling and accumulating an outstanding balance until such time is deemed to roll the CP into a long-term fixed rate bond. As an issuer of short-term notes, it is prudent to maintain a failed remarketing plan for such a critical event to safeguard assets and maintain liquidity and debt positions. UNT System issues two separate and unique CP Series as outlined below.
 - 1.1.1 **UNT System Series A Self-Liquid CP and Liquidity Coverage.** The UNT System will maintain 2X or \$150 million of self-liquidity coverage on the \$75 million maximum authorization for Series A - Self-Liquid RFS Commercial Paper (“Series A”) as derived from the highly liquid cash and short-term investment positions identified in Table 1 below. Note: Treasury monitors liquidity balances weekly, reports to rating agencies quarterly and maintains procedures on monitoring and preserving balances.
 - 1.1.1.1 Dealer’s contact information: Barclay’s Phone: 212 526-0571 email: municp@barclays.com
 - 1.1.2 **UNT System Series B Extendable CP.** The Series B Extendible Commercial Paper (“Series B” or “ECP”) does not have liquidity requirements where the UNT System is not required to maintain liquidity for ECP that cannot be remarketed. Instead, a set premium is assessed on top of the market rate coupon for the current holder to maintain its position until such a time when a new holder surfaces.
 - 1.1.2.1 Dealer’s contact information: Morgan Stanley Phone: 212 761-2609 email: muni-short-term@morganstanley.com
- 1.2 **UNT System CP Programs’ Paying Agent Contact Information:**
 - 1.2.1 Paying Agent: **U.S. Bank Trust, NA**
 - 1.2.2 Primary Contact: Denia Larios - denia.larios@usbank.com, 212-361-4383
 - 1.2.3 Alternative Contact: Shannon Matthews - shannon.matthews@usbank.com, 724-494-1506
 - 1.2.4 Central Service Email: mmi.processing@usbank.com
 - 1.2.5 Redacted US Bank CP Program Acct # XXXXX0766
- 1.3 **Internal Reminders:** Senior Treasury Analyst adds reminders to the Treasury Team’s calendar on maturity date of each CP tranche to monitor and see through mandatory actions each CP maturity date.
- 1.4 **On CP Maturity Date, known mandatory timeline outlined for action:**

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 - 1.4.1 By 10:00 a.m. Current holder settles CP with Paying Agent
 - 1.4.2 By 10:30 a.m. CP Dealer notifies Issuer – UNT System and Paying Agent of CP activity for the morning.
 - 1.4.3 By 11:30 a.m. Deadline for Issuer - UNT System to successfully liquidate eligible depository or investment positions.
 - 1.4.4 By 2:30 p.m. UNT System to Wire funds to Paying Agent
 - 1.4.5 By 3:00 p.m. Maturing CP Notes are delivered to CP Dealer
- 1.2 **Failed Remarketing Notification, Alternative Avoidance Options and Plan.** The Issuer and Paying Agent will receive notice prior to 10:30 a.m. from CP dealer for CP maturing and payable by UNT System prior to 2:00 p.m. Priority is to keep the debt outstanding due to the UNT System will be unable to reissue the debt after it is paid off.
 - 1.2.1 Alternative 1. Once Treasury is notified by either of the CP dealers, contact the alternative dealer to see if they can remarket the maturing CP positions.
 - 1.2.2 Alternative 2. The UNT System may purchase notes that are not remarketed at its discretion by asking Payden and Rygel or Goldman Sachs to hold the positions in the respective investment pools or within other portfolios.
 - 1.2.3 Failed Remarketing Plan. If not able to do so, then proceed with liquidation steps outlined in the next section below.

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1.3 **Cash and Investment Liquidation Order.** The order of preference for the source of funds will be the following with contact information in Table 1:

- 1.3.1 JP Morgan Master Depository Accounts with MMF Sweep Accounts (Initiate interbank funds transfer into System Master account for pooling funds to wire to paying agent.)
- 1.3.2 JP Morgan Liquidity Solutions - Money market funds (Note: all positions to close within FY25 & move into #1.3.3)
- 1.3.3 US Bank Short Term Pool – Investment Account as invested by Payden and Rygel
 - 1.3.3.1 Contact Payden and Rygel team. First ask to hold the maturing CP by contacting the CP dealer and secondarily initiate a redemption from the STP investment account at US Bank. In the event of an investment redemption, preference to sell earliest maturity/ies redeemed first but decision is at the discretion of Payden and Rygel team. Ask for Trade date as settlement date in lieu of typical Trade date + 1 day settlement.
 - 1.3.3.2 U.S Bank Custodial - Primary Representative Contact: Ryan Bollinger - ryan.bollinger@usbank.com, (314) 418-2921, Short Term Pool – Investments US Bank Account Custodial - XX48-100 (note, transfers out of account will need to come out of respective university sub-accounts)
- 1.3.4 Goldman Sachs Long Term Pool - Cash & Cash Equivalent balances
- 1.3.5 Goldman Sachs Long Term Pool – Investment positions as determined by Goldman Sachs OCIO team

