

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

MINUTES OF MEETINGS

COMMITTEE MEETINGS HELD ON MARCH 5, 2026

Audit Committee

Development, Endowment and Investments Committee

Health Affairs Committee

Academic Excellence and Student Success Committee

Budget and Finance Committee

Long-Range Planning Committee

Committee of the Whole

BOARD OF TRUSTEES MEETING HELD ON MARCH 6, 2026

1 Roll Call

1.A Approved: Revised Agenda

2 Approved: Commendation of Drs. John and Sally Steadman

2.A Approved: Commendation of the University of South Alabama Police Department

3 Approved: Minutes

4 Report: University President

5 Report: Faculty Senate President

6 Report: Student Government Association President

7 Approved: Consent Agenda Items:

Revisions to the University's Endowment Fund Investment Policy Statement

USA Health Hospitals Medical Staff Appointment and Reappointments for November and December 2025 and January 2026

8 Report: Audit Committee

9 Report: Development, Endowment and Investments Committee

10 Report: Health Affairs Committee

11 Report: Academic Excellence and Student Success Committee

12 Report: Budget and Finance Committee

13 Approved: Issuance of Series 2026 Revenue Bonds and Potential Bridge Loan Obligations

14 Report: Long-Range Planning Committee

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

March 6, 2026

9:30 a.m.

A meeting of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Ms. Alexis Atkins, Chair *pro tempore*, on Friday, March 6, 2026, at 9:31 a.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Steve Furr, Luis Gonzalez, Ron Graham, Meredith Hamilton, Ron Jenkins, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Ronnie Stallworth, Steve Stokes, Mike Windom and Jim Yance were present.

Member Absent: Kay Ivey.

Administration & Guests: Darren Baxley, Jim Berscheidt, Joél Billingsley, Jo Bonner, KC Crusoe, Anji Davis, Monica Ezell, Phil Fishel, Natalie Fox, Charlie Guest, Darryl James, Buck Kelley, Andi Kent, Spence Larche, James Lawrence (BSU), Nick Lawkis, Emory O’Meara, Allen Parrish, Miranda Powell, Kristen Roberts, Luke Sparkman, Sally and John Steadman, Donna Streeter (Faculty Senate), Margaret Sullivan, Peter Susman, Christina Wassenaar (Faculty Senate), Ramani Westerfield-Lucious, Kimberly Wells and Keith West.

Upon calling the meeting to order and following the attendance roll call, **Item 1**, Chair Atkins thanked everyone for being present, welcomed new Trustee Mr. Ronnie Stallworth to the Board, conveyed condolences on behalf of the Board to the Bonner family for the recent passing of Mrs. Bonner’s mother and acknowledged Dr. Fox for being recognized among the 2026 *Women Who Shape the State* by al.com. She called for adoption of a revised agenda, **Item 1.A**. On motion by Mr. Graham, seconded by Capt. Jenkins, the Board voted unanimously to adopt the revised agenda.

Chair Atkins, Dr. Stokes, President Bonner and Provost Kent gathered for the presentation of **Item 2** following, and President Bonner invited Drs. John and Sally Steadman to join them. President Bonner discussed the Steadmans’ service history, and Dr. Stokes read the resolution and made a motion for its approval. Mr. Shumock seconded, and the Board voted unanimously to approve the resolution. The Steadmans received a commemorative resolution, and Dr. John Steadman made brief remarks:

**RESOLUTION
COMMENDATION OF DRS. JOHN AND SALLY STEADMAN**

WHEREAS, Dr. John Steadman and Dr. Sally Steadman have distinguished themselves as exemplary models of philanthropy and service, demonstrating extraordinary commitment through their mutual desire to further the mission of the University of South Alabama (“USA”), and

WHEREAS, Dr. John Steadman is a distinguished engineer, scholar and faculty member of the USA College of Engineering (the "College") who has served as both professor and dean and, for his leadership of the College, he was named *Dean Emeritus*, and

WHEREAS, during Dr. John Steadman's tenure as dean from 2003 until 2019, the College awarded more than 3,000 degrees, achieved a sixty-percent increase in undergraduate enrollment and increased college-sponsored research awards by twenty-eight percent, and

WHEREAS, Dr. Sally Steadman is a devoted engineer and instructor at USA, as well as a revered advisor, most notably advising the nationally recognized Alabama Epsilon Chapter of Tau Beta Pi and the Sally Steadman Azalea Chapter of Mortar Board, and

WHEREAS, Drs. John and Sally Steadman have been generous and steadfast supporters of the College and have recently extended their philanthropic relationship through an increased estate commitment to endow the *Drs. John and Sally Steadman Deanship* in the College, and

WHEREAS, the *Drs. John and Sally Steadman Deanship* will transform the capabilities of the College and confer tremendous benefit upon its students and faculty for many years to come,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby recognizes the extraordinary generosity and commitment of Dr. John Steadman and Dr. Sally Steadman and joins the President, faculty, staff, students and alumni in extending deepest gratitude to the Steadmans for their enduring leadership and loyalty.

For the presentation of **Item 2.A** following, President Bonner invited Mr. Darren Baxley, Director of Police Administration, to join him, Chair Atkins, Mr. Graham, Provost Kent and Mr. Susman. Also gathering were Mr. Phil Fishel, Chief of Police, Mr. Keith West, Police Captain, and several members of the USA Police Department (the "USAPD"). President Bonner conveyed appreciation for the work of the USAPD and its management of a recent crisis. He turned to Mr. Graham, who read the resolution and made a motion for its approval. Ms. Mitchell seconded, and the Board voted unanimously to approve the resolution:

**RESOLUTION
COMMENDATION OF THE UNIVERSITY OF SOUTH ALABAMA POLICE DEPARTMENT**

WHEREAS, the University of South Alabama – the Flagship of the Gulf Coast – is a leading higher education institution with over 14,000 students, nearly 12,000 employees and more than 100,000 alumni, and

WHEREAS, the University of South Alabama Police Department ("USAPD") is a fully sworn law enforcement agency accredited by the International Association of Campus Law Enforcement Administrators, and

WHEREAS, USAPD officers are certified through the Alabama Peace Officers Standards and Training Commission and are empowered under Alabama State Code § 16-55-10 to enforce state and local laws throughout Alabama, and

WHEREAS, the USAPD is supported by civilian staff that support law enforcement operations through effective dispatching, compliance oversight, security systems maintenance, and administrative support, and

WHEREAS, on March 2, 2026, an incident occurred where an individual posed an immediate threat to the campus community, and

WHEREAS, the USAPD responded immediately and implemented a coordinated and controlled response to the rapidly evolving situation, and

WHEREAS, through calm professionalism, sound tactics and clear communication, responding officers quickly gained compliance from the individual and resolved the encounter without injury to anyone, and

WHEREAS, the actions of the USAPD demonstrated exceptional bravery, preparedness and commitment to protecting the campus community during a critical incident,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby offers its sincere appreciation and gratitude to all members of the University of South Alabama Police Department for the professionalism, courage and dedication to duty that they exhibited during the response to the incident.

Chair Atkins called for consideration of the minutes for a Board of Trustees meeting held on December 4, 2025, **Item 3**. On motion by Mr. Graham, seconded by Dr. Charlton, the Board voted unanimously to adopt the minutes.

Chair Atkins called on President Bonner to present the President's Report, **Item 4**. President Bonner commented on the Distinguished Alumni and Service Awards Ceremony held the previous evening and a photo was shown of the award recipients. He welcomed new Trustee Mr. Ronnie Stallworth to his first Board meeting, as well as his guest Ms. Kimberly Wells, and shared brief background on Mr. Stallworth's academic journey and University engagement, including as the current USA National Alumni Association President. He also recognized Mr. James Lawrence III, Black Student Union ("BSU") President.

President Bonner spoke on recent recruiting trips to Alabama high schools and the palpable excitement among prospective students. He talked about the University's commitment of helping students succeed by recruiting quality faculty, providing state-of-the-art facilities and building upon the legacy of the alumni. He recognized the USA Health Leadership and mission of delivering unmatched patient care. He reflected on the pledge made at the outset of his presidency that the University Leadership would work with the Board to further USA's tradition of bold and ambitious ideas, as exemplified by the capital campaign underway that he said would enable USA to further invest in human potential, elevate its standard of excellence and strengthen its position in the state and region as the Flagship of the Gulf Coast. He outlined ways the University was making an undeniable case for the value of a college education amid trending discussion to the contrary and enrollment declines nationwide.

President Bonner turned to Provost Kent, who welcomed Mr. Stallworth to the Board, and discussed the positive impact of him telling his USA story during recruiting trips. She stated that prospective students and their families were responding to the University's message, as shown by data pointing to a strong fall enrollment. She said showcasing USA on the road held unexpected opportunities as well, recounting how a visit to the Alabama School of Cyber Technology and Engineering led to the creation of an internship program, and noted that meeting Alabama's exceptional students was an honor, like a group at Vestavia Hills High School who had just interviewed for the Whiddon College of Medicine's early acceptance program. She discussed the growth of the Honors College and the Flagship Leaders Scholarship Program; outlined other distinct programs with hands-on curricula that attract students and aid in retaining them through graduation; and credited the faculty for their dedication to students. A graphic of USA's Academic All-Stars for 2025 and 2026 was shown and featured three Goldwater Scholars. Provost Kent spoke on the importance of student engagement alongside academics, and introduced a video of the Jaguar Marching Band participating in a Mystic Striper's parade, accompanied by cheerleaders and members of the Leadership, Student Government Association ("SGA"), Faculty Senate and Southerners.

President Bonner and Provost Kent recognized Mr. James Lawrence III, Mr. KC Crusoe and Dr. Christina Wassenaar for their service as president of the BSU, SGA and Faculty Senate, respectively, for the 2025-2026 academic year. Each was presented a certificate of appreciation.

President Bonner introduced Ms. Miranda Powell, Coordinator of the USA Simulation Program's (the "Program") Standardized Patient Lab. President Bonner invited Dr. Anji Davis, Associate Professor and Director of the Program, as well as Ms. Powell's nominator, to join them, and he read an excerpt from the nomination application. Ms. Powell received a certificate commemorating the award, as well as a round of applause.

As to **Item 5**, President Bonner yielded to Dr. Wassenaar, President of the Faculty Senate (the "Senate"), for a report. Dr. Wassenaar reflected on her Senate experience over three years, and thanked the Board and Leadership for the positive interactions she encountered while serving as Senate President and for their support. She shared that the Senate Leadership, the Executive Committee ("ExComm"), was a collaborative group focused on faculty advocacy, and shared insight on the scope of faculty roles by detailing the significant work and projects in which some ExComm members were involved. She also reminded that senate leaders from Alabama's public and private institutions would be on campus soon to exchange ideas. In closing, she issued Trustees an open invitation to join Senate meetings and classes, and to reach out with questions and feedback.

Chair Atkins called for a report from Mr. Crusoe, SGA President, **Item 6**. Mr. KC Crusoe gave an update on the SGA's work, discussing such initiatives as a partnership with the USA Police and Housing departments to distribute helmets to students with scooters and bikes and to install safety messaging; Parking Ticket Forgiveness Day that raised donations for Mobile's Love All Pantry and the Jag Pantry; and the Appropriations Committee's distribution of close to \$200,000 to sup-

port student organizations over the fall and spring semesters. He also reflected on his academic journey and platform and thanked Board members and others for their commitment to advancing the University and allowing him opportunities to speak.

Chair Atkins called for consideration of the consent agenda resolutions following, **Item 7**, all of which she noted were unanimously recommended for Board approval by the respective committees that met March 5, 2026. (To view additional documents authorized, refer to Appendix A.) On motion by Mr. Shumock, seconded by Mr. Graham, the Board voted unanimously to approve the resolutions:

**RESOLUTION
REVISIONS TO THE UNIVERSITY'S ENDOWMENT FUND INVESTMENT POLICY STATEMENT**

WHEREAS, the University maintains an Endowment Fund Investment Policy Statement ("IPS") to provide governance, oversight, and investment guidance for the management of Endowment assets, and

WHEREAS, the Vice President of Finance and the Executive Director of Treasury Management have recommended revisions to the IPS, including the addition of a new section titled "Prohibited Investments" and an administrative update to the Chief Financial Officer title, further defining investment types that do not align with the Endowment Fund's objectives and strengthening the University's governance framework, and

WHEREAS, such revisions are in the best interest of the University and consistent with prudent fiduciary oversight,

THEREFORE, BE IT RESOLVED THAT, the Board of Trustees of the University of South Alabama hereby approves the revisions to the University's Endowment Fund Investment Policy Statement, effective upon adoption.

**RESOLUTION
USA HEALTH HOSPITALS MEDICAL STAFF APPOINTMENTS AND REAPPOINTMENTS FOR
NOVEMBER AND DECEMBER 2025 AND JANUARY 2026**

WHEREAS, the USA Health Hospitals medical staff appointments and reappointments for November and December 2025 and January 2026 are recommended for Board approval by the Medical Executive Committees and the USA Health Credentialing Board,

THEREFORE, BE IT RESOLVED, the Board of Trustees of the University of South Alabama hereby authorizes the appointments and reappointments as submitted.

Chair Atkins called for a report from the Audit Committee, **Item 8**. Dr. Stokes, Committee Chair, stated that a Committee meeting was held on March 5, 2026, and he briefed the Board on the proceedings.

Chair Atkins called for a report from the Development, Endowment and Investments Committee, **Item 9**. Judge Windom, Committee Chair, advised of a Committee meeting held on March 5, 2026, and he provided an overview on the business that occurred.

Chair Atkins called for a report from the Health Affairs Committee, **Item 10**. Mr. Shumock, Committee Chair, thanked Dr. Fox and Ms. Roberts for facilitating a recent educational session for the Committee. He noted that a Committee meeting took place on March 5, 2026, and presented a summary on the work that took place.

Chair Atkins called for a report from the Academic Excellence and Student Success Committee, **Item 11**. Ms. Brown Stewart, Committee Chair, advised of a Committee meeting held on March 5, 2026, and provided a recap of the proceedings.

Chair Atkins called for a report from the Budget and Finance Committee, **Item 12**. Mr. Perkins, Committee Chair, stated that the Committee met on March 5, 2026, and reviewed the matters addressed. He added that the Committee voted unanimously to recommend Board approval of **Item 13** following and made a motion for its approval. Ms. Mitchell seconded, and the Board voted unanimously to approve the resolution:

**A RESOLUTION AUTHORIZING THE ISSUANCE OF UNIVERSITY FACILITIES REVENUE BONDS
TAXABLE UNIVERSITY FACILITIES REVENUE BONDS AND SPECIAL BRIDGE LOAN OBLIGATIONS**

BE IT RESOLVED by the Board of Trustees (the "Board") of the **UNIVERSITY OF SOUTH ALABAMA** (the "University") as follows:

Section 1. (a) Findings. The Board has determined and hereby finds and declares as follows:

(1) it is necessary, advisable, in the best interest of the University that the University design, acquire, construct, renovate, install, furnish and equip various capital improvements, equipment and assets including, without limitation, (i) a new medical school building (the "New Medical School Improvements"), (ii) two buildings, one presently known as the "Traditions Building" and the second known as "Central House", to serve as a new student housing facilities for use by the University (the "Student Housing Improvements"), and (iii) various other public capital improvements, assets, and equipment for the University (such improvements, together with the New Medical School improvements and the Student Housing Improvements, the "2026 Improvements");

(2) the University heretofore issued its \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016 Bonds"), and under the Indenture those of the Series 2016 Bonds maturing on November 1, 2027, and thereafter, may be redeemed by the University at any time and from time to time, on November 1, 2026, and on any date thereafter, at and for a price equal to 100% of the principal amount of Series 2016 Bonds to be redeemed plus accrued interest to the date set for redemption (the "2016 Bonds Redemption Price");

(3) due to the currently favorable interest rate environment, the University, acting upon the advice of PFM Financial Advisors LLC, municipal advisor to the University ("PFM"), has determined it to be necessary, wise, and in the best interest of the University to refinance the Series 2016 Bonds, and the University intends to call for redemption and payment all of the Series 2016 Bonds for redemption and payment on the earliest date feasible and permissible, all as more particularly described herein;

(4) the University heretofore issued and delivered a short-term Promissory Note dated January 21, 2026 (the "2026 Note") in the principal amount of \$15,100,000 to Renasant Bank ("Renasant") to finance the costs of purchasing and acquiring an ambulatory surgery center, and under the agreements between the University and Renasant the University may redeem and retire the 2026 Note at any time at and for a price equal to 100% of the principal amount to be redeemed plus accrued interest to the date set for such redemption and payment;

(5) the University has determined to issue various series of bonds (collectively, the "Series 2026 Bonds") under that certain University Facilities Revenue Trust Indenture dated as of February 15, 1996, as supplemented and amended (the "Indenture"), between the University and The Bank of New Mellon Trust Company, N.A, as successor Trustee (the "Trustee") to finance and/or refinance certain costs of the 2026 Improvements (including without limitation reimbursement of cash previously spent by the University for such improvements), the costs of refunding the Series 2016 Bonds, and costs of redeeming and retiring the 2026 Note, all as more particularly described and set forth herein;

(6) proceeds of the Series 2026 Bonds may also be used to pay (i) the costs and expenses of issuing the Series 2026 Bonds, (ii) the premium for one or more municipal bond insurance policies (each, a "Bond Insurance Policy"), if obtained, respecting some or all maturities of the Series 2026 Bonds, and (iii) such other costs as shall be necessary and advised by PFM to the University in connection with the issuance and sale of Series 2026 Bonds; and

(7) in connection with financing certain 2026 Improvements and certain refinancing obligations of the University described above, the University may determine to enter one or more short-term "bridge loan" arrangements (hereinafter defined as a "Bridge Loan Financing") under which Series 2026 Bonds or other debt obligations of the University may be issued, and per the authority herein granted the University may refinance any such Bridge Loan Financing (including without limitation the debt obligations issued under or in connection with such arrangements) with proceeds of Series 2026 Bonds.

(b) Series 2026 Bonds to be Issued as Additional Bonds Under the Indenture; Special Findings Under Section 8.2(b) of the Indenture. The Series 2026 Bonds shall be issued as additional parity bonds under Article VIII of the Indenture. In accordance with the provisions of Section 8.2(b) of the Indenture, the Board hereby finds and declares as follows:

(1) the University is not now in default under the Indenture, and no such default is imminent.

(2) the Series 2026 Bonds shall be designated "Series 2026" (unless such bonds are issued in the calendar year 2027 in which case the "2026" in said designation,

and in the designation identified in any of the exhibits herein attached, shall be changed to "2027"), and each series shall be given a letter designation after "Series 2026" (e.g. "Series 2026-A"; "Series 2026-B") based upon the chronological order in which such series is issued; provided, if two or more series of Series 2026 Bonds are issued on the same date, then the larger principal amount shall receive the first available letter, and each additional series shall be lettered in alphabetical order; provided, any Series 2026 Bonds issued on a federally taxable basis ("Taxable Series 2026 Bonds") on such date shall receive the last alphabetical letter without regard to principal amount (with any two or more Taxable Series 2026 Bonds issued on the same date being lettered in alphabetical order with the larger principal amount receiving the first available letter).

(3) the persons to whom the Series 2026 Bonds are to be delivered are set forth in Section 7 hereof;

(4) the Series 2026 Bonds are to be issued by sale in accordance with, and at the sale price set forth in, Section 7 hereof;

(5) pursuant to the provisions of the Indenture, the University has issued and sold, and currently has outstanding, its:

(i) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the "Series 2013-A Bond");

(ii) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the "Series 2013-B Bond");

(iii) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the "Series 2013-C Bond");

(iv) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the "Series 2015 Bond");

(v) \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016 Bonds");

(vi) \$38,105,000 University Facilities Revenue Bonds, Series 2017, dated June 15, 2017 (the "Series 2017 Bonds");

(vii) \$47,750,000 University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (the "Series 2019-A Bonds");

(viii) \$18,440,000 Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019 (the "Series 2019-B Bonds");

(ix) \$19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (the "Series 2019-C Bond");

(x) \$37,005,000 original principal amount University Facilities Revenue Bonds, Series 2020, dated March 10, 2020 (the "Series 2020 Bonds");

(xi) \$40,555,000 original principal amount University Facilities Revenue Bonds, Series 2021, dated March 10, 2021 (the "Series 2021 Bonds");

(xii) \$15,387,000 original principal amount University Facilities Revenue Bond, Series 2021-B, dated July 8, 2021 (the "Series 2021-B Bond");

(xiii) \$72,810,000 University Facilities Revenue Bonds, Series 2024-A, dated July 22, 2024 (the "Series 2024-A Bonds");

(xiv) \$19,925,000,000 Taxable University Facilities Revenue Bonds, Series 2024-B, dated July 22, 2024 (the "Series 2024-B Bonds"); and

(xv) \$90,850,000 University Facilities Revenue Bonds, Series 2024-C, dated August 22, 2014 (the "Series 2024-C Bonds").

The Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2015 Bond, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019-A Bonds, the Series 2019-B Bonds, the Series 2019-C Bond, the Series 2020 Bonds, the Series 2021 Bonds, the Series 2021-B Bond, the Series 2024-A Bonds, the Series 2024-B Bonds, and the Series 2024-C Bonds are herein collectively referred to as the "Outstanding Bonds." The Outstanding Bonds, the Series 2026 Bonds, and any Additional Bonds hereafter issued are referred to herein collectively as the "Bonds".

(6) The only bonds outstanding under the Indenture at the time of adoption of this resolution are the Outstanding Bonds; and

(7) the Series 2026 Bonds are being issued for the various purposes described in Section 1 hereof.

The Trustee is hereby requested to authenticate and deliver (i) as respects those of the Series 2026 Bonds issued through the Underwriters, as directed by the Underwriters specified in Section 7 hereof upon payment of the purchase price for such Series 2026 Bonds, and (ii) as respects those of the Series 2026 Bonds issued in connection with a Bridge Loan Financing, as directed by the Vice President of Finance of the University (the "Vice President of Finance").

Section 2. General; Authorization of Series 2026 Bonds. (a) The Board does hereby authorize the financing and/or refinancing of (i) 2026 Improvements, (ii) the 2026 Note, and (iii) the 2016 Bonds Redemption Price.

(b) To enable the financings and/or refinancings described under this resolution (including, without limitation, the refinancing of any Bridge Loan Financing, as hereinafter defined), the Board does hereby authorize and approve the issuance of various series of University Facilities Revenue Bonds, further designated as set forth in Section 1(b)(2) hereof, any of which such bonds, if issued on a federally tax-exempt basis, are herein called "Tax-Exempt Series 2026 Bonds", and any of which such bonds, if issued on a federally taxable basis, are herein called "Taxable Series 2026 Bonds". Each such series of Series 2026 Bonds shall be dated its date of initial issuance, and shall be issued under such terms, conditions and provisions as are to be set out in the Supplemental Indenture or Supplemental Indentures

hereinafter described, which terms, conditions and provisions shall be determined in accordance with the following plan of financing (the "Plan of Finance"):

(i) any series of Series 2026 Bonds (other than if issued at a variable rate in connection with a Bridge Loan Financing) shall bear interest at a fixed rate, payable semiannually, if issued on the public bond market through the Underwriters, and payable semiannually or on such other basis as shall be determined by the Vice President of Finance, if issued in connection with any short-term or "bridge loan" financing, including without limitation through a direct placement or by means other than a public offering through the public bond market.

(ii) for any series of Series 2026 Bonds issued in connection with a Bridge Loan Financing to bear interest at a variable rate, (I) if such bond is issued on a federally tax-exempt basis the said interest rate shall be calculated using a base index of SOFR or any other index as shall be recommended by PFM, plus a spread recommended by PFM and acceptable to the President of the University (the "President") and the Vice President of Finance, or either of them, that does not exceed 125 basis points, and (II) if such bond is issued on a federally taxable basis the said interest rate shall be calculated using a base index of SOFR or any other index as shall be recommended by PFM, plus a spread recommended by PFM and acceptable to the President and the Vice President of Finance, or either of them, that does not exceed 150 basis points.

(iii) The aggregate principal amount of all Series 2026 Bonds authorized hereunder shall not exceed \$260,000,000.

(iv) No maturity of any series of Tax-Exempt Series 2026 Bonds issued at a fixed rate may bear interest at a rate exceeding 5.50%, and no maturity of any series of Taxable Series 2026 Bonds issued at a fixed rate may bear interest at a rate exceeding 7.00%.

(v) As to each date of issuance of Tax-Exempt Series 2026 Bonds, the true interest cost of all Tax-Exempt Series 2026 Bonds issued on such date (taking into account any original issue discount or original issue premium) may not exceed 5.50%.

(vi) As to each date of issuance of Taxable Series 2026 Bonds, the true interest cost of all Taxable Series 2026 Bonds (taking into account any original issue discount or original issue premium) issued on such date may not exceed 7.00%.

(vii) As to any series of Series 2026 Bonds issued to refund Series 2016 Bonds, such Series 2026 Bonds shall have a final maturity not later than November 1, 2036, and shall have a weighted average maturity of no longer than 9 years.

(viii) As to any series of Series 2026 Bonds issued to finance the 2026 Improvements, refinance the Series 2026 Note, or refinance any Bridge Loan Financing hereunder authorized, such series of Series 2026 Bonds shall have a final maturity not later than 30 years from their date of issuance and shall have a weighted average maturity of no longer than 22 years.

(ix) No Series 2026 Bonds authorized under this resolution shall be issued and delivered after April 1, 2027, and, anything in this resolution to the contrary

notwithstanding, the year designation for any Series 2026 Bonds issued on or after January 1, 2027 shall be referred to as "2027" (e.g., "Series 2027-[] Bonds").

Section 3. Authorization of Bridge Loan Financings; Special Bridge Loan Obligations.

(a) The Board does hereby authorize the University to enter one or more arrangements for short term "bridge loan" financing, including, without limitation, through a direct placement or by means other than an offering through the public bond market (a "Bridge Loan Financing") to finance or refinance any of the 2026 Improvements or any of the refinancings described in Section 1(a) above, as determined by the President and the Vice President of Finance, or either of them. A Bridge Loan Financing may be incurred on a federally taxable or federally tax-exempt basis based upon the advice and recommendation of bond counsel to the University and as determined by the President and the Vice President of Finance, or either of them, and may be in the form of a loan with (i) proceeds delivered at the time of closing, (ii) proceeds made available in advances on a "draw-down" basis over time upon request and satisfaction by the University of certain conditions, or (iii) proceeds delivered on such other basis as determined by the President and the Vice President, or either of them. Proceeds from any Special Bridge Loan Obligations (hereinafter defined) issued in connection with a Bridge Loan Financing shall be applied to pay the costs of issuance of such obligations (including any fees or charges of the Lender, fees of PFM, fees of bond counsel to the University, and other customary fees and charges), to pay the costs of the improvements financed thereby (including reimbursement to the University), and to redeem, retire and pay the obligations to be redeemed and retired thereby.

(b) The obligation of the University to pay a Bridge Loan Financing may (i) be evidenced by or otherwise include one or more Series 2026 Bonds, or (ii) be evidenced by or otherwise include one or more bonds, notes, or other debt obligations of the University not constituting Series 2026 Bonds (such bonds, notes or other obligations not constituting Series 2026 Bonds herein called "Special Bridge Loan Obligations"). The lender or lenders for any Bridge Loan Financing shall be determined by the President and the Vice President, or either of them.

(c) As respects any Special Bridge Loan Obligation (i.e., any bond, note, or other debt obligation of the University not constituting Series 2026 Bonds issued in connection with a Bridge Loan Financing) the following shall be satisfied:

(i) the principal amount of such Special Bridge Loan Obligation, together with all other Special Bridge Loan Obligations incurred under the authority of this resolution, shall not exceed \$60,000,000.

(ii) the dates of payment of the principal of and interest thereon shall be determined by the President and the Vice President of Finance, or either of them.

(iii) as respects Special Bridge Loan Obligations issued on a federally tax-exempt basis, the interest rate, if fixed, shall not exceed 4.25% per annum, and the interest rate, if variable, shall be calculated using a base index of SIFMA or any other index as shall be recommended by PFM, plus a spread recommended by PFM and acceptable to the President and the Vice President of Finance, or either of them, that does not exceed 135 basis points.

(iv) as respects Special Bridge Loan Obligations issued on a federally taxable basis, the interest rate, if fixed, shall not exceed 5.25% per annum, and the interest rate, if variable, shall be calculated using a base index of SIFMA or any other index

as shall be recommended by PFM, plus a spread recommended by PFM and acceptable to the President and the Vice President of Finance, or either of them, that does not exceed 170 basis points.

Section 4. Source of Payment of University Debt. (a) **Series 2026 Bonds.** The principal of and the interest on all Series 2026 Bonds shall be payable from Pledged Revenues as defined in the Indenture. The Series 2026 Bonds shall not represent or constitute obligations of any nature whatsoever of the State of Alabama (the "State"), and shall not be payable out of moneys appropriated to the University by the State. The agreements, covenants and representations contained in this resolution, in the Series 2026 Bonds and in the Indenture do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the University, and in the event of a breach of any such agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the University shall arise therefrom. Neither the Series 2026 Bonds nor the pledge or any agreement contained in the Indenture or in this resolution shall be or constitute an obligation of any nature whatsoever of the State, and neither the Series 2026 Bonds nor any obligations arising from the aforesaid pledge or agreements shall be payable out of any moneys appropriated to the University by the State. Nothing contained in this section shall, however, relieve the University from the observance and performance of the several covenants and agreements on its part herein contained and contained in the Indenture.

(b) **Special Bridge Loan Obligations.** The principal of and interest on any Special Bridge Loan Obligations may be unsecured, may be payable from and secured by any funds of the University lawfully available for such purpose, or may be payable from and secured by any specific funds or assets of the University, all as shall be determined by the President and the Vice President for Finance, or either of them, on behalf of the University.

Section 5. Series 2026 Bonds Payable at Par. All remittances of principal of and interest on the Series 2026 Bonds to the holders thereof shall be made at par without any deduction or exchange or other cost, fees or expenses. The bank at which the Series 2026 Bonds shall at any time be payable shall be considered by acceptance of its duties under the Indenture to have agreed that it will make or cause to be made remittances of principal of and interest on the Series 2026 Bonds, out of the moneys provided for that purpose, in bankable funds at par without any deduction for exchange or other cost, fees or expenses. The University will pay to such bank all reasonable charges made and expenses incurred by it in making such remittances in bankable funds at par.

Section 6. Authorization of Supplemental Indentures; Authorization of Bridge Loan Financing Documents. (a) In connection with the issuance of any Series 2026 Bonds, the Board does hereby authorize and direct the President and the Vice President of Finance, or either of them, to execute and deliver, for and in the name and behalf of the University, to the Trustee, a Supplemental University Facilities Trust Indenture dated the date of such series of Series 2026 Bonds in substantially the form presented to the meeting at which this resolution is adopted and attached as Exhibit I to the minutes of said meeting (which form is hereby adopted in all respects as if set out in full in this resolution), updated to reflect the final pricing terms of, and the final number of series of, the Series 2026 Bonds to be issued under such Supplemental Indenture and as further reflected in the Certificate of Compliance (hereinafter defined), and as also herein permitted and, further, to contain provisions required by the provider of any Bond Insurance Policy, if bond insurance is to be procured by the University for some or all of the Series 2026 Bonds to be issued thereunder; and, further, the Board does hereby authorize and direct the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board to affix to each Supplemental Indenture

the corporate seal of the University and to attest the same. Each Supplemental Indenture shall be supplemental to that certain University Facilities Revenue Trust Indenture between the University and the Trustee dated as of February 15, 1996, as heretofore supplemented and amended, and as shall have been further supplemented and amended prior to the date of such Supplemental Indenture (together with the Supplemental Indenture then to be delivered, the "Indenture"). Each Supplemental Indenture shall be updated to reflect issuance of Additional Bonds hereunder authorized and outstanding as of the date such Supplemental Indenture is executed and delivered.

(b) In connection with any Bridge Loan Financing, the Board does hereby authorize such loan agreements, credit agreements, financing and advance agreements, or other agreements, documents, collateral agreements, and instruments as shall be necessary or desirable to memorialize the terms of such Bridge Loan Financing (collectively, "Bridge Loan Financing Documents"), and does further authorize and approve the issuance of any Series 2026 Bonds (provided the same comply with the Plan of Finance) or any Special Bridge Loan Obligations (provided the same comply with the provision of Section 3(c) hereof) in connection therewith. The Board does hereby authorize and direct the President and the Vice President of Finance, or either of them, to execute and deliver, for and in the name and behalf of the University, any and all Bridge Loan Financing Documents and any Special Bridge Loan Obligations, by and on behalf of the University.

Section 7. Sale of Series 2026 Bonds; Bond Insurance. (a) Series 2026 Bonds sold through the public bond market using an underwriter/broker-dealer shall be sold to BofA Securities, J.P. Morgan, and Truist Securities, or such additional or other underwriters/broker-dealers as shall be determined by the President or Vice President of Finance and noted on the Certificate of Compliance as provided below (collectively, the "Underwriters"). In connection with the sale of Series 2026 Bonds to Underwriters, the Board does hereby authorize and direct the President and the Vice President of Finance, or either of them, to execute and deliver, for and in the name and behalf of the University, a Bond Purchase Agreement with the Underwriters, either in the form required by the Underwriters and approved by the President and the Vice President of Finance, or either of them, or in the form presented to the meeting at which this resolution is adopted and attached as Exhibit II to the minutes of said meeting (which such form of Bond Purchase Agreement is hereby adopted in all respects as if set out in full in this resolution), updated to contain the final pricing terms of the Series 2026 Bonds to be issued pursuant to the applicable Bond Purchase Agreement and as further reflected in the Certificate of Compliance. Series 2026 Bonds issued pursuant to a Bond Purchase Agreement shall bear such dates, shall mature at such times and in such manner, shall bear such rates of interest, shall be payable at such place or places, shall be in such denominations, shall be in such number of series, shall bear such numbers, and shall be in such form and contain such provisions as shall be set out in such Bond Purchase Agreement and the Supplemental Indenture corresponding to such series of Series 2026 Bonds. Any broker-dealer or underwriter not listed in the first sentence of this subsection (a) that the University engages to purchase Series 2026 Bonds shall be named as such in the Certificate of Compliance hereinafter described, and shall be deemed part of the list of names in the first sentence of this subsection (a) above as if stated in full therein.

(b) Series 2026 Bonds sold or issued in connection with a Bridge Loan Financing shall be sold to the lender, bank, financial institution or other purchaser (the "Lender") identified and recommended by PFM and approved by the President and the Vice President of Finance, or either of them. The name of the Lender respecting any Bridge Loan Financing for which Series 2026 Bonds are issued shall be included in the Certificate of Compliance hereinafter described, and the name or names of such Lender or Lenders, as the case may be, shall be deemed part of this Section 7(b) as if stated in full herein.

(c) The President and the Vice President of Finance, or either of them, are hereby authorized to cause the University to obtain a Bond Insurance Policy for some or all of the maturities of the Series 2026 Bonds if such officer or PFM determines, at or around the sale of such Series 2026 Bonds, that the estimated present value of the premium of such policy will be less than the present value of the estimated or expected interest savings on such Series 2026 Bonds insured by, and as a result of, such policy.

Section 8. Preliminary Official Statements; Official Statements. (a) The Board does hereby authorize and direct the President and the Vice President of Finance, or either of them, with respect to any Series 2026 Bonds to be issued on the same date through the public bond market to cause to be finalized and circulated by the Underwriters, a Preliminary Official Statement respecting such Series 2026 Bonds, the form of which is attached hereto as Exhibit III, with such modifications to reflect (i) material information concerning the University and its operations as of the time the said document is to be circulated for consideration by prospective investors in such Series 2026 Bonds, (ii) preliminary principal amounts and relevant preliminary pricing information for such Series 2026 Bonds, (iii) information respecting a Bond Insurance Policy and the provider thereof if bond insurance is procured by the University for some or all of the maturities of such Series 2026 Bonds, and (iv) such other material information concerning such Series 2026 Bonds, all as such officers, either independently or upon consultation with the Underwriters, bond counsel to the University and/or PFM, shall determine necessary or desirable for inclusion in such Preliminary Official Statement. The President and the Vice President of Finance, or either of them, are hereby authorized to cause any such Preliminary Official Statement to be "deemed final" as of its date within the meaning of Rule 15c2-12(b)(1) promulgated by the U.S. Securities Exchange Commission (the "Rule") and thereafter circulated to prospective investors in the Series 2026 Bonds.

(b) The Board does hereby authorize and direct the President and the Vice President of Finance, or either of them, to execute, for and in the name and behalf of the University, an Official Statement with respect to any series of Series 2026 Bonds sold through the public bond market, corresponding to the Preliminary Official Statement used for the sale of such Series 2026 Bonds, dated the date of sale of such Series 2026 Bonds, in substantially the form of the Preliminary Official Statement circulated to prospective investors of such Series 2026 Bonds, with such changes as shall be necessary to conform to the provisions of this resolution to reflect the final pricing terms of such Series 2026 Bonds, to include information respecting a Bond Insurance Policy and the provider thereof if bond insurance is procured by the University for some or all of the maturities of such Series 2026 Bonds (if not included in the Preliminary Official Statement circulated by the Underwriters prior to sale of such Series 2026 Bonds), to reflect the other terms approved in accordance with the provisions of this resolution, and to reflect such other changes as shall be approved by the President and the Vice President of Finance, or either of them, and acceptable to the Underwriters. The Board does hereby declare that any Official Statement so executed by the President or the Vice President of Finance shall be the Official Statement of the University with respect to such Series 2026 Bonds issued in connection therewith.