Table 1 – Cash & Investment Positions Contacts							
Investment Type	Phone Numbers	Contact Names	Internet Link	Account Name	Funds Withdrawal Deadline	System Authorized Personnel	PIN Number/ Password
US Bank Custodial	(314) 418-2921	Ryan Bollinger	https://pivot.usbank.com/wmss/web/pivot/home	UNIVERSITY OF NORTH TEXAS SYSTEM	11:30 AM	Maleia Torres Gulnaar Murthy Aprille Lim Jennifer Sevilla	Required
Payden & Rygel Investment Advisors	(213) 830-4277 (213) 830-4259	Madison Thrane Jim Sarni	n/a	For Positions in US Bank Custodial Account UNIVERSITY OF NORTH TEXAS SYSTEM	11:30 AM	Maleia Torres Gulnaar Murthy Aprille Lim Jennifer Sevilla	n/a
JP Morgan (ALL)	972-324-8680 817-884-4283 713-216-8218	Dena Young Mike Wilson I-iesha Leon	https://Access.jp.morgan.com	DAL General Fund HSC General Operating Fund SYS General Fund UNT General Fund	11:30 AM	Maleia Torres Gulnaar Murthy Aprille Lim Jennifer Sevilla	Required Dual Control
Goldman Sachs	214-855-1077	Mehak Arora Alexander Perez Emily Rourke	https://www.goldman.com/auth/login	UNTS GS: INSTITUTIONAL ADVISORY ACCOUNT UNTS BROKERAGE ACCOUNT UNTS BROKERAGE SHORT TERM POOL ACCT	11:30 AM	Maleia Torres Gulnaar Murthy Aprille Lim Jennifer Sevilla	Required

1.4 **UNT System Internal Wiring Procedures.** UNT System Treasury team and a backup from Budget team are authorized to liquidate funds from eligible demand depository accounts and investments. The following will be notified in a failed remarketing event in Table 2:

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Table 2 - Authorized to create and approve wires with Dual Control:			
Name:	Title:	Phone:	Email:
Maleia Torres	Associate Vice Chancellor for Treasury	214-243-1798	femaleia.torres@untsystem.edu
Gulnaar Murthy	Director for Treasury	940 369-5532	Gulnaar.Murthy@untsystem.edu
Aprille Lim	Senior Financial Analyst	940-369-5592	Aprille.Lim@untsystem.edu
Jennifer Sevilla	Treasury Analyst	940-369-5597	Jennifer.Sevilla@untsystem.edu
Bailey Yarbrough	Budget - Ass	214-571-4901	Bailey.Yarbrough@untsystem.edu

- 1.4.1 Treasury maintains standing wire templates for CP activity payments to the US Bank Paying Agent account with dual controls authority whereby the wire creation and approval is required by two individuals identified in Table 2.
 - 1.4.1.1 Alternatively, wires to Paying Agent can be created by a phone call.
 - 1.4.1.2 Liquidation of positions at Goldman Sachs will need to be done through a phone call.
- 1.4.2 Authorized staff will request a redemption wire from the investment pool(s) and will be submitted prior to 11:30 AM.
- 1.4.3 The proceeds from the MMFs and/or investment pool(s) are wired to each respective account prior to 1:00 PM for:
 - 1.4.3.1 University of North Texas General Fund (JP Morgan account XXXXX2036)
 - 1.4.3.2 University of North Texas at Dallas General Fund (JP Morgan account XXXXX1896)
 - 1.4.3.3 University of North Texas Health Science Center General Operating Fund (JP Morgan account XXXXX3699)
 - 1.4.3.4 University of North Texas System General Fund (JP Morgan account XXXXX0766)
- 1.4.4 Authorized UNT System staff will initiate fund transfers from the University of North Texas General Fund, University of North Texas at Dallas General Fund, and the University of North Texas Health Science Center General Operating Fund account to the System General Fund (JP Morgan account XXXXX0766) on the same day.
- 1.4.5 UNT System will wire funds from the JP Morgan account XXXXX0766 to US Bank account XXXXX1827 with further credit to account XXXXX9000.
- 1.4.6 UNT System will book transfer funds from US Bank Custodial account to US Bank account XXXXX1827 with further credit to account XXXXX9000.