Section 9. Authorization of Continuing Disclosure Agreements. The President and the Vice President of Finance, or either of them, are hereby authorized and directed to execute and deliver, on behalf of the University, a Continuing Disclosure Agreement for the benefit of the beneficial owners of any Series 2026 Bonds sold through the public bond market, in substantially the form presented to the meeting at which this resolution is adopted (which form shall be attached as Exhibit IV to the minutes of said meeting and which is hereby adopted in all respects as if set out in full in this resolution) and with such changes thereto as shall be approved by the President and the Vice President of Finance, or either

of them (the "Continuing Disclosure Agreement"). The Continuing Disclosure Agreement is to be entered into contemporaneously with the issuance of the Series 2026 Bonds sold in connection therewith in order to assist the Underwriters of such Series 2026 Bonds in complying with the Rule. The rights of enforcement of the said Continuing Disclosure Agreement shall be as provided therein, and in no event shall a default by the University thereunder constitute a default hereunder or under the Indenture.

Section 10. Execution and Delivery of Series 2026 Bonds. The Board does hereby authorize the President and the Vice President of Finance, or either of them, to execute the Series 2026 Bonds, in the name and on behalf of the University, by manually signing each said bond, and does hereby authorize the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, to cause the corporate seal of the University to be imprinted or impressed on each of the Series 2026 Bonds and to attest the same by signing the Series 2026 Bonds, and the President and the Vice President of Finance (or either of them) are hereby authorized and directed to deliver the Series 2026 Bonds, subsequent to their execution as provided herein and in the Indenture, to the Trustee under the Indenture, and to direct the Trustee to authenticate all the Series 2026 Bonds and to deliver them to the Underwriters, upon payment to the University of the purchase price therefor.

Section 11. Designated Officials. Each of the President and the Vice President of Finance is herein designated a "Designated Officer" for purposes of this resolution. Each of the Chair Pro Tempore, Vice Chair, and Chairman of the Budget and Finance Committee is hereby designated as a "Designated Board Member" for purposes of this resolution. Any Designated Board Member, together with any Designated Officer, are hereby authorized to approve the remaining details of the Plan of Finance. When the details of the Plan of Finance have been approved by a Designated Board Member and a Designated Officer, the designees shall execute, in the name and on behalf of the Board and the University, respectively, a certificate evidencing such approval (the "Certificate of Compliance") in substantially the form set forth on Exhibit V hereto, and shall file a copy of such certificate with the Secretary of the Board, and such certificate shall be maintained in the records of the Board by the Secretary of the Board. The Certificate of Compliance may be executed in counterparts.

Section 12. Application of Proceeds of Series 2026 Bonds; Application of Proceeds of Special Bridge Loan Obligations. (a) With respect to any series of Series 2026 Bonds, the entire proceeds derived by the University from the sale thereof, less and except the underwriter's discount to be retained by the Underwriters, the premium for any Bond Insurance Policy, if any, obtained for such Series 2026 Bonds to be wired directly by the Underwriters to the provider thereof, and any commitment fee or other charges levied by any Lender under a Bridge Loan Financing, as the case may be, shall be applied and used for the purposes herein described and as shall be specified in the Supplemental Indenture under which such Series 2026 Bonds are issued once updated to reflect the terms of the Certificate of Compliance respecting such Series 2026 Bonds, or as otherwise directed pursuant to a written order from the President and the Vice President of Finance, or either of them.

(b) Proceeds derived from any Special Bridge Loan Obligations shall be used and applied as set forth in the Bridge Loan Financing Documents referable thereto.

Section 13. Call of Series 2016 Bonds; Redemption of 2026 Note. (a) The Board does hereby elect to redeem and pay, and does hereby call for redemption and payment, on the 2016 Bonds Redemption Date, all of the Series 2016 Bonds at and for a redemption

price equal to 100% of the principal amount of the Series 2016 Bonds outstanding plus accrued interest thereon to the 2016 Bonds Redemption Date. The President and the Vice President of Finance, or either of them, are hereby authorized and directed to deliver such notices, directives or other instruments as shall be necessary or desirable in connection with the redemption and defeasance of the Series 2016 Bonds. Proceeds to redeem and retire the Series 2016 Bonds may be deposited into such fund or account under the Indenture as shall be identified by the University, or deposited into a special account established under an escrow trust agreement between the University and the Trustee (containing terms approved by the President or the Vice President of Finance, on behalf of the University) for the defeasance and retirement of the Series 2016 Bonds (an "Escrow Trust Agreement"), all as shall be determined by the President or the Vice President of Finance acting on the advice of PFM and Bond Counsel to the University. The Board does hereby approve any Escrow Trust Agreement, and does further authorize the President and the Vice President of Finance, or other of them, to execute the same by and on behalf of the University.

(b) The Board does hereby elect to redeem and pay, and does hereby call for redemption and payment, upon the additional direction of the President and the Vice President of Finance, or other of them, the 2026 Note. The call and redemption of the 2026 Note, if so directed by the President and the Vice President of Finance, or either of them, shall be on such date as may be identified by the President and the Vice President of Finance, or either of them, but in no event more than thirty (30) days following issuance of the Series 2026 Bonds or the Special Bridge Loan Obligations issued to pay such redemption price. The President and the Vice President of Finance, or either of them, are hereby authorized and directed to deliver such notices, directives or other instruments as shall be necessary or desirable in connection with the redemption and defeasance of the 2026 Note, if so determined to occur by the President and the Vice President, or either of them. Proceeds to redeem and retire the 2026 Note shall be held by the University and remitted to Renasant on the date set for redemption and payment of the 2026 Note.

Section 14. Timing of Issuances; Forward Delivery Agreements; General Authorization. (a) For the avoidance of doubt, various series of Series 2026 Bonds and Special Bridge Loan Obligations may be issued at various times and from time to time under the authority of this resolution up to, but not after, April 1, 2027.

(b) There is hereby authorized to be entered one or more forward delivery agreements or similar agreements respecting Series 2026 Bonds to be issued in connection with the refinancing of the Series 2016 Bonds, or with respect to any other Series 2026 Bonds issued under the authority of this resolution, and the President and the Vice President of Finance, or either of them, are hereby authorized to execute and deliver the same by and on behalf of the University.

(c) The President, the Vice President of Finance, the Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, are hereby authorized to execute such further agreements, certifications, instruments or other documents, containing such terms as such officer shall approve (subject to the limitations described in this resolution and the Certificate of Compliance executed and filed as provided in Section 11 hereof), and to take such other actions as any of them may deem appropriate or necessary, for the consummation of the transactions covered by this resolution. The Secretary of the Board, the Vice Chair of the Board and the Chair Pro Tempore of the Board, or any of them, are hereby authorized and directed to affix the official seal of the Board to any and all instruments authorized under this resolution and to attest the same.

Section 15. Severability. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

Chair Atkins called for a report from the Long-Range Planning Committee, **Item 14**. Mr. Graham, Committee Chair, mentioned an educational session was held on March 5, 2026, during which he stated that an update was given on the assessment phase of developing the University's next master plan. He also delivered a summation on the business that occurred at a Committee meeting held on March 5, 2026.

In closing, President Bonner recognized Ms. Ramani Westerfield-Lucious, Mr. Emory O'Meara and Mr. Luke Sparkman, Southerner ambassadors, and reminded everyone to join the dedication of the Jaguar Marching Band Complex following the meeting.

There being no further business, the meeting was adjourned at 10:58 a.m.

Attest to:



William Ronald Graham, Secretary

Respectfully submitted:



Katherine Alexis Atkins, Chair *pro tempore*

APPENDIX A

**Investment Policy Statement
for the University of South Alabama Endowment Fund**

Approved

March 6, 2026

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Mission Statement

“The Endowment exists to provide resources to the University, as provided for by the donors, while preserving capital for future generations and needs. The University seeks to maximize returns within prudent risk parameters and aims for long-term growth that outpaces inflation, using a balanced portfolio and top-tier management firms.”

The Development, Endowment, and Investment Committee (the “Investment Committee”) of the Board of Trustees (the “Board”) of the University of South Alabama (the “University”) is responsible for recommending investment policies and guidelines for approval by the Board. The Committee also oversees the implementation of these policies and guidelines, including the selection of qualified investment professionals, such as the Investment Management Consultant(s) (the “IMC”), Investment Manager(s), and Custodian(s). Additionally, the Committee is tasked with overseeing and delegating all investment activities, monitoring performance, and ensuring the prudent stewardship of the University’s Endowment Funds.

Currently, the Head of the Treasury Management Department (the “HTM”) has been delegated investment management authority over the Endowment Fund. The HTM reports to the Vice President of Finance of the University and will provide periodic reports to the Committee and Board to ensure transparency and alignment with institutional objectives.

I. Purpose of this Investment Policy Statement

This Investment Policy Statement (the “IPS”) outlines the goals and guidelines for the accumulated investment funds of the University of South Alabama Endowment. The Investment Committee oversees the investments of the University Endowment’s long-term investment portfolio (the “Endowment Fund”). The purpose of this IPS is to delegate responsibilities among the parties involved in the oversight and management of the Endowment Fund and to describe the investment objectives, constraints, risk guidelines, policies, and procedures that apply. In addition, this IPS will guide the investment managers in achieving desired results. The goal of the Endowment Fund is to protect and grow the assets by earning a total return appropriate for the portfolio’s time horizon, distribution requirements, and risk tolerance to support projects endowed for specific purposes.

II. Roles and Responsibilities

The Board is responsible for directing and monitoring the investment management of the Endowment Fund. As such, the Board is authorized to delegate certain authority to professional experts in various fields. These roles are as follows:

1. Role of the University of South Alabama Board of Trustees:

The Board’s role is to oversee the management of the Endowment Fund’s assets. The Board shall discharge its duties in good faith, with the care that an ordinary,

prudent person in a similar position would exercise under comparable circumstances. The Board will supervise the Investment Committee and will assign the following authority and responsibilities.

Responsibilities of the Board:

- Develop sound and consistent investment policy guidelines for use by the HTM and the IMC(s) when making investment decisions.
- Monitor implementation of this IPS to ensure investment decisions are in line with goals.
- Review the IPS annually.
- Monitor and evaluate performance results.
- Review quarterly reports of portfolio results and notable market observations by the HTM.
- Act in accord with this IPS and all applicable laws and state and federal regulations that apply to endowments and organizations.
- Delegate selection of investments, securities, funds, Investment Managers, and Custodians to the HTM and the IMC(s).

2. Role of the Development, Endowment, and Investment Committee:

The Committee is responsible for overseeing the Endowment Fund's investment activities on behalf of the Board. The Committee will work in conjunction with the HTM and the IMC(s) to ensure that the Endowment's investment strategy aligns with the University's long-term objectives. The Committee approves policy recommendations, reviews performance, and provides ongoing oversight to maintain fiduciary standards and meet the Endowment Fund's objectives.

Responsibilities of the Committee:

- Review and recommend investment policies, objectives, and guidelines to the Board for approval.
- Approve the selection, retention, and replacement of investments, securities, funds, Investment Managers, and Custodians, as recommended by the HTM and the IMC(s).
- Oversee the HTM and IMC(s) to ensure the Endowment's investments are managed prudently and in accordance with IPS guidelines.
- Review periodic performance reports provided by the HTM and IMC(s) to assess the alignment with benchmarks and objectives.
- Make recommendations to the Board regarding any necessary policy updates or strategic adjustments to maintain alignment with the University's goals.

3. Role of the HTM and the IMC(s):

The HTM serves as the primary executive responsible for executing the investment policy as approved by the Board. This individual works with the University's Vice President of Finance and IMC(s) to implement strategy, manage fund operations, and report on performance.

The consultant(s) may assist the HTM in establishing investment policy, objectives, and guidelines; selecting investment managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.

Responsibilities of the HTM in coordination with the IMC(s):

- Acknowledge acceptance of responsibility as a fiduciary.
- Assist in establishing investment policies, objectives, and guidelines for the Committee to review and the Board to approve.
- Identify, evaluate, and recommend investment managers suitable for fulfilling the objectives and risk profile of the Endowment Fund.
- Regularly monitor and assess the performance of selected investment managers, benchmarking results relative to objectives and market indices to ensure alignment with expectations.
- Ensure that investments comply with established guidelines and regulatory requirements, advising on risk management practices and any necessary adjustments.
- Offer periodic insights on market trends, economic outlooks, and strategic adjustments to enhance the Endowment's investment positioning.
- Manage the Endowment Fund according to the investment guidelines, limitations, and restrictions set forth in this IPS.
- Make all decisions on a discretionary basis with the Vice President of Finance's approval regarding assets placed under its jurisdiction. This discretion includes decisions to buy, hold, and sell securities in amounts and proportions that reflect the investment strategy and are compatible with the Endowment Fund's investment guidelines.
- Provide the Committee and Board with quarterly investment reports and notable market observations.
- Measure performance in terms of total return, net of management fees, in comparison to appropriate benchmarks.
- Keep the Committee and Board informed of major investment outlook, strategy, policy, or philosophy changes.
- Conduct quarterly meetings with the Board to formally review the investment portfolio.
- Participate in ongoing professional development, including attending relevant educational conferences and workshops, to remain informed about evolving

investment strategies, market trends, regulatory changes, and best practices in endowment management.

4. Role of the Fund/Investment Manager(s):

The Endowment Funds will be managed primarily by external investment advisory organizations; both commingled vehicles and separate accounts may be used. The Fund/Investment Manager(s) has discretion to purchase or sell, in the University's name, the specific securities that will be used to meet the Endowment Fund's investment objectives.

In some instances, the ICM(s) will maintain portfolios to gain market exposure that the Fund/Investment Managers lack. All trades executed by the ICM(s) must be approved by the Vice President of Finance or the HTM.

Responsibilities of the Fund/Investment Manager(s):

- Discretionary management of security transactions and asset allocation within the Manager's portfolio sleeve.
- Reporting investment performance and valuations on a timely basis.
- Notification of major changes in economic outlook, strategy, or other factors impacting the Endowment's objectives.
- Updating the HTM and IMC(s) on any organizational changes in management, ownership, or philosophy.
- Provide proof of liability and fiduciary insurance coverage.
- Acknowledge agreement to invest within the guidelines set forth in this IPS.
- Meet with the HTM and IMC(s) as needed.
- Proxy voting on behalf of the Endowment Funds, with records communicated promptly; the University reserves right to vote on specific issues.

5. Role of the Custodian(s):

The Custodian will physically (or through securities owned by the Endowment Fund) collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. Additionally, the Custodian will perform regular accounting of all assets (owned, purchased, or sold) and monitor the movement of assets within the Endowment Fund's accounts.

III. Time Horizon

The Organization shall maintain a Long-Term Investment Portfolio with assets invested to support both current and future spending needs.

IV. Endowment Spending Policy

The objective of the Endowment Fund is to generate long-term growth and maintain purchasing power to support the University's needs. The Board reserves the right to withdraw funds as deemed appropriate to advance the University's mission. The University is subject to the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) of the Code of Alabama. This law allows the University, unless otherwise restricted by the donor, to spend net appreciation, realized and unrealized, of the endowment assets. The law also allows the University to appropriate for expenditure or accumulate to an endowment fund such amounts as the University determines to be prudent for the purposes for which the endowment fund was established. The endowment spending policy provides that 4.5% of the five-year invested net asset moving average value (inclusive of net realized and unrealized gains and losses), as measured at September 30, is available annually for spending in the next academic year. The policy further states that net interest, dividend income, and net realized and unrealized appreciation, after distributions allowed by the spending policy, shall be retained within the Endowment.

The annual internal management fee is calculated each year based on the total Endowment's fiscal year-end value. Endowments are billed or allocated for the internal management fee in October, rather than over the course of the year. In October, if there is a gain in the Endowment, the internal management fee is subtracted, and the difference is booked as a gain or loss for that month. The current internal management fee is 1.25%.

V. Gift Policy

The University may periodically receive gifts in the form of marketable securities. Upon receipt, the Treasury Management Department will liquidate these securities as promptly as possible. If regulatory restrictions prevent immediate sale, the University will hold the securities until the restriction period ends and then proceed with liquidation at the earliest opportunity. The University will not attempt to enhance the Endowment Fund's value by holding gifted securities.

The University may also accept land donations. Upon receipt, the University will evaluate the land for alignment with institutional needs and potential endowment benefits. If the land is not designated for specific university use, it will be liquidated in a manner consistent with maximizing value while adhering to applicable regulations and donor wishes, including any use or sale restrictions specified in the gift agreement or other supporting documentation.

VI. Liquidity

The Endowment Fund is structured to balance long-term growth objectives with liquidity needs, ensuring sufficient cash is available to meet the University's spending requirements and operational commitments. A portion of the total Endowment assets will be held in highly liquid instruments to meet short-term spending needs and capital calls

without necessitating forced asset sales. These assets may include cash equivalents and other readily marketable securities.

The HTM will conduct quarterly liquidity analyses and reports. This allows the HTM and the IMC(s) to monitor the liquidity profile of the total endowment, ensuring alignment with projected cash needs and addressing any rebalancing requirements.

The University's Vice President of Finance should notify the HTM and IMC(s) of any liquidity needs and debt covenant issues.

VII. Investment Strategy

The investment strategy of the Endowment Fund emphasizes total return, defined as the combined return from capital appreciation and dividend and interest income. The Endowment Fund will be monitored for returns relative to objectives, consistency of investment philosophy, and investment risk.

VIII. Asset Types and Vehicles

The HTM and IMC(s) will consider underlying costs, diversification benefits, and the expected return and risk when selecting vehicles for each asset classes. Selected investments should have reasonable and competitive fees. Investment asset classes will be categorized as follows:

- Return Seeking Assets: These assets are expected to achieve higher long-term growth, but typically carry a higher level of risk. They include equities and other high-growth investments that are expected to outpace inflation over time. The Endowment Fund invests in these assets to support long-term growth that can sustain and enhance the institution's financial support.
- Risk-Mitigating Assets: These assets are expected to provide stability during periods of market volatility. They generally carry lower risk and tend to retain or appreciate in value during market downturns, helping to counterbalance the volatility in return-seeking assets. This category includes cash, fixed-income securities, and other investments that exhibit low correlation with equity markets aimed at protecting capital and managing downside risk.
- Diversifying Assets: These assets are expected to enhance the overall risk-adjusted returns and diversification by exhibiting low anticipated correlation with both return-seeking and risk-mitigating assets. These investments reduce the portfolio's dependence on any single economic factor or asset class. This category includes real assets (such as real estate and commodities), hedge fund strategies, private equity, and private credit.

IX. Portfolio Investment Guidelines

Long-Term Investment Portfolio

Risk Guidelines

The objective of the Endowment Fund is to maximize total return (capital appreciation and income) while managing the risk of significant principal decline. The Board acknowledges that short-term market fluctuation may result in capital loss; however, the Endowment Fund's asset value (without additional contributions or withdrawals) should grow over the long term, if it avoids excess risk.

Long-Term Investment Portfolio Strategic Asset Allocation Targets

To achieve its objective, the Board, in conjunction with the HTM and the IMC(s), has established the following long-term strategic asset allocation targets.

Asset Category	Target Asset Allocation Exposure	Target Allowable Range
Return-Seeking Assets	45%	33-80%
U.S. Large & Mid-Cap Equity ¹	27.5%	25-55%
U.S. Small-Cap Equity	5%	3-8%
Developed Large & SMID International Equity	8.25%	5-20%
Emerging Markets	4.25%	0-5%
Risk-Mitigating Assets	18%	15-55%
Multi-Strategy Bonds ¹	18%	15-40%
Cash	0%	0-5%
Diversifying Assets	37%	10-50%
Real Estate	2.25%	0-5%
Hedge Funds	18%	10-30%
Private Equity (Equity Alternative) ²	10%	0-15%
Private Credit (Fixed Income Alternative) ³	6.75%	0-15%
Total	100%	100%

¹ True Target Exposure Variability: True target exposures may vary based on Private Equity or Private Credit exposures and future capital calls.

² Private Equity Considerations: Private Equity is classified as an Equity Alternative. Any unfunded commitments may be temporarily allocated to the U.S. Large and Mid-Cap Equity asset class until capital calls are executed.

³ Private Credit Considerations: Private Credit is classified as a Fixed Income Alternative. Any unfunded commitments may be temporarily allocated to the Multi-Strategy Bond asset class until capital calls are executed.

Limitations on Allocations

1. No more than 10% of the Endowment Fund's assets will be allocated to any single actively managed fund.
2. No more than 35% of the Endowment Fund's assets will be allocated to a single "Fund of Funds" or multi-manager fund.
3. No more than 45% of the Endowment Fund's assets will be allocated to a single investment firm.

X. Rebalancing

The HTM and the IMC(s) will rebalance among the necessary asset categories and classes in accordance with its own internal rebalancing rules, which may be adjusted from time to time. This process may result in portfolio exposure to an asset category or class temporarily exceeding or falling below the stated maximum/minimum target range. The Endowment Fund should be analyzed and reviewed for rebalancing at least semi-annually.

XI. Investment Manager Due Diligence, Evaluation, Selection, Monitoring and Corrective Action

The University seeks investment managers who demonstrate effective strategies, sustainable advantages, and high-quality organizational structures. The Endowment Fund expects its active managers to generate superior risk-adjusted returns relative to benchmarks, net of fees, while its passive managers efficiently mirror and gain exposure to specific markets at relatively low costs. Attractive firm characteristics include:

1. A strong market reputation and a substantial, high-quality client base.
2. Alignment of interests and principles.
3. A stable, experienced professional team with employees holding equity in the firm.
4. Controlled growth with manageable assets.
5. Competitive long-term performance relative to peers and appropriate benchmark(s).
6. Competitive fees with minimum account sizes.
7. Annual audits conducted by an independent audit firm.

Performance (net of fees) will be provided monthly (quarterly for private funds) by the Investment Managers. Reports will include time-weighted total returns measured against the relative benchmark(s). Active Managers are expected to add value beyond these benchmarks. Historical data will also be included to assess short-term results within the context of long-term strategies (e.g., Rolling Period Analysis).

Corrective action may be taken as part of the ongoing review of Investment Managers. Instances warranting corrective action or termination include:

1. **Major Organizational Changes:** Significant changes within a firm, such as new portfolio managers, may necessitate re-evaluation and potentially a new contract. Failure to notify the University of such changes is grounds for termination. Managers are expected to maintain open communication with the University.
2. **Contract Violations:** Breach of contract terms constitutes grounds for termination.
3. **Style Drift:** Managers are selected to fulfill specific investment styles for diversification. Significant shifts in strategy may result in termination if they deviate from the Endowment Fund's original intent.
4. **Performance Review:** Managers will not typically be terminated for short-term underperformance if they adhere to their established style. Performance will be evaluated over an appropriate timeframe (three and five year comparisons) with guidance from the HTM and the IMC(s).
5. **Endowment Fund Rebalancing:** Managers may be replaced during Rebalancing.
6. **Other Circumstances:** Any other events or conditions deemed in the University's best interest.

XII. Performance Evaluation

The HTM and the IMC will evaluate the performance of Investment Managers and underlying funds in accordance with the Endowment Fund's stated time horizon. Performance evaluation will be made over a full market cycle, typically five to ten years. The HTM and the IMC(s) will review the performance of Investment Managers and their underlying funds relative to appropriate benchmarks, as well as their risk-return profiles, to ensure alignment with the Endowment's objectives and risk tolerance. Additionally, they will review the choice of benchmarks for each Investment Manager and underlying funds on an annual basis.

Overall, the Endowment Fund results will be evaluated on a rolling five-year basis against a blended benchmark as follows: 45% MSCI ACWI Index, 5% S&P 100 Equal Weight Index, 5% Russell 2000 Index, 12.5% Barcap US Agg. Index, 12.5% Barcap BB Agg. Intermediate Index, 2% Wilshire US REIT Index, 9% HFRI Fund of Funds Strategic Index, and 9% HFRI Fund of Funds Conservative Index. This benchmark will be reviewed and evaluated annually to ensure it remains aligned with the Endowment Fund's strategic objectives, investment goals, and asset allocation.

XIII. Reporting

The Investment Managers and underlying funds are expected to provide monthly statements and quarterly performance reports that include performance against their stated benchmarks, valuation, asset allocation, and cash flow summary.

XIV. Prohibited Investments

The Endowment shall not invest directly in speculative securities or instruments that do not align with its long-term risk, liquidity, and governance framework, including but not limited to:

- Cryptocurrencies or other digital assets held directly
- Initial Coin Offerings (ICOs)
- Penny stocks or over-the-counter bulletin board securities
- Commodity futures utilized for speculative positioning
- Life settlements or concentrated insurance-linked products
- Margin borrowing at the portfolio level

If exposure to any of the above asset types is deemed appropriate, such exposure must be obtained solely through diversified institutional pooled vehicles with established risk controls and full transparency, subject to oversight and approval consistent with this Policy.

The Endowment shall not invest in any security or strategy that introduces:

- Structural leverage at the portfolio level
- Unlimited loss potential
- Illiquidity inconsistent with the Endowment's Liquidity Policy
- Complexity beyond the reasonable oversight capacity of the HTM and the IMC(s)

Investments in

XV. Investment Advisory Fees

The University recognizes that investment advisory fees impact the net return of the Endowment Fund and is committed to managing these costs effectively. All investment advisory fees, including those for Investment Managers, the IMC(s), and related services, must be fully disclosed, transparent, reasonable, and competitive with industry standards. The HTM and the IMC will conduct an annual review of these fees to ensure they are fair and align with the value provided. Advisory fees and any changes will be reported to the Board annually to ensure transparency and accountability.

This Investment Policy Statement is hereby adopted by the University of South Alabama Board of Trustees.

Agreed and Acknowledged:

[University of South Alabama Board of Trustees]

By: _____ Date: _____

Name:

Title: Secretary, USA Board of Trustees

[Vice President of Finance, University of South Alabama]

By: _____ Date: _____

Name:

Title: Vice President of Finance

[Head of the Treasury Management Department, University of South Alabama]

By: _____ Date: _____

Name:

Title:

[Investment Management Consultant]

By: _____ Date: _____

Name:

Title:

Company: Leavell Investment Management, Inc.

EXHIBIT I
FORM OF SUPPLEMENTAL INDENTURES

**TWENTY-FOURTH SUPPLEMENTAL UNIVERSITY FACILITIES
REVENUE TRUST INDENTURE**

between

UNIVERSITY OF SOUTH ALABAMA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Dated _____, 20__

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TWENTY-FOURTH SUPPLEMENTAL UNIVERSITY FACILITIES REVENUE TRUST INDENTURE between the **UNIVERSITY OF SOUTH ALABAMA**, public body corporate under the laws of Alabama (herein called the "University"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (as successor Trustee to AmSouth Bank of Alabama and being herein called the "Trustee"), a national banking association in its capacity as Trustee under the University Facilities Revenue Trust Indenture dated as of February 15, 1996, as heretofore supplemented and amended (herein called the "Indenture").

RECITALS

The University makes the following findings as a basis for the undertakings herein contained:

(a) Pursuant to the provisions of the Indenture, the University has issued and sold, and currently has outstanding under the Indenture, its:

(i) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the "Series 2013-A Bond");

(ii) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the "Series 2013-B Bond");

(iii) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the "Series 2013-C Bond");

(iv) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the "Series 2015 Bond");

(v) \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016 Bonds");

(vi) \$38,105,000 University Facilities Revenue Bonds, Series 2017, dated June 15, 2017 (the "Series 2017 Bonds");

(vii) \$47,750,000 University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (the "Series 2019-A Bonds");

(viii) \$18,440,000 Taxable University Facilities Revenue Bonds, Series 2019-B, dated

February 7, 2019 (the "Series 2019-B Bonds");

(ix) \$19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (the "Series 2019-C Bond");

(x) \$37,005,000 original principal amount University Facilities Revenue Bonds, Series 2020, dated March 10, 2020 (the "Series 2020 Bonds");

(xi) \$40,555,000 original principal amount University Facilities Revenue Bonds, Series 2021, dated March 10, 2021 (the "Series 2021 Bonds");

(xii) \$15,387,000 original principal amount University Facilities Revenue Bond, Series 2021-B, dated July 8, 2021 (the "Series 2021-B Bond");

(xiii) \$72,810,000 University Facilities Revenue Bonds, Series 2024-A, dated July 22, 2024 (the "Series 2024-A Bonds");

(xiv) \$19,925,000,000 Taxable University Facilities Revenue Bonds, Series 2024-B, dated July 22, 2024 (the "Series 2024-B Bonds"); and

(xv) \$90,850,000 University Facilities Revenue Bonds, Series 2024-C, dated August 22, 2014 (the "Series 2024-C Bonds").

(b) In Article VIII of the Indenture, the University has reserved the right to issue Additional Bonds, secured by a pledge of the Pledged Revenues on a parity with all additional Bonds outstanding under the Indenture, including the Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2015 Bond, the Series 2016 Bonds, the Series 2017 Bonds, the Series 2019-A Bonds, the Series 2019-B Bonds, the Series 2019-C Bond, the Series 2020 Bonds, the Series 2021 Bonds, the Series 2021-B Bond, the Series 2024-A Bonds, the Series 2024-B Bonds, and the Series 2024-C Bonds (collectively, the "Outstanding Bonds"), and with such Additional Bonds as shall hereafter be issued upon compliance with the applicable provisions of said Article VIII.

(c) The University has determined it is necessary, wise and in the best interest of the University and the public (i) to [pay the costs, including reimbursement to the University for cash paid the same, of purchasing, acquiring, renovating, equipping and installing various public capital improvements consisting of a new medical school building and two buildings to serve as a new student housing facilities for use by the University (the "2026 Improvements")]; [redeem, defease, and retire the University's \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 maturing [_____] and thereafter (the "Refunded Series 2016 Bonds")]; and [refinancing that certain short-term Promissory Note dated January

21, 2026 (the "2026 Note") in the principal amount of \$15,100,000 issued to Renasant Bank ("Renasant"), and (ii) pay certain issuance costs with the issuance of Additional Bonds[, including without limitation the premium for the municipal bond insurance policy issued for those of the Additional Bonds hereinafter defined as the "Insured Series 2026-[__] Bonds"]. The University has duly adopted a resolution authorizing the issuance of such Additional Bonds, and this Supplemental University Facilities Revenue Trust Indenture is executed in order to specify the details with respect to such Additional Bonds.

(d) This Supplemental University Facilities Revenue Trust Indenture is being executed to provide for the issuance of the Series 2026-[__] Bonds (hereinafter referred to) as Additional Bonds under the Indenture.

Additional Definitions

The following definitions are in addition to those contained in the Indenture:

"**Authorized University Officer**" means the President of the University, the Vice President of Finance of the University, or such other officer of the University as either of the foregoing officers shall have designated in writing to serve as an Authorized University Officer hereunder.

["**Insurance Policy**"] means the municipal bond insurance policies issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Insured Series 2026-C Bonds as provided therein, the specimen policy being set forth on Exhibit A hereto.]

["**Insured Series 2026-[__] Bonds**"] means those of the Series 2026-[__] Bonds maturing on [__] 1 in the years [____] through and including [____].

["**Insurer**"] means _____, or any successor thereto or assignee thereof.

"**Interest Payment Date**" means, with respect to the Series 2026-[__] Bonds, each [____] 1 and [____] 1, commencing [____] 1, [____].

"**Record Date**" as used in the Indenture shall be, with respect to the Series 2026-C Bonds, the [____] 15 and [____] 15 immediately preceding each Interest Payment Date.

"**Series 2026-[__] Bonds**" means the [Taxable] University Facilities Revenue Bonds, Series 2026-__, authorized to be issued in the aggregate principal amount of \$_____ and dated ____, 2026.¹

NOW, THEREFORE, THIS TWENTY-FOURTH SUPPLEMENTAL UNIVERSITY FACILITIES REVENUE TRUST INDENTURE

WITNESSETH:

It is hereby agreed among the University, the Trustee and its successors in trust under the Indenture and the holders at any time of the Series 2026-[__] Bonds hereinafter referred to and the Outstanding Bonds each with each of the others, as follows:

ARTICLE I

¹ In the event more than 1 series to be issued then revise defined terms to include additional series.

SERIES 2026-[] BONDS

ARTICLE II Authorization and Description of the Series 2026-[] Bonds.² (a) There is hereby authorized to be issued by the University under the Indenture a series of Bonds entitled "University Facilities Revenue Bonds, Series 2026-[]", dated [], 2026, which shall be issued in the aggregate principal amount of \$[]. The Series 2026-[] Bonds shall mature and become payable on April 1 and, as respects the final maturity, on [] 1, in the years and amounts shown below. Interest shall be payable on [] 1, [], and on each Interest Payment Date thereafter, and the Series 2026-[] Bonds shall bear interest at the per annum rates set forth below, computed on the basis of a 360-day year of twelve consecutive 30-day months:

Maturity	Principal Amount	Interest Rate
-----------------	-------------------------	----------------------

(b) The Series 2026-[] Bonds shall be issued in denominations of \$5,000 or any multiple thereof. The Series 2026-[] Bonds shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall be designated by the underwriters for the Series 2026-[] Bonds.

² In the event more than 1 series of bonds to be issued revise to include additional paragraphs for each additional series.

ARTICLE III Optional Redemption Provisions. (a) Those of the Series 2026-[] Bonds having stated maturities on [] 1, [], and thereafter, shall be subject to redemption prior to their respective maturities, at the option of the University, in whole or in part (but, if in part, in multiples of \$5,000 with those of the maturities to be redeemed to be selected by the University at its discretion, and if less than all the Series 2026-[] Bonds having the same maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot), on [] 1, [], and on any date thereafter, at and for a redemption price for each Series 2026-[] Bond redeemed equal to the par or face amount thereof plus accrued interest thereon to the date fixed for redemption.

(b) Those of the Series 2026-[] Bonds having stated maturities on [] 1, [], and thereafter, shall be subject to redemption prior to their respective maturities, at the option of the University, in whole or in part (but, if in part, in multiples of \$5,000 with those of the maturities to be redeemed to be selected by the University at its discretion, and if less than all the Series 2026-[] Bonds having the same maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot), on [] 1, [], and on any date thereafter, at and for a redemption price for each Series 2026-[] Bond redeemed equal to the par or face amount thereof plus accrued interest thereon to the date fixed for redemption.

(c) **Mandatory Redemption.** (i) [] Term Series 2026-[] Bonds. Those of the Series 2026-[] Bonds having a stated maturity in [] are subject to mandatory redemption (with those to be redeemed to be selected by the Trustee by lot) in the following principal amounts on April 1 in the following years at a redemption price with respect to each Series 2026-[] Bond (or portion thereof) redeemed equal to the principal amount so redeemed:

Year	Principal Amount to be Redeemed
-------------	--

In the event that the University shall have partially redeemed the [] Term Series 2026-[] Bonds or shall have provided for a partial redemption of such [] Term Series 2026-[] Bonds in such a manner that the [] Term Series 2026-[] Bonds for the redemption of which provision is made are considered as fully paid, the University may elect to apply all or any

part (but only in integral multiples of \$5,000) of the principal amount of such [____] Term Series 2026-[__] Bonds so redeemed or to be redeemed to the reduction of the principal amount of [____] Term Series 2026-[__] Bonds required to be redeemed pursuant to the schedule set forth immediately above on any [____] 1 coterminous with or subsequent to the date such optional redemption actually occurs.

(ii) [____] Term Series 2026-[__] Bonds. Those of the Series 2026-[__] Bonds having a stated maturity in [____] are subject to mandatory redemption (with those to be redeemed to be selected by the Trustee by lot) in the following principal amounts on [____] 1 in the following years at a redemption price with respect to each Series 2026-[__] Bond (or portion thereof) redeemed equal to the principal amount so redeemed:

Year	Principal Amount to be Redeemed
-------------	--

In the event that the University shall have partially redeemed the [____] Term Series 2026-[__] Bonds or shall have provided for a partial redemption of such [____] Term Series 2026-[__] Bonds in such a manner that the [____] Term Series 2026-[__] Bonds for the redemption of which provision is made are considered as fully paid, the University may elect to apply all or any part (but only in integral multiples of \$5,000) of the principal amount of such [____] Term Series 2026-[__] Bonds so redeemed or to be redeemed to the reduction of the principal amount of [____] Term Series 2026-[__] Bonds required to be redeemed pursuant to the schedule set forth immediately above on any [____] 1 coterminous with or subsequent to the date such optional redemption actually occurs.

ARTICLE IV Payments into Bond Fund; Method of Payment.

ARTICLE V The University will pay into the Bond Fund created in the Indenture, in addition to all other payments required to be paid therein, an amount sufficient to pay the principal of and interest on the Series 2026-[] Bonds when due. The principal of the Series 2026-[] Bonds shall be payable at maturity at the designated office of the Trustee in the City of Jacksonville, Florida. Interest on the Series 2026-[] Bonds shall be payable by check or draft mailed or otherwise delivered by the Trustee to the respective Holders thereof at their addresses as they appear on the registry books of the Trustee pertaining to the registration of the Series 2026-[] Bonds. The principal and the interest on the Series 2026-[] Bonds shall be payable only upon maturity and only upon surrender of such Series 2026-[] Bonds to the Trustee. All installments of principal of and interest on each Series 2026-[] Bond shall bear interest after the respective maturities of such principal and interest until paid or until moneys sufficient for payment thereof shall have been deposited for that purpose with the Trustee, whichever first occurs, at the rate of interest borne by such Series 2026-[] Bond. The Trustee may establish one or more accounts within the Bond Fund for the Series 2026-[] Bond.

ARTICLE VI Issued in Book-Entry Form. The Series 2026-[] Bonds shall be initially issued in book-entry only form, registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, NY ("DTC") as further described in Article II hereof. So long as the said book-entry only system remains in effect, the provisions of this Supplemental Indenture, including the provisions governing the registration and exchange of Series 2026-[] Bonds, places and manner of payment of Series 2026-[] Bonds, and requirements for presentment of Series 2026-[] Bonds shall be subject to the standard procedures of DTC.

ARTICLE VII Form of Series 2026-[] Bonds.³ The form of Series 2026-[] Bonds and the Trustee's Authentication Certificate applicable thereto shall be in substantially the following form:

Unless this certificate is presented by an authorized representative of The Depository Trust Company ("DTC"), to the University or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of DTC or the DTC Nominee (as defined in the Indenture referenced in this certificate), as the case maybe, or in such other name as is requested by an authorized representative of DTC (and any payment is made to DTC or the DTC Nominee or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, DTC or the DTC Nominee, as the case may be, has an interest herein.

**UNITED STATES OF AMERICA
STATE OF ALABAMA
UNIVERSITY OF SOUTH ALABAMA
University Facilities Revenue Bonds
Series 2026-[]**

³ In the event additional series of bonds to be issued then include similar form of bond for each additional series.

Interest Rate**Maturity Date****CUSIP Number**

Subject to the provisions as herein stated

For value received, **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate under the laws of the State of Alabama (herein called the "University"), will pay, solely from the sources hereinafter referred to, to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above, with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above, payable on [___] 1, [____], and [semiannually] thereafter on each [____] until and at the maturity hereof. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each. The principal of this bond is payable only upon presentation and surrender of this bond at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., in the City of Jacksonville, Florida, or its successor as trustee under the Indenture hereinafter referred to. Interest on this bond is payable by check or draft mailed by the Trustee on the interest payment date to the registered holder hereof and at the address shown on the registry books of the Trustee pertaining to the Series 2026-[___] Bonds as of the close of business on the [_____] 15 or [_____] 15, as the case may be, next preceding the date of payment of such interest.

Interest payments that are due with respect to this bond and that are made by check or draft shall be deemed timely made if such check or draft is mailed by the Trustee on or before the due date of such interest. Both the principal of and the interest on this bond shall bear interest after their respective maturities until paid or until moneys sufficient for payment thereof have been deposited with the Trustee at the per annum rate stated above. The Indenture provides that all payments by the University or the Trustee to the person in whose name a Bond is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Any transferee of this bond takes it subject to all payments of principal and interest in fact made with respect hereto.

This bond is one of a duly authorized issue of bonds (herein called the "Series 2026-[___] Bonds") issuable in series without express limit as to principal amount under a Trust Indenture dated as of February 15, 1996, as heretofore supplemented and amended and as further supplemented and amended by a Twenty-Fourth Supplemental University Facilities Revenue Trust Indenture dated the date of the Series 2026-[___] Bonds (the said Trust Indenture, as so supplemented and amended, being herein called the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (herein called the "Trustee"). The principal of and the interest on the Series 2026-[___] Bonds are payable solely out of and are secured by a lien upon and pledge of (a) certain fees from students levied by the University, (b) the gross revenues derived from certain auxiliary enterprises services furnished by the University, including food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University, (c) additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture, and (d) an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's and Women's Hospital (herein called the "Pledged Revenues"), and shall not be payable from any other funds or revenues, on a parity of lien with (I) the University's (a) \$32,000,000 original principal amount University Facilities

Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013, (b) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013, (c) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013, (d) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015, [(e) \$85,605,000 original principal amount University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016], (f) \$38,105,000 original principal amount University Facilities Revenue Bonds, Series 2017, dated June 15, 2017, (g) \$47,750,000 original principal amount University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019, (h) \$18,440,000 original principal amount Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019, (i) \$19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019, (j) \$37,005,000 original principal amount University Facilities Revenue Bond, Series 2020, dated March 10, 2020, (k) \$40,555,000 University Facilities Revenue Bonds, Series 2021, dated March 10, 2021, (l) \$15,387,000 University Facilities Revenue Bond, Series 2021-B, dated July 8, 2021, (m) \$72,810,000 University Facilities Revenue Bonds, Series 2024-A, dated July 22, 2024, (n) \$19,925,000 Taxable University Facilities Revenue Bonds, Series 2024-B, dated July 22, 2024, (o) \$90,850,000 University Facilities Revenue Bonds, Series 2024-C, dated [_____], 2024, and [(p) _____], (II) any Additional Bonds hereafter issued pursuant to Article VIII of the Indenture.

Reference is hereby made to the Indenture for a description of the nature and extent of the security afforded thereby, the rights and duties of the University and the Trustee with respect thereto, the rights of the holders of the Series 2026-[__] Bonds and the terms and conditions on which additional series of Bonds may be issued. The Indenture provides, inter alia, (a) that in the event of default by the University in the manner and for the time therein provided, the Trustee may declare the principal of and the interest accrued on this bond immediately due and payable, whereupon the same shall become immediately due and payable, and the Trustee shall be entitled to pursue the remedies provided in the Indenture, (b) that the holder of this bond shall have no right to enforce the provisions of the Indenture except as provided therein and then only for the equal and pro rata benefit of the holders of all the Bonds, and (c) that if this bond shall not be presented for payment when due (whether by maturity or otherwise) and if funds sufficient for such payment shall have been made available to the Trustee therefore, all liability of the University to the holder of such bond and all rights of such holder against the University under such bond or under the Indenture shall cease and terminate and that the sole right of such holder shall thereafter be against the said funds so made available, which the Trustee is required to set aside and hold, subject to any applicable escheat or other similar law, for the benefit of such holder. The Indenture also provides that the University and the Trustee, with the written consent of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding under the Indenture, may at any time and from time to time amend the Indenture or any indenture supplemental thereto, provided that no such amendment shall (1) without the consent of the holder of each Bond affected, reduce the principal of or the rate of interest on any Bond, or (2) without the consent of the holders of all the Bonds then outstanding under the Indenture, extend the maturity of any installment of principal or interest on any of the Bonds, make any change in the schedule of required sinking fund or other similar payments with respect to any series of the Bonds, create a lien or charge on the Pledged Revenues ranking prior to or

(except in connection with the issuance of additional parity bonds under the Indenture) on a parity with the lien or charge thereon contained in the Indenture, effect a preference or priority of any Bond over any other Bond or reduce the aggregate principal amount of Bonds the holders of which are required to consent to any such amendment.

The series of Bonds of which this is one is designated “[Taxable] University Facilities Revenue Bond, Series 2026-[]”, and is authorized to be issued in the aggregate principal amount of \$[_____].

Those of the Series 2026-[] Bonds having a stated maturity on [] 1, [], and on any date thereafter, shall be subject to redemption and payment by the University, at the option of the University, as a whole or in part on [] 1, [], and on any date thereafter (but if redeemed in part, (i) of such maturity or maturities as the University shall designate, and if less than all the Series 2026-[] Bonds of a single maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot, and (ii) only in installments of \$5,000 or any integral multiple thereof), at and for a redemption price equal to the par or face amount thereof plus accrued interest to the date fixed for redemption.

[Those of the Series 2026-[] Bonds having stated maturities on [], [], and [] are subject to mandatory redemption at the times, in the manner and on the conditions as are set forth in the Indenture.]

The Series 2026-[] Bonds are not general obligations of the University, and the covenants and representations herein contained or contained in the Indenture do not and shall never constitute a personal or pecuniary liability or charge against the general credit of the University. The Series 2026-[] Bonds are not obligations or debts of the State of Alabama nor are the faith and credit of said state pledged for payment thereof, and neither the principal of nor interest on said bonds is payable out of any moneys provided for or appropriated to the University by the State of Alabama.

It is hereby certified that all conditions, actions and things required by the Constitution and laws of Alabama to exist, be performed and happen precedent to or in the issuance of this bond do exist, have been performed and have happened in due and legal form.

The Series 2026-[] Bonds are issuable only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Indenture for the exchange of Bonds for a like aggregate principal amount of Bonds of the same maturity and interest rate and in an authorized denomination, all as may be requested by the holder surrendering the Bond or Bonds to be so exchanged and upon the terms and conditions specified in the Indenture.

This bond is transferable by the registered holder hereof in person, or by duly authorized attorney, only on the registry books of the Trustee pertaining to the Bonds and only upon surrender of this bond to the Trustee for cancellation, and upon any such transfer a new Bond of like tenor herewith will be issued to the transferee in exchange therefore, all as more particularly provided in the Indenture. Each holder, by receiving and accepting this bond, shall consent and agree and shall be estopped to deny that, insofar as the University and the Trustee are concerned, this bond may be transferred only in accordance with the provisions of the Indenture. The Trustee shall not be required so to transfer or exchange this bond during the period of fifteen days next preceding any interest payment date with respect thereto.

Execution by the Trustee of its authentication certificate hereon is essential to the validity hereof

and is conclusive of the due issue hereof under the Indenture.

IN WITNESS WHEREOF, the University has caused this bond to be executed in its name and behalf with the signature of its President, has caused a facsimile of its corporate seal to be hereunto imprinted, has caused this bond to be attested by the signature of the Secretary of its Board of Trustees, and has caused this bond to be dated [_____] [__], [_____].

UNIVERSITY OF SOUTH ALABAMA

By: _____
President

[SEAL]

Attest:

Secretary
of the Board of Trustees

Form of Trustee’s Authentication Certificate

Date of Authentication and Registration: [_____] [__], [_____].

The within bond is one of those described in the within-mentioned Trust Indenture.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Trustee**

By: _____
Its Authorized Officer

Form of Assignment

For value received, the undersigned hereby sell(s), assign(s) and transfer(s) unto _____ the within bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, with full power of substitution in the premises, to transfer this bond on the books of the within-mentioned Trustee.

DATED this ____ day of _____, ____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without

alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Broker or Firm)*

By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

ARTICLE VIII Execution and Delivery of the Series 2026-[] Bonds. The Series 2026-[] Bonds shall be forthwith executed and delivered to the Trustee and shall be authenticated and delivered by the Trustee from time to time upon receipt by the Trustee of an order signed on behalf of the University by its President, requesting such authentication and delivery and designating the person or persons to receive the same or any part thereof.

ARTICLE IX Application of Proceeds from Sale of Series 2026-[] Bonds. (a) The entire proceeds derived by the University from the sale of the Series 2026-[] Bonds [(less the [underwriting discount]/[lender fee] of \$[] to be retained by the [Underwriters]/[Lender], and less [] shall be paid to the Trustee and promptly thereafter applied by the Trustee for the following purposes and in the following order:

ARTICLE X *[the sum of \$[] from proceeds of the Series 2026-[] Bonds shall be deposited into the 2026 Construction Fund and used for payment of the 2026 Improvements.]*

ARTICLE XI *[the sum of \$[] shall be deposited into the special fund or account created in the Escrow Trust Agreement and used for payment of the redemption price of the Refunded Series 2016 Bonds.]*

ARTICLE XII *[the sum of \$_____ shall be remitted, as directed in writing by the University, to Renasant Bank for payment of the redemption price of the 2026 Note.]*

ARTICLE XIII *[the sum of \$_____ shall be used to refinance the Bridge Loan Financing as more particularly set forth in writing delivered to the Trustee by an Authorized University Officer.]*

ARTICLE XIV *the balance (\$_____) shall be deposited by the Trustee into a special clearing account (the "Cost of Issuance Account"), which the University hereby authorizes the Trustee to create and establish, and applied by the Trustee for payment of those costs of issuing the Series 2026-[] Bonds identified in a written directive from an Authorized University Officer to the Trustee on the date of issuance of the Series 2026-[] Bonds, with any funds remaining in said clearing account following the date of issuance of the Series 2026-[] Bonds to be remitted by the Trustee to the University pursuant to written instructions from an Authorized University Officer.*

ARTICLE XV The President of the University and the Vice President of Finance of the University are each hereby authorized to establish such funds or accounts with the Trustee, and to enter such agreements with the Trustee, as shall be necessary for the Trustee to hold and invest proceeds of the Series 2026-[] Bonds pending application thereof for the redemption and payment of any of the obligations described in (a) above to the date the same are to be redeemed and paid.

ARTICLE XVI

BOOK-ENTRY ONLY SYSTEM

The Series 2026-[] Bonds will be issued as fully-registered bonds in the name of Cede & Co., as nominee of DTC, as registered owner of the Series 2026-[] Bonds. Purchasers of such Series 2026-[] Bonds will not receive physical delivery of Series 2026-[] Bond certificates. For purposes of this Supplemental Indenture, so long as all of the Series 2026-[] Bonds are in the custody of DTC, references to Series 2026-[] Bondholders or Owners shall mean DTC or its nominee.

DTC will act as securities depository for the Series 2026-[] Bonds. The Series 2026-[] Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2026-[] Bond will be issued for each maturity of the Series 2026-[] Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 7A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2026-[] Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026-[] Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026-[] Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026-[] Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive

certificates representing their ownership interests in Series 2026-[] Bonds, except in the event that use of the book-entry system for the Series 2026-[] Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026-[] Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026-[] Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026-[] Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026-[] Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026-[] Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026-[] Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2026-[] Bond documents. For example, Beneficial Owners of Series 2026-[] Bonds may wish to ascertain that the nominee holding the Series 2026-[] Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2026-[] Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026-[] Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2026-[] Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026-[] Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the University or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series 2026-[] Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

NEITHER THE UNIVERSITY NOR THE TRUSTEE WILL HAVE ANY

RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS, OR TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2026-[] BONDS, OR TO ANY BENEFICIAL OWNER IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2026-[] BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO SERIES 2026-[] BONDHOLDERS UNDER THE TWENTY-THIRD SUPPLEMENTAL INDENTURE, THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF PARTIAL REDEMPTION OF THE SERIES 2026-[] BONDS WITH RESPECT TO LESS THAN ALL OF THE SERIES 2026-[] BONDS, OR ANY OTHER ACTION TAKEN BY DTC AS REGISTERED SERIES 2026-[] BONDHOLDER.

For every transfer and exchange of the Series 2026-[] Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, and any reasonable fees and expenses of the Trustee and the costs incurred in preparing Series 2026-[] Bond certificates.

DTC may discontinue providing its services as securities depository with respect to the Series 2026-[] Bonds at any time by giving reasonable notice to the University. In the event of the discontinuance of the book-entry system for the Series 2026-[] Bonds, Series 2026-[] Bond certificates will be printed and delivered and the following provisions of the Indenture will apply: (i) principal of the Series 2026-[] Bonds will be payable upon surrender of the Series 2026-[] Bonds at the designated office of the Trustee; (ii) Series 2026-[] Bonds may be transferred or exchanged for other Series 2026-[] Bonds of authorized denominations as set forth in the next succeeding two paragraphs; and (iii) Series 2026-[] Bonds will be issued in denominations as described in the front portion of the Official Statement under "THE SERIES 2026-[] BONDS".

In the event of the discontinuance of the use of the system of book-entry-only transfers through DTC (or a successor depository), Series 2026-[] Bond certificates will be printed and delivered to DTC.

The information in this article concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University takes no responsibility for the accuracy thereof.⁴

ARTICLE XVII

⁴ This Article II to be used only for Series 2026 Bonds not issued in connection with Bridge Loan Financings.

CERTAIN PROVISIONS REGARDING THE INSURER

ARTICLE XVIII[Applicability of this Article. Notwithstanding anything to the contrary contained in the Indenture, so long as the Insurance Policy remains in full force and effect and the Insurer is not then in payment default under the Insurance Policy, the provisions of this Article 3 shall apply for the benefit of the Insurer; provided that to the extent that the Insurer has made any payment of principal of or interest on the Insured Obligations, it shall retain its rights of subrogation hereunder and under the Insurance Policy.]

Section 18.1 Requirements of the Insurer.⁵

ARTICLE XIX MISCELLANEOUS

ARTICLE XXConcerning the Code. (a) **General.** The University recognizes that the Code imposes certain conditions to the exemption from federal income taxation of interest income on the Series 2026-[] Bonds. The University agrees that it will continually comply with all requirements imposed by the Code as a condition to the exemption from federal income taxation of the interest income on the Series 2026-[] Bonds. With respect to any question arising under this Section , the University may rely upon an opinion of nationally recognized bond counsel acceptable to it.⁶

(b) **Series 2026-[] Bonds not to be "Private Activity Bonds".** The University will not apply the proceeds of the Series 2026-[] Bonds in any manner that would cause the Series 2026-[] Bonds to be "private activity bonds" within the meaning of Section 141(a) of the Code.⁷

(c) **Concerning the Arbitrage Provisions of the Code.** The University agrees that it will comply with all provisions of the Code necessary to preclude the Series 2026-[] Bonds from being considered "arbitrage bonds" within the meaning of Section 148 of the Code.⁸

(d) **Provisions Respecting Registration of Series 2026-[] Bonds to Comply with Provisions of Code.** The University and the Trustee recognize that the provisions of the Code require that the Series 2026-[] Bonds be in "registered form" and that, in general, the Series 2026-[] Bonds must be registered as to both principal and interest and any transfer of the Series 2026-[] Bonds must be effected only by the surrender of the old bond and either by the reissuance of the old bond to a new Holder or the issuance of a new bond to a new Holder. The Trustee may conclusively rely upon an opinion of nationally recognized bond counsel with

⁵ To be updated with insurer language if a Policy to be issued. University also may enter a side agreement, that may include the Trustee as party, if insurer requirements not to be included as part of this Supplemental Indenture.

⁶ To be included only for federally tax-exempt Series 2026 Bonds.

⁷ To be included only for federally tax-exempt Series 2026 Bonds.

⁸ To be included only for federally tax-exempt Series 2026 Bonds.

respect to any question which may arise pertaining to the transfer, exchange or reissuance of the Series 2026-[] Bonds.⁹

⁹ To be included only for federally tax-exempt Series 2026 Bonds.

ARTICLE XXIConfirmation of Indenture; Vice President for Finance. All the terms, covenants and conditions of the Indenture, as supplemented hereby, are hereby in all respects ratified and confirmed, and the Indenture as so supplemented shall continue in full force and effect. The

ARTICLE XXIIConfirmation of Pledges. The provisions of the Indenture, wherein the Pledged Revenues are pledged for payment of all Bonds issued under the Indenture, are hereby ratified and confirmed.

ARTICLE XXIIIConstruction of Supplemental Indenture. No provisions of this Supplemental Indenture shall be construed to limit or restrict, either expressly or impliedly, the obligations of the University contained in the Indenture or the powers of the Trustee thereunder, nor shall the provisions of this Supplemental Indenture be construed in any manner inconsistent with the provisions of the Indenture or in any manner that would adversely affect the interest of the Holders of any Series 2026-[] Bonds.

ARTICLE XXIVSeverability. In the event that any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

ARTICLE XXVNo Broker Confirmations. The University agrees that broker confirmations of investments in connection with the Series 2026-[] Bonds are not required to be issued by the Trustee for each month in which a monthly statement is rendered or made available by the Trustee.

ARTICLE XXVI Electronic Communications. The Trustee shall have the right to accept and act upon directions or instructions given by the University and delivered using Electronic Means (defined below); provided, however, that the University shall provide to the Trustee an incumbency certificate listing Authorized Officers with the authority to provide such directions or instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the University elects to give the Trustee directions or instructions using Electronic Means and the Trustee in its discretion elects to act upon such directions or instructions, the Trustees' understanding of such directions or instructions shall be deemed controlling. The University understands and agrees that the Trustee cannot determine the identity of the actual sender of such directions or instructions and that the Trustee shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The University shall be responsible for ensuring that only Authorized Officers transmit such directions or instructions to the Trustee and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. The University agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Trustee and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

ARTICLE XXVII Special Provisions Respecting Bridge Loan Financing.

[(a) **Private Loan.** The University acknowledges and agrees that the initial holder of the Series 2026-[__] Bond (for purposes of this Section [__], the "Lender") is acquiring it in evidence of a private loan and in that connection the Series 2026-[__] Bond shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

(b) **Participations.** The University agrees that the Lender and any subsequent holder of the Series 2026-[__] Bond may from time to time enter into a participation agreement or

agreements with one or more persons (herein called "the Participants"), pursuant to which the Participants may be given participations in the Series 2026-[] Bond and that the Participants may from time to time similarly grant to one or more other persons (also included in the term "Participants") subparticipations in the Series 2026-[] Bond; provided (i) no participation shall increase any liability of the University, (ii) the University shall not have any direct obligation to a Participant, whether respecting the payment of any portion of debt service on the Series 2026-[] Bond, delivery of its audited financial statements, or otherwise, and (iii) the University shall correspond and deal only with the holder of the Series 2026-[] Bond on any matters respecting the Series 2026-[] Bond, the loan evidenced thereby, this Indenture, or any matters relating to the foregoing. The holder of the Series 2026-[] Bond may divulge to any Participant all information, reports, financial statements, certificates and documents obtained by it from the University. Prior to entering into any such participation agreement, the holder of the Series 2026-[] Bond shall (i) notify the University in writing of such participation and the identity of each Participant, and (ii) take commercially reasonable steps to protect the confidentiality of financial and other information of the University that may be provided by the holder of the Series 2026-[] Bond to a Participant.

(c) **Role of the Lender; Waiver of Jury Trial.** (i) The University understands, acknowledges and agrees as follows:

(1) that the Lender and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services; and

(2) with respect to this Indenture, the Series 2026-[] Bond, and any other information, materials or communications provided by the Lender: (I) the Lender and its representatives are not recommending an action to any municipal entity or obligated person; (II) the Lender and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Indenture, information, materials or communications; (III) the Lender and its representatives are acting for their own interests; and (IV) the University has been informed that the University should discuss this Indenture, the Series 2026-[] Bond, and all matters relating thereto and any such other information, materials or communications with any and all internal and external advisors and experts that the University deems appropriate before acting on this Indenture or any such other information, materials or communications.

(d) **Waiver of Jury Trial.** To the extent permitted by applicable law, each of the University and the Lender irrevocably and voluntarily waives any right it may have to a trial by jury with respect to any controversy or claim between the University and the Lender, whether arising in contract or tort or by statute, including but not limited to any controversy or claim that arises out of or relates to this Indenture and/or the Series 2026-[] Bond.

(e) **Patriot Act.** The Authority represents and warrants to the Lender that neither it nor any of its principals, members, partners or affiliates, as applicable, is a Person named as a

Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. The Authority further represents and warrants to the Lender that the Authority and its principals, shareholders, members, partners, or affiliates, as applicable, are not directly or indirectly engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any Person named as a Specially Designated National and Blocked Person.

(f) **Audited Financial Statements.** So long as the Series 2026-[__] Bond remains outstanding, the University shall provide the Lender the audited financial statements of the University within 150 days following the close of each fiscal year of the University, commencing with the fiscal year ending September 30, 2026. This obligation may be satisfied by the University for any fiscal year by the timely filing by the University of its audited financial statements for such year on the Electronic Municipal Market Access (“EMMA”) system provided by the Municipal Securities Rulemaking Board (“MSRB”), or such other public repository as shall be identified for such purpose by the MSRB or similar regulatory body.]¹⁰

[Signature page follows]

¹⁰ This section to be used only if Series 2026 Bonds to be issued for a Bridge Loan Financing for which lender requires provisions of this nature.

IN WITNESS WHEREOF, the University and the Trustee have each caused this Supplemental Indenture to be executed in its name and behalf by an authorized officer thereof, the University has caused its corporate seal to be hereunto affixed, and the University and the Trustee have caused this Supplemental Indenture to be dated [____], [2026/2027].

UNIVERSITY OF SOUTH ALABAMA

By: _____
President

[SEAL]

Attest:

Secretary
Board of Trustees

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By: _____

Its: _____

STATE OF ALABAMA)

COUNTY OF MOBILE)

I, _____ a Notary Public in and for said county in said state, hereby certify that Jo Bonner, whose name as the President of the **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate under the laws of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

GIVEN under my hand and official seal of office, this ____ day of _____, [20__].

[NOTARIAL SEAL]

Notary Public

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, _____, a Notary Public in and for said county in said state, hereby certify that Stuart Statham, whose name as Vice President of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, in its capacity as Trustee under that certain Trust Indenture dated as of February 15, 1996, between it and the University of South Alabama, as supplemented, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, as such officer and with full authority, executed the same voluntarily for and as the act of said bank, in its capacity as trustee as aforesaid.

GIVEN under my hand and official seal of office, this ____ day of [____], [20__].

[NOTARIAL SEAL]

Notary Public

EXHIBIT A

Specimen Municipal Bond Insurance Policy



MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: \$ _____ in aggregate principal
amount of [NAME OF TRANSACTION]
[and maturing on]

Effective Date: _____

Risk Premium: \$ _____
Member Surplus Contribution: \$ _____
Total Insurance Payment: \$ _____

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

EXHIBIT II
FORM BOND PURCHASE AGREEMENT

UNIVERSITY OF SOUTH ALABAMA

BOND PURCHASE AGREEMENT

\$ _____
**University Facilities
Revenue Bonds
Series 2026-[__]**

\$ _____
**Taxable University Facilities
Revenue Bonds
Series 2026-[__]**

_____, 202__

University of South Alabama
Mobile, Alabama

Ladies and Gentlemen:

[_____] (the “Representative”), for itself and on behalf of the firms listed on Exhibit A attached hereto (collectively, the “Underwriters”), offers to enter into the following agreement (this “Bond Purchase Agreement”) with University of South Alabama (the “University”), which upon the University’s acceptance of this offer, will be binding upon the Underwriters and upon the University. This offer is made subject to the University’s acceptance on or before 2:00 p.m., Mobile, Alabama time, on _____, 202_, and if not so accepted, will be subject to withdrawal by the Representative upon notice to the University at any time prior to the acceptance hereof by the University.

1. **Purchase and Sale.** (a) Upon the terms and conditions and upon the basis of the representations and agreements set forth herein, the Underwriters hereby agree to purchase from the University for offering to the public and the University hereby agrees to sell and deliver to the Underwriters for such purpose, all of the University’s (i) \$_____ University Facilities Revenue Bonds, Series 2026-[__] (the “Tax-Exempt Bonds”), and (ii) \$_____ Taxable University Facilities Revenue Bonds, Series 2026-[__] (the “Taxable Bonds” and, together with the Tax-Exempt Bonds, the “Series 2026-[__] Bonds”). The Series 2026-[__] Bonds shall be dated their date of initial delivery and shall be issued in such principal amounts, mature on such dates, bear such rates of interest and be subject to redemption as set forth in Exhibit B-1 (as respects the Tax-Exempt Bonds) and Exhibit B-2 (as respects the Taxable Bonds) attached hereto. Interest on the Series 2026-[__] Bonds shall be payable on [_____] 1 and [_____] 1 in each year to maturity or earlier redemption, commencing [_____] 1, 202__.

(b) The Tax-Exempt Bonds shall be paid for by the Underwriters by wire transfer on the Closing Date (as hereinafter defined) at the purchase price of \$_____ (which takes into account [net] original issue [premium]/[discount] of \$_____ and an Underwriters’ discount

of \$_____), and the Taxable Bonds shall be paid for by the Underwriters by wire transfer on the Closing Date at a purchase price of \$_____ (which takes into account an Underwriters' discount of \$_____).

(c) The Series 2026-[] Bonds shall be issued pursuant to the Constitution and the laws of the State of Alabama, and pursuant to the provisions of a University Facilities Revenue Trust Indenture, dated as of February 15, 1996, between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as previously supplemented and as further supplemented by a Twenty-[Fourth] Supplemental University Facilities Revenue Trust Indenture to be dated the date of the Series 2026-[] Bonds (as so supplemented, the "Indenture"). The Series 2026-[] Bonds are being issued for the purposes of [_____]. The Series 2026-[] Bonds are limited obligations of the University, payable solely from, and secured by a pledge of, the "Pledged Revenues," as more fully described in the Preliminary Official Statement described below.

2. **Offering.** Subject to the terms and conditions set forth herein, the Underwriters agree to make a public offering of the Tax-Exempt Bonds and the Taxable Bonds at the initial offering prices or yields and subject to the redemption terms set forth in Exhibit B-1 and Exhibit B-2, respectively, attached hereto prior to 1:00 p.m. on the Closing Date; provided, however, the Underwriters reserve the right to change such initial offering prices or yields as the Underwriters shall deem necessary in connection with the marketing of the Series 2026-[] Bonds and to offer and sell the Series 2026-[] Bonds to certain dealers (including dealers depositing the Series 2026-[] Bonds into investment trusts) and others at prices lower than the initial offering prices or higher yields than set forth on the inside cover page of the Official Statement (as hereinafter defined).

It shall be a condition of the University's obligation to sell and deliver the Series 2026-[] Bonds to the Underwriters, and the obligation of the Underwriters to purchase and accept delivery of the Series 2026-[] Bonds, that the entire aggregate initial principal amount of the Series 2026-[] Bonds shall be sold and delivered by the University and accepted and paid for by the Underwriters on the Closing Date on the terms herein provided unless otherwise agreed to by the University by formal official action and by the Representative in writing.

3. **Official Statement and Other Documents.** The University hereby ratifies the use and distribution of the Preliminary Official Statement with respect to the Series 2026-[] Bonds, dated _____, 202__ (the "Preliminary Official Statement"), and certifies that the Preliminary Official Statement, as of its date, was deemed final by the University for purposes of Rule 15c2-12 ("Rule 15c2-12") of the Securities and Exchange Commission (the "SEC"), except for the omission of certain information permitted by Rule 15c2-12.

The final Official Statement with respect to the Series 2026-[] Bonds (the "Official Statement") shall be provided for distribution, at the expense of the University, in such quantity as may be requested by the Underwriters no later than the earlier of (i) seven (7) business days after the date of this Bond Purchase Agreement or (ii) one (1) business day prior to the Closing Date, in

order to permit the Underwriters to comply with Rule 15c2-12, and the applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"), with respect to distribution of the Official Statement. The University shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriters no later than one (1) business day prior to the Closing Date to enable the Underwriters to comply with MSRB Rule G-32.

The Representative agrees to file the Official Statement with the MSRB as required by the applicable SEC or MSRB Rule. The filing with the MSRB shall be in accordance with the procedures of the Electronic Municipal Market Access System ("EMMA").

The Underwriters agree that they will not confirm the sale of any Series 2026-[__] Bonds unless a final written confirmation of the sale is accompanied or preceded by the delivery of a copy of the Official Statement, either directly or by notice that it is available through EMMA.

In order to assist the Underwriters in complying with Rule 15c2-12, the University has covenanted for the benefit of the owners of the Series 2026-[__] Bonds to provide certain financial and operating information on an annual basis and to provide notices of the occurrence of certain events within ten (10) business days of their occurrence, all pursuant to a Continuing Disclosure Agreement, dated the date of the Series 2026-[__] Bonds (the "Continuing Disclosure Agreement").

4. **Representations and Agreements.** The University hereby represents and agrees as follows:

- (a) The University is duly created and existing under the constitution and laws of the State of Alabama.
- (b) Except for the statements and information contained under the captions ["BOND INSURANCE,"] "RATINGS," "FINANCIAL ADVISOR" and "UNDERWRITING" and in Appendix D – DTC PROCEDURES (collectively, the "Excluded Sections"), the statements and information contained in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of the date hereof and as of the Closing Date, were and will be true and correct in all material respects and did not and will not contain any misstatement of any material fact and did not and will not omit any statement and information that is necessary to make the statements and information contained therein not misleading in any material respect.
- (c) The University has full legal right, power and authority to: (i) enter into this Bond Purchase Agreement, (ii) execute and deliver the Twenty-[Fourth] Supplemental University Facilities Revenue Trust

Indenture, the Continuing Disclosure Agreement, the Tax Certificate and Agreement (as hereinafter defined) and such other documents as shall be contemplated hereby and thereby for execution by the University (collectively, the “University Documents”), (iii) sell, issue and deliver the Series 2026-[__] Bonds to the Underwriters as provided herein, (iv) carry out and consummate the obligations and transactions contemplated by this Bond Purchase Agreement, the University Documents and the Official Statement, and on the Closing Date will be in compliance with the obligations on its part in connection with the issuance of the Series 2026-[__] Bonds contained in the Indenture, the University Documents, the Series 2026-[__] Bonds and this Bond Purchase Agreement, and (v) apply the proceeds of the Series 2026-[__] Bonds for the purposes contemplated by the University Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and deliver of the Series 2026-[__] Bonds to the extent required by Section 8 of this Agreement and in compliance with applicable law.

- (d) The resolution of the Board of Trustees of the University authorizing the issuance and sale of the Series 2026-[__] Bonds (the “Authorizing Resolution”), a copy of which has been furnished to the Representative, was duly adopted on March ___, 2026, has not been amended or rescinded and remains in full force and effect on the date hereof.
- (e) The University is not now, and will not on the Closing Date be, in breach of or in default under any law, judgement, decree, order, regulation, agreement, indenture, mortgage, lease, sublease or other instrument to which it is a party or by which it is bound, and no event has occurred or is continuing that, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder, except in either case for such breaches, defaults, or potential defaults or events of default, if any, which individually or in the aggregate would have no material adverse effect on the performance by the University under this Bond Purchase Agreement, the Indenture, the University Documents or the Series 2026-[__] Bonds.
- (f) The financial statements included as Appendix A to the Preliminary Official Statement and the Official Statement present fairly, in all material respects, the financial position and results of operations of the University.
- (g) When delivered to and paid for by the Underwriters on the Closing Date in accordance with the provisions of this Bond Purchase Agreement, the Series 2026-[__] Bonds will have been duly authorized, executed,

issued and delivered and will constitute valid and limited obligations of the University, payable from Pledged Revenues.

- (h) The University has neither encumbered nor made a prior pledge of the Pledged Revenues other than to the holders of the Bonds heretofore issued under the terms of the Indenture.
- (i) The adoption of the Authorizing Resolution and the authorization, execution and delivery of this Bond Purchase Agreement, the University Documents and compliance with the provisions hereof and thereof, and issuance of the Series 2026-[] Bonds, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, consent decree or resolution.
- (j) On the Closing Date, the University will be in compliance in all respects with the covenants and agreements contained in the Indenture.
- (k) All approvals, consents, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the issuance of the Series 2026-[] Bonds, the performance by the University of its obligations hereunder and under the Indenture and the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement have been obtained and are in full force and effect, except for such approvals, consents and orders as may be required under the Blue Sky or securities law of any state in connection with the offering and sale of the Series 2026-[] Bonds or in connection with the registration of the Series 2026-[] Bonds under the federal securities laws.
- (l) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body pending with respect to which service or notice on the University has been perfected or given or, to the best knowledge of the University, threatened against or affecting the University, which would (i) restrain or enjoin the issuance or delivery of the Series 2026-[] Bonds or the collection of Pledged Revenues, (ii) in any way contest or affect any authority for the issuance of the Series 2026-[] Bonds or the validity, due authorization and execution of the Series 2026-[] Bonds, the University Documents or this Bond Purchase Agreement, (iii) limit, enjoin or prevent the University from paying the debt service on the Series 2026-[] Bonds as and when due, or from applying the proceeds of the Series 2026-[] Bonds for the purposes contemplated by the University Documents, including the payment or reimbursement of

expenses as required by Section 8 of this Agreement, or (iv) in any way contest the corporate existence or powers of the University;

(m) During the period from the date hereof to and including a date which is 25 days following “the end of the underwriting period” (as hereinafter defined) for the Series 2026-[__] Bonds:

(1) the University will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall reasonably object in writing, unless the University has obtained an opinion of counsel stating that such amendment or supplement is necessary in order to make the Official Statement as then supplemented or amended, not contain any untrue statement of a material fact or not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading at the time that they are delivered to a purchaser of a Series 2026-[__] Bond;

(2) if any event relating to or affecting the University or the Series 2026-[__] Bonds shall occur which would or might cause the information contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the University shall so notify the Representative, and, if as a result of which it is necessary in the opinion of the University or counsel to the Underwriters to amend or supplement the Official Statement in order to make the Official Statement not misleading, the University shall forthwith prepare and furnish to the Underwriters (at the expense of the University) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriters and the University) which will amend or supplement the Official Statement so that such Official Statement, as amended or supplemented, will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in any material respect;

(3) for the purpose of this section, the University will furnish to the Underwriters through the end of the underwriting period such information to confirm the truth, accuracy and completeness of the statements and information contained in the Official Statement as the Underwriters may from time to time reasonably request. The “end of the underwriting period” for purposes of Rule 15c2-12 shall mean the Closing Date unless the Representative notifies the University in writing, on or prior to the Closing Date, that the Closing Date will not be the “end of the underwriting period.” In the event such notice is given in writing by the Representative to the University, the “end of the underwriting period” for the Series 2026-[__] Bonds as used in this Bond Purchase Agreement shall mean

the earlier to occur of (i) 65 days after the Closing Date or (ii) the date on which the Underwriters no longer have any of the Series 2026-[] Bonds for sale to the public.

- (n) The University shall cooperate with the Underwriters and their counsel in any endeavor to qualify the Series 2026-[] Bonds for offering and sale under the securities laws of such jurisdictions of the United States of America as the Underwriters may request and to continue such qualifications in effect as long as may be required for the distribution of the Series 2026-[] Bonds; provided, however, the University shall not be required to consent to service of process in any such jurisdiction.
- (o) The University will enter into the Continuing Disclosure Agreement. Except as described in the Preliminary Official Statement and the Official Statement, the University has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

5. **Closing.** At 9:00 a.m., local time, on _____, 202__, or at such time on such earlier or later date as shall be agreed upon by the University and the Representative (the “Closing Date”), the activities relating to the execution and delivery of certain documents and the delivery of the certificates, opinions and other instruments as described in Section 6(e) hereof shall occur at the offices of the University, 307 University Boulevard, Administrative Building, Mobile, Alabama, or such other location as shall be mutually agreed upon by the University and the Representative. Such simultaneous execution and delivery of such documents, certificates, opinions and other instruments are herein referred to as the “Closing.” On the Closing Date:

- (a) The University shall deliver to the Underwriters (i) the Series 2026-[] Bonds, duly authorized, executed and authenticated, and (ii) the other instruments and documents required to be delivered to the Underwriters pursuant to Section 6 hereof.
- (b) The purchase price for the Series 2026-[] Bonds shall be paid to the University by wire transfer or by such other method as may be agreeable to the University and the Underwriters.

6. **Underwriters’ Closing Conditions.** The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations of the University herein contained and the performance by the University of its obligations hereunder, both as of the date hereof and as of the Closing Date. The obligations of the Underwriters under this Bond Purchase Agreement are and shall be subject to the following conditions:

- (a) The representations and agreements of the University contained herein shall be true and correct and complied with as of the date hereof and as of the Closing Date.

(b) At the time of the Closing, the Indenture shall be in full force and effect in accordance with its terms and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except to the extent that such amendments have been agreed to by the Underwriters.

(c) At the time of the Closing, all official action of the University relating to this Bond Purchase Agreement, the Indenture and the Series 2026-[__] Bonds, and all other documents contemplated hereby and thereby, shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect, except in each case as may have been agreed to by the Representative.

(d) At any time on or prior to the Closing Date, the Representative shall have the right to cancel the agreement contained herein to purchase the Series 2026-[__] Bonds by notifying the University in writing of their intention to do so if between the date hereof and the Closing Date:

- (i) legislation shall have been enacted by the Congress of the United States, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of Congress by any Committee of such House, or passed by either House of Congress, or a decision shall have been rendered by a court of the United States or the United States Tax Court, or a ruling shall have been made or a regulation shall have been proposed or made by the Treasury Department of the United States or the Internal Revenue Service, with respect to the federal taxation of interest received on obligations of the general character of the Tax-Exempt Bonds; or
- (ii) legislation shall be enacted or any action shall be taken by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered or any action shall be taken by the United States Securities and Exchange Commission which, in the opinion of Counsel for the Underwriters, has the effect that the Series 2026-[__] Bonds are not exempt from registration, qualification or other requirements under the Securities Act of 1933, as amended, or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

- (iii) in the opinion of the Representative, payment for and delivery of the Series 2026-[] Bonds is rendered impracticable or inadvisable because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc. or other major exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices of securities shall have been required and be in force on any such exchange, or (B) a general banking moratorium shall have been established by federal, New York or Alabama authorities, or (C) there shall have occurred any outbreak or escalation of hostilities or other local, national or international calamity or crisis on the financial markets of the United States which, in the Representative's reasonable judgment, renders it impracticable for the Underwriters to market the Series 2026-[] Bonds or to enforce contracts for the sale of the Series 2026-[] Bonds; or
- (iv) any order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Series 2026-[] Bonds as contemplated hereby or by the Official Statement or prohibiting the entering or performance of the Indenture; or
- (v) the President of the United States, the Office of Management and Budget, the Department of Treasury, the Internal Revenue Service or any other governmental body, department, agency or commission of the United States or the State of Alabama shall take or propose to take any action or implement or propose regulations, rules or legislation which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Series 2026-[] Bonds or causes any material information in the Official Statement, in light of the circumstances under which it appears, to be misleading in any material respect; or
- (vi) any executive order shall be announced, or any legislation, ordinance, rule or regulation shall be proposed by or introduced in, or be enacted by any governmental body, department, agency or commission of the United States or the State of Alabama, having jurisdiction over the subject matter, or a decision by any court of competent jurisdiction within the United States or

within the State of Alabama, shall be rendered which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Series 2026-[__] Bonds or causes any information in the Official Statement to be misleading in any material respect; or

- (vii) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2026-[__] Bonds or in any way contesting or affecting any authority for or the validity of the Series 2026-[__] Bonds, the Indenture or this Bond Purchase Agreement, or any of the proceedings of the University taken with respect to the issuance or sale of the Series 2026-[__] Bonds or the execution of and performance of this Bond Purchase Agreement, the Indenture or the University Documents, or the application of the proceeds of the Series 2026-[__] Bonds for the purposes contemplated by the University Documents, including the payment or reimbursement of expenses as required by Section 8 of this Agreement; or
- (viii) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the University's obligations; or
- (ix) the marketability of the Series 2026-[__] Bonds or the market price thereof, or the ability of the Underwriters to enforce contracts for the sale of the Series 2026-[__] Bonds, in the opinion of the Representative, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or
- (x) any event shall have occurred or shall exist which, in the reasonable opinion of the Representative, would cause the information contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading as of such time and which would materially adversely affect the marketability of the Series 2026-[__] Bonds and, in either such event, the University refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price

or marketability of the Series 2026-[__] Bonds or the ability of the Underwriters to enforce contracts for the sale of the Series 2026-[__] Bonds; or

(xi) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(xii) a material disruption in securities settlement, payment or clearance services affecting the Series 2026-[__] Bonds shall have occurred; or

(xiii) there shall have been any materially adverse change in the financial condition or affairs of the University that is not contemplated in the Official Statement, as then amended and supplemented;

(e) On or prior to the Closing Date, the Underwriters shall receive the following documents:

(i) the Official Statement, and any supplements, amendments or modifications, if any, thereto, executed on behalf of the University by the President or the Chief Financial Officer of the University;

(ii) the Twenty-[Second]/[Third] Supplemental University Facilities Revenue Trust Indenture, certified by the Secretary of the University under seal as having been duly executed by the President or the Chief Financial Officer of the University and such modifications or amendments as may have been agreed to by the Underwriters;

(iii) a certified copy of the Authorizing Resolution;

(iv) an opinion of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the University (“Bond Counsel”), in substantially the form included in the Official Statement as Appendix B;

(v) a supplemental opinion of Bond Counsel in the form set forth on Exhibit D hereto;

(vi) an opinion of General Counsel to the University, addressed to Bond

Counsel and the Underwriters, and dated the date of the Closing, in form and substance satisfactory to the Representative and Underwriter's Counsel, including but not limited to an opinion that nothing has come to the attention of such counsel that would lead such counsel to believe that the information and statements in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of its date and as of the Closing Date, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (subject to customary qualifications and exclusions);

(vii) an opinion of [_____], as Counsel to the Underwriters, in form and substance satisfactory to the Underwriters, including but not limited to an opinion that nothing has come to the attention of such counsel that would lead them to believe that the information and statements in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of its date and as of the Closing Date, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (subject to customary qualifications and exclusions);

(viii) A Tax Compliance Certificate and Agreement of the University (the "Tax Certificate and Agreement"), prepared by Bond Counsel and executed by an authorized officer of the University, dated as of the Closing Date, setting forth facts, estimates and circumstances concerning the use or application of the Series 2026-[__] Bond proceeds, in form and substance satisfactory to Bond Counsel;

(ix) evidence of an underlying rating of (i) ["A1"] issued by [Moody's Investors Service, Inc.] with respect to the Series 2026-[__] Bonds and (ii) ["A+"] by [S&P Global Ratings] with respect to the Series 2026-[__] Bonds;

(x) the Continuing Disclosure Agreement executed by an authorized officer of the University;

(xi) A certificate of the University, dated the date of the Closing, signed by the President or the Chief Financial Officer of the University and in form and substance satisfactory to the Representative and Underwriters' Counsel, to the effect that:

(1) since the date hereof no material and adverse change has occurred in the financial condition of the University or results of operations of the University, except as set forth in the Official Statement;

(2) the University has not, since September 30, 5, incurred any material liabilities other than in the ordinary course of business or as set forth in the Official Statement;

(3) no litigation or proceeding is pending with respect to which service or notice on the University has been perfected or given or, to their knowledge, threatened which would (i) restrain or enjoin the issuance or delivery of the Series 2026-[] Bonds or the collection of Pledged Revenues, (ii) in any way contest or affect any authority for the issuance of the Series 2026-[] Bonds or the validity, due authorization and execution of the Series 2026-[] Bonds, the University Documents or this Bond Purchase Agreement, (iii) limit, enjoin or prevent the University from paying the debt service on the Series 2026-[] Bonds as and when due, or from applying the proceeds of the Series 2026-[] Bonds for the purposes contemplated by the University Documents, including the payment or reimbursement of expenses as required by Section 8 of this Agreement, or (iv) in any way contest the corporate existence or powers of the University;

(4) the Preliminary Official Statement (except for omissions permitted by Rule 15c2-12) did not as of its date and as of the date hereof does not, and the Official Statement, as of its date and at all times through the date of the Closing, will not, contain any misstatement of a material fact or omit to state any material fact required to be stated therein in order for the statements made therein, in the light of the circumstances under which they were made, not to be misleading;

(5) the representations of the University contained herein are true and correct in all material respects as of the date of the Closing, as if made on the date of the Closing; and

(6) none of the proceedings or authority for the execution and delivery of the Series 2026-[] Bonds and the transactions related thereto have been modified, amended or repealed;

(xii) [an insurance policy issued by _____ (the "Bond Insurer") guaranteeing the scheduled payment when due of the principal of and interest on [those of] the Series 2026-[] Bonds [maturing in the year [] and

thereafter (the “Insured Bonds”));

(xiii) an opinion of counsel to the Bond Insurer, dated the date of Closing, in form and substance satisfactory to the Representative;

(xiv) [evidence of a rating of [“__”] by [_____] with respect to the Insured Series 2026-[__] Bonds]; and

(xv) such additional legal opinions, consents, certificates, proceedings, instruments and other documents as the Underwriters, or counsel therefor or Bond Counsel may reasonably request to evidence compliance by the University with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the University herein and the due performance or satisfaction by the University at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the University.

If the University shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, accept delivery of and pay for the Series 2026-[__] Bonds contained in this Bond Purchase Agreement and the Representative does not waive such inability in writing, or if the obligations of the Underwriters to purchase, accept delivery of and pay for the Series 2026-[__] Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, including the exercise of the Representative’s right to cancel this Bond Purchase Agreement as provided in Section 6(d) hereof, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the University shall be under any further obligation hereunder, except that the respective obligations of the University and the Underwriters set forth in Section 8 hereof shall continue in full force and effect.

7. Establishment of Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the University in establishing the issue price of the Series 2026-[__] Bonds and shall execute and deliver to the University on the Closing Date an "issue price" or similar certificate substantially in the form attached hereto as Exhibit C, together with the supporting pricing wires or equivalent communications, and with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the University and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2026-[__] Bonds.

(b) [Except as otherwise set forth in Exhibit B-1,] the University will treat the first price at which 10% of each maturity of the Series 2026-[__] Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Representative shall report to the University the price or prices at which the Underwriters have sold to the public each

maturity of Series 2026-[] Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the Series 2026-[] Bonds, the Representative agrees to promptly report to the University the prices at which Series 2026-[] Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Series 2026-[] Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Series 2026-[] Bonds of that maturity, provided that, the Underwriters' reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, the University or bond counsel.]

(c) The Representative confirms that the Underwriters have offered the Series 2026-[] Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B-1 attached hereto, except as otherwise set forth therein. Exhibit B-1 also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2026-[] Bonds for which the 10% test has not been satisfied and for which the University and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the University to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2026-[] Bonds, the Underwriters will neither offer nor sell unsold Series 2026-[] Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2026-[] Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative will advise the University promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2026-[] Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Representative confirms that:

- (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2026-[] Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2026-[] Bonds of each maturity allotted to it until either all Series 2026-[] Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Series 2026-[] Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at

reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires, and

(ii) The University acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Series 2026-[] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the Series 2026-[] Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026-[] Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2026-[] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026-[] Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026-[] Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2026-[] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026-[] Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The University further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Series 2026-[] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the Series 2026-[] Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2026-[] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026-[] Bonds.

(e) The Underwriters acknowledge that sales of any Series 2026-[] Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2026-[] Bonds (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the University (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026-

[__] Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026-[__] Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026-[__] Bonds to the public),

(iii) a purchaser of any of the Series 2026-[__] Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Bond Purchase Agreement by all parties.

8. **Expenses.** The Underwriters shall be under no obligation to pay, and the University shall pay, any expense incident to the performance of the University's obligations hereunder including, but not limited to: (a) the cost of preparation, printing and delivery of the Series 2026-[__] Bonds, the Twenty-[Second]/[Third] Supplement University Facilities Revenue Trust Indenture, this Bond Purchase Agreement and all other instruments, agreements and other documents contemplated thereby and hereby; (b) the costs of preparation and the fees and disbursements of Bond Counsel and other legal counsel to the University; (c) fees for bond ratings; (d) the fees and expenses of the Trustee; (e) the costs of preparing, printing and delivering the Official Statement and any supplements or amendments thereto; and (f) such other expenses as may be agreed to in writing at a later date.

The University shall reimburse the Underwriters for actual expenses incurred or paid for by the Underwriters on behalf of the University for the University's employees and representatives, including, but not limited to, transportation, lodging, and meals in connection with the marketing, issuance, and delivery of the Series 2026-[__] Bonds; provided, however, that (i) reimbursement for such expenses shall not exceed an ordinary and reasonable amount for such expenses and (ii) such expenses are not related to the entertainment of any person and not prohibited from being reimbursed from the proceeds of an offering of municipal securities under MSRB Rule G-20. Such reimbursement may be in the form of inclusion in the expense component of the Underwriter's discount, or direct reimbursement as a cost of issuance.

The Underwriters shall pay: (a) all advertising expenses in connection with a public offering of the Series 2026-[__] Bonds, (b) fees of the CUSIP Service Bureau, (c) all fees and disbursements of any counsel retained by the Underwriters, and (d) any fees of the MSRB or the Securities Industry and Financial Markets Association.

In the event that either party shall have paid obligations of the other as set forth in this Section 7, adjustment shall be made at the time of the Closing.

9. **Notices.** Any notice or other communications to be given to the University under this Bond Purchase Agreement may be given by mailing the same to University of South Alabama, Attention: Chief Financial Officer, 307 University Boulevard, Administrative Building, Suite 170, Mobile, Alabama 36688, with a copy to Josh McCoy, PFM Financial Advisors LLC, 116 Jefferson Street South, Suite 301, Huntsville, Alabama 35801 and any such notice or other communication to be given to the Underwriters may be mailed to [_____]; Attention: _____, _____, [insert address].

10. **Parties in Interest.** This Bond Purchase Agreement is made solely for the benefit of the University and the Underwriters and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect and shall survive the delivery of the Series 2026-[__] Bonds.

11. **Waiver.** Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the University hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Underwriters, in their sole discretion, and the approval of the Underwriters when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing, signed by an appropriate officer or officers of the Underwriters and delivered to the University.

12. **Limitations of Liability.** The obligations of the University hereunder shall be limited obligations, and shall be payable only from Pledged Revenues or other funds legally available therefor. No officer, agent or employee of the University shall be charged personally by the Underwriters with any liability, or held liable to the Underwriters under any term or provision of this Bond Purchase Agreement because of its execution or attempted execution, or because of any breach or attempted breach thereof.

13. **Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

14. **Governing Law.** This Bond Purchase Agreement, and the terms and conditions herein, shall constitute the full and complete agreement between the University and the Underwriters with respect to the purchase and sale of the Series 2026-[__] Bonds. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State

of Alabama.

15. **No Advisory or Fiduciary Role.** The University acknowledges and agrees that: (i) the transactions contemplated by this Bond Purchase Agreement are arm's length, commercial transactions between the University and the Underwriters; (ii) in connection with such transaction, including the process leading thereto, the Underwriters are acting solely as principals and not as agents, fiduciaries or advisors (including municipal advisors) of the University; (iii) the Underwriters have neither assumed an advisory or fiduciary responsibility in favor of the University with respect to the offering of the Series 2026-[] Bonds or the process leading thereto (whether or not the Underwriters or any affiliate of any Underwriter has advised or is currently advising the University on other matters) nor has it assumed any other obligation to the University except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriters have financial and other interests that differ from those of the University; and (v) the University has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2026-[] Bonds.

16. **Waiver of Right to Trial by Jury.** EACH PARTY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS BOND PURCHASE AGREEMENT (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR ANY OTHER THEORY). EACH PARTY ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN MATERIALLY INDUCED TO ENTER INTO THIS AGREEMENT.

[Signature page follows.]

Very truly yours,

[_____] ,
on behalf of itself and the other underwriters
named herein

By: _____

Its: _____

Accepted this [____] day of _____, 202__.

UNIVERSITY OF SOUTH ALABAMA

By: _____

Its: _____

EXHIBIT A

UNIVERSITY OF SOUTH ALABAMA

**University Facilities Revenue Bonds
Series 2026-[]**

**Taxable University Facilities Revenue Bonds
Series 2026-[]**

Underwriters

[]
[]
[]

EXHIBIT B-1

UNIVERSITY OF SOUTH ALABAMA

**University Facilities Revenue Bonds
Series 2026-[__]**

**PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS
AND REDEMPTION PROVISIONS**

Maturity Schedule:

Maturity Date	Amount	Rate	Yield	Price

Redemption Provisions:

Optional Redemption. Those of the Series 2026-[__] Bonds having a stated maturity on _____ 1, ____, and thereafter will be subject to redemption prior to their respective maturities, at the option of the University, as a whole or in part, on _____ 1, ____, and on any date thereafter (and if in part, in such maturities as the University shall select, and if less than all of a single maturity is to be redeemed those to be redeemed to be selected by the Trustee by lot) at and for a redemption price with respect to each Series 2026-[__] Bond (or principal portion thereof redeemed) equal to the par or face amount of each Series 2026-[__] Bond redeemed plus accrued interest to the date fixed for redemption.]

Mandatory Redemption. Those of the Series 2026-[__] Bonds maturing on [_____] shall be subject to mandatory redemption and payment, and the University shall redeem and pay such Series 2026-[__] Bonds, at and for a redemption price, with respect to each such Series 2026-[__] Bonds or portion thereof redeemed, equal to the principal amount thereof plus accrued interest to the date fixed for redemption (those to be redeemed to be selected by the Trustee by lot) but only in the following aggregate principal amounts on _____ 1 in the following years:

Year	Amount Required to be Redeemed
-------------	---------------------------------------

EXHIBIT C

UNIVERSITY OF SOUTH ALABAMA University Facilities Revenue Bonds, Series 2026-[__]

FORM OF ISSUE PRICE CERTIFICATE

Issue Price Certificate

This certificate is being delivered by [_____] (the "Representative") in connection with the issuance by the University of South Alabama (the "University") of its \$_____ University Facilities Revenue Bonds, Series 2026-[__] (the "Series 2026-[__] Bonds"). The Series 2026-[__] Bonds have been purchased from the University by the underwriters (the "Underwriters") identified in the Bond Purchase Agreement dated _____, 202__ (the "Bond Purchase Agreement") between the University and the Representative, on behalf of the Underwriters. Capitalized terms not otherwise defined in this certificate have the meaning assigned in the Bond Purchase Agreement.

The Representative, on behalf of the Underwriters, hereby certifies with respect to the sale and issuance of the Series 2026-[__] Bonds:

1. **Pricing Wire.** Attached to this certificate as *Appendix 1* is the pricing wire or equivalent communication establishing the Initial Offering Prices of the Series 2026-[__] Bonds as of the Sale Date. The offering prices in the pricing wire are the same as the Initial Offering Prices identified in Exhibit B-1 to the Bond Purchase Agreement.

2. **Offering at the Initial Offering Prices.** The Underwriters offered the Series 2026-[__] Bonds to the Public for purchase at the Initial Offering Prices identified in Exhibit B-1 to the Bond Purchase Agreement.

3. **Sale of the General Rule Maturities.** *Appendix 2* correctly identifies each Maturity of the Series 2026-[__] Bonds for which the 10% Test was satisfied as of the Sale Date.

[4. **Hold-the-Offering-Price Maturities.** As set forth in the Bond Purchase Agreement, the Underwriters have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Representative has not offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

[4./5.] **Defined Terms.** In addition to the terms defined elsewhere in this certificate, the following definitions apply for purposes of this certificate:

(a) *General Rule Maturity* means each Maturity of the Series 2026-[__] Bonds identified in **Appendix 2** for which the 10% test was satisfied as of the Sale Date.

(b) *Hold-the-Offering-Price Maturity* means each Maturity of the Series 2026-[__] Bonds identified in **Appendix 2** for which the 10% test was not satisfied as of the Sale Date.

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of business on the fifth business day after the Sale Date or (ii) the date on which the Underwriters sold at least 10% of such Hold-the- Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity*, when used with respect to the Series 2026-[__] Bonds, means Series 2026-[__] Bonds with the same credit and payments terms. Series 2026-[__] Bonds with different maturity dates, or Series 2026-[__] Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to the Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the date of execution of the Bond Purchase Agreement by all parties.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the University (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026-[__] Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2026-[__] Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2026-[__] Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The Representative understands that the forgoing information will be relied upon the University with respect to certain of the representations set forth in the Tax Certificate and Agreement executed by them and with respect to compliance with the federal income tax rules affecting the Series 2026-[__] Bonds, and by bond counsel (Bradley Arant Boulton

Cummings, L.L.P.) in connection with rendering its opinion that interest on the Series 2026-[__]
Bonds is excluded from gross income for federal income tax purposes, the preparation of Form
8038-G, and other federal income tax advice that it may give to the University from time to time
relating to the Series 2026-[__] Bonds.

Dated: _____.

[_____] ,
as Representative of the Underwriters

By: _____
(signature)

Name: _____
(print name)

Title: _____

Appendix 1
Pricing Wire

Appendix 2
10% Test and Hold-The-Offering Price Identification

Exhibit D
Form of Supplemental Opinion of Bond Counsel

EXHIBIT III
FORM OF PRELIMINARY OFFICIAL STATEMENT

Under no circumstances
are to be any sale of the

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2026

RATINGS:

Moody's: Underlying
 S&P: [()]

NEW ISSUE - BOOK-ENTRY ONLY

See "RATINGS" herein

In the opinion of Bond Counsel to the University, under existing law and assuming the accuracy of certain representations and certifications and compliance by the University with certain tax covenants, interest on the Series 2026-A Bonds and the Series 2026-B Bonds will be excluded from gross income for federal income tax purposes. Bond Counsel to the University is of the further opinion that, under existing law, interest on the Series 2026-A Bonds and the Series 2026-B Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" herein for further information and certain other federal tax consequences arising with respect to the Series 2026-A Bonds and Series 2026-B Bonds. Bond Counsel to the University is also of the opinion that, under existing law, interest on the Series 2026-A Bonds, the Series 2026-B Bonds and the Series 2026-C Bonds is exempt from Alabama income taxation.

UNIVERSITY OF SOUTH ALABAMA



\$ _____*
**University Facilities
 Revenue Bonds
 Series 2026-A**

\$ _____*
**University Facilities
 Revenue Bonds
 Series 2026-B**

\$ _____*
**Taxable University Facilities
 Revenue Bonds
 Series 2026-C**

Dated: Date of Delivery

Due as shown on inside cover

FOR MATURITY SCHEDULE, INTEREST RATES, YIELDS AND CUSIPS, SEE INSIDE COVER

The above-referenced University Facilities Revenue Bonds, Series 2026-A (the "Series 2026-A Bonds"), University Facilities Revenue Bonds, Series 2026-B (the "Series 2026-B Bonds"), and Taxable University Facilities Revenue Bonds, Series 2026-C (the "Series 2026-C Bonds" and, together with the Series 2026-A Bonds and the Series 2026-B Bonds, the "Series 2026 Bonds") will be issued as fully registered bonds without coupons in denominations of \$5,000 and any integral multiple thereof pursuant to a book-entry only system to be administered by The Depository Trust Company ("DTC") and, when issued, will be registered in the name of and held by Cede & Co., as nominee. Purchases of beneficial interests in the Series 2026 Bonds will be made in book-entry form only and purchasers of a beneficial interest in the Series 2026 Bonds ("Beneficial Owners") will not receive physical delivery of the certificates representing their interests in the Series 2026 Bonds. The principal of and interest on the Series 2026 Bonds will be paid directly to DTC, so long as DTC or its nominee is the registered owner of the Series 2026 Bonds. The final disbursements of such payments to the Beneficial Owners of the Series 2026 Bonds will be the responsibility of the DTC Participants and the Indirect Participants, all as defined and more fully described in this Official Statement under the caption "THE SERIES 2026 BONDS - General Description" and in Appendix D hereto.

The Series 2026 Bonds are being issued by the University of South Alabama (the "University") pursuant to that certain University Facilities Revenue Trust Indenture between The Bank of New York Mellon Trust Company, N.A., as trustee, and the University dated as of February 15, 1996 (as heretofore supplemented and amended and as further supplemented and amended by a [Twenty-Fourth] Supplemental University Facilities Revenue Trust Indenture dated the date of the Series 2026 Bonds, the "Indenture") to (i) purchase, acquire and pay the costs of various public capital improvements for use by the University hereinafter defined as the "2026-A Improvements" and the "2026-B Improvements", (ii) refinance certain obligations issued by the University to refinance the purchase and acquisition of various public capital improvements for the University (hereinafter defined as the "Refunded Bonds"), and (iii) pay the costs of issuing the Series 2026 Bonds. See "PLAN OF FINANCE" herein. The principal of and interest on the Series 2026 Bonds

are limited obligations of the University payable from and secured solely by the Pledged Revenues, as defined and further described herein.

Certain Series 2026 Bonds are subject to redemption prior to maturity on such terms and as more fully described herein. The Series 2026 Bonds are not obligations or debts of the State of Alabama (the "State") nor will any principal of or interest on the Series 2026 Bonds be paid out of any moneys provided for or appropriated to the University by the State of Alabama. The Series 2026 Bonds are special and limited obligations of the University, secured by a pledge of and payable solely from certain fees and revenues of the University as described herein and in the Indenture. Neither the Series 2026 Bonds nor the pledge of the said fees and revenues and other agreements provided in the Indenture shall be or constitute a general obligation of the University or an obligation of any nature whatsoever of the State, or be payable out of any moneys appropriated by the State to the University.

The Series 2026 Bonds are offered when, as and if issued by the University and received by the Underwriters, subject to prior sale, to withdrawal or modifications of the offer without notice, and to the approval of legality of the Series 2026 Bonds by Bradley Arant Boult Cummings LLP, Bond Counsel to the University. [Hand Arendall Harrison Sale LLC] will render an opinion on behalf of the Underwriters. It is expected that the Series 2026 Bonds in definitive form will be available for delivery through DTC on or about [_____], 2026.

Dated: _____, 2026

* Preliminary; subject to change.

MATURITIES, AMOUNTS, RATES, YIELDS & CUSIPS

\$ _____ *

**University Facilities Revenue Bonds
Series 2026-A**

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
-----------------	-----------------------------	--------------------------	--------------	----------------------------

\$ _____ *

**University Facilities Revenue Bonds
Series 2026-B**

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
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\$ _____ *

Taxable University Facilities Revenue Bonds
Series 2026-C

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
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* Preliminary; subject to change.

(1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by the CUSIP Service Bureau, operated by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the University and are included solely for the convenience of the registered owners of the Series 2026 Bonds. The University and the Underwriters are not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness by the University on the Series 2026 Bonds and by the Underwriters on the Series 2026 Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2026 Bonds.

UNIVERSITY OF SOUTH ALABAMA

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Birmingham, Alabama

MUNICIPAL ADVISOR

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Huntsville, Alabama

UNDERWRITERS

[_____]
[_____]

COUNSEL TO UNDERWRITERS

[Hand Arendall Harrison Sale LLC
Mobile, Alabama]

Certain information contained in or incorporated by reference in this Official Statement has been obtained by the University from DTC and other sources that are deemed reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information by the Underwriters or the University.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information and nothing contained in this Official Statement is or shall be relied upon as a promise or representation by the Underwriters. This Official Statement is being used in connection with the sale of securities as referred to herein and may not be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein is correct as of any time subsequent to its date.

No dealer, broker, salesperson or any other person has been authorized by the University or the Underwriters to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than those described on the inside cover page, nor shall there be any offer to sell, solicitation of an offer to buy or sale of such securities in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the registered or beneficial owners of the Series 2026 Bonds.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information based on the University's beliefs as well as assumptions made by and information currently available to the University. See "FORWARD LOOKING STATEMENTS" herein.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2026 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH SERIES 2026 BONDS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC rule 15c2-12.

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Appendix A - Audited Financial Statements for the Fiscal Year Ended September 30, 2025

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Appendix D - DTC Procedures

OFFICIAL STATEMENT

pertaining to

UNIVERSITY OF SOUTH ALABAMA

\$ _____*
University Facilities
Revenue Bonds
Series 2026-A

\$ _____*
University Facilities
Revenue Bonds
Series 2026-B

\$ _____*
Taxable University
Facilities Revenue Bonds
Series 2026-C

INTRODUCTORY STATEMENT

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to provide information in connection with the issuance by the University of South Alabama of the above-referenced University Facilities Revenue Bonds, Series 2026-A (the "Series 2026-A Bonds"), University Facilities Revenue Bonds, Series 2026-B (the "Series 2026-B Bonds"), and University Facilities Revenue Bonds, Series 2026-C (the "Series 2026-C Bonds" and, together with the Series 2026-A Bonds and the Series 2026-B Bonds, the "Series 2026 Bonds"), dated their date of initial delivery and issued as additional parity bonds under a University Facilities Revenue Trust Indenture dated as of February 15, 1996, between the University of South Alabama and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as previously supplemented and amended (the "Base Indenture") and as further supplemented and amended by a [Twenty-Fourth] Supplemental University Facilities Revenue Trust Indenture dated the date of the Series 2026 Bonds (the Base Indenture, as so supplemented and amended, the "Indenture").

Definitions of certain words and terms having initial capital letters used herein are defined in the Indenture or in the instrument or document in the description of which such word or term is used. Reference is hereby made to the full text of the documents and instruments briefly described herein which may be obtained from the Underwriters or from the University during the period of the offering.

The Governor, the State Superintendent of Education and the appointed trustees together constitute a public body corporate under the name University of South Alabama (the "University"). The University is located in the City of Mobile, Alabama.

Purpose

Proceeds of the Series 2026-A Bonds will be used to pay the costs of the 2026-A Improvements (hereinafter defined) and pay the costs of issuing the Series 2026-A Bonds, proceeds of the Series 2026-B Bonds will be used to pay the costs of redeeming and retiring the Refunded Bonds (hereinafter defined) and pay the costs of issuing the Series 2026-B Bonds, and proceeds of the Series 2026-C Bonds will be used to pay the costs of the 2026-C Improvements (hereinafter defined) and pay the costs of issuing the Series 2026-C Bonds. See "PLAN OF FINANCE" herein for details as respects the various public capital improvements to be financed by the Series 2026-A Bonds and the Series 2026-C Bond, and for details regarding the plan for redemption, defeasance, and retirement of the Refunded Bonds.

Security

The Series 2026 Bonds are limited obligations of the University payable solely from, and secured solely by a pledge of, the Pledged Revenues, as more fully described below under "SECURITY AND SOURCE OF PAYMENT - Sources of Payment and Pledged Revenues." The Pledged Revenues include a pledge of the General Fees levied against students enrolled at the University and any additional fees and revenues that may in the future be subjected to the lien of the Indenture pursuant to a Supplemental Indenture, a pledge of the gross revenues derived from certain auxiliary enterprises services furnished by the University, and an amount not

* Preliminary; subject to change.

exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's & Women's Hospital, each as described herein. See "SECURITY AND SOURCE OF PAYMENT - Sources of Payment and Pledged Revenues."

The Series 2026 Bonds will not constitute a charge against the general credit of the University and will not be payable from moneys appropriated to the University by the State of Alabama. The University has no taxing power. The State of Alabama will not be liable in any manner for the payment of the principal and interest on the Series 2026 Bonds. Holders of the Series 2026 Bonds shall never have the right to demand payment of the Series 2026 Bonds from the University from any source other than the special funds established under the Indenture and the Pledged Revenues and shall be entitled to payment from such sources only on a parity basis with all other bonds outstanding under the Indenture.

Additional Parity Bonds

The Indenture permits the University to issue additional bonds that will be secured by and be payable from Pledged Revenues on parity of lien with the Outstanding Bonds (defined below), the Series 2026 Bonds and any Additional Bonds (defined below) issued hereafter. For a description of the Outstanding Bonds (i.e., Bonds already outstanding under the Indenture that are secured by and payable from Pledged Revenues on parity of lien with the Series 2026 Bonds), See "SECURITY AND SOURCE OF PAYMENT – General." For a description of the terms of the Indenture for the issuance of Additional Bonds in the future, See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Additional Bonds."

THE SERIES 2026 BONDS

General Description

The Series 2026 Bonds will be dated their initial date of delivery, and will bear interest (payable on [_____], and on each [October 1] and [April 1] thereafter until maturity) at the rates and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. The Series 2026 Bonds will be issuable only as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Series 2026 Bonds will be initially issued as fully-registered bonds in the name of Cede & Co., as nominee of DTC, as registered owner of the Series 2026 Bonds. Purchasers of such Series 2026 Bonds will not receive physical delivery of bond certificates. For purposes of this Official Statement, so long as all of the Series 2026 Bonds are in the custody of DTC, references to Bondholders or Owners shall mean DTC or its nominee. DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities in the name of Cede & Co., DTC's partnership nominee Cede or such other nominee as may be requested by an authorized representative of DTC. As to each series of the Series 2026 Bonds, one fully-registered bond certificate will be issued for each maturity, in the aggregate principal amount of such maturity of such series of the Series 2026 Bonds, and will be deposited with DTC. See Appendix D hereto for DTC payment and other related provisions.

As to each series of the Series 2026 Bonds, during any period in which Series 2026 Bonds of such series are not held in the Book-Entry System, principal of such Series 2026 Bonds will be payable at the designated corporate trust office of the Trustee upon presentation and surrender of such Series 2026 Bonds as they mature. Interest on Series 2026 Bonds will be paid by the Trustee by check or draft mailed to the persons who are the registered owners of record as of the close of business on the [March 15] or [September 15], as the case may be, immediately preceding each interest payment date by check or draft mailed to such owners at their addresses shown on the registry books of the Trustee pertaining to the Series 2026 Bonds.

No charge will be made for any exchange or transfer of the Series 2026 Bonds, but the registered owners thereof shall be responsible for paying all taxes and other governmental charges relating to such transfer or

exchange. In the event a Series 2026 Bond is lost, stolen, destroyed or mutilated, the University and the Trustee may require satisfactory indemnification for the replacement thereof and may charge the holder or owner of such bond with their fees and expenses in connection with the replacement thereof.

Optional Redemption

Those of the Series 2026 Bonds having a stated maturity on [_____], and thereafter, will be subject to redemption prior to their respective maturities, at the option of the University, as a whole or in part, on [_____], and on any date thereafter (and if in part, in such maturities as the University shall select, and if less than all of a single maturity is to be redeemed those to be redeemed to be selected by the Trustee by lot) at and for a redemption price with respect to each Series 2026 Bond (or principal portion thereof redeemed) equal to the par or face amount of each Series 2026 Bond redeemed plus accrued interest to the date fixed for redemption.

Notice of Redemption

Notice of redemption is required to be mailed by United States registered or certified mail to the registered owner of each Series 2026 Bond to be redeemed not more than sixty (60) nor less than thirty (30) days prior to the date fixed for redemption at the address shown on the registry books of the Trustee. No further interest will accrue after the date fixed for redemption on the principal of any Series 2026 Bond called for redemption upon notice duly given as provided in the Indenture and if payment therefor has been duly provided, and in such event any Series 2026 Bond (or portion thereof) called for redemption will no longer be protected by the provisions of the Indenture.

In the event that less than all of the outstanding principal of any Series 2026 Bond is to be redeemed, the registered owner thereof shall surrender the Series 2026 Bond that is to be prepaid in part to the Trustee in exchange, without expense to the owner, for a new Series 2026 Bond of like tenor except in a principal amount equal to the unredeemed portion of the Series 2026 Bond.

PLAN OF FINANCE

2026-A Improvements

Proceeds from the Series 2026-A Bonds will be used to pay the costs of purchasing, acquiring, and developing (including reimbursement of prior costs paid for the same) of various public capital improvements of the University including, without limitation, (i) payment of a portion of the cost of designing, developing and constructing the New Medical School Building (including reimbursement to the University of cash previously spent by the University for such purpose), (ii) payment, including reimbursement to the University of cash heretofore spent, for the purchase, acquisition, renovation, improvement and equipping of an existing building to serve as a new student housing facility for use by the University, and (iii) [_____] (collectively, the "2026-A Improvements"). For additional information concerning the New Medical School Building see "NEW MEDICAL BUILDING" herein.

Refunding of Refunded Bonds

Proceeds from the Series 2026-B Bonds will be used to pay the costs of redeeming and retiring all outstanding maturities of the University's \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016 Bonds"). Under the Indenture, those of the Series 2016 Bonds having a stated maturity in _____, and thereafter, are subject to early call for redemption and payment on [_____], and on any date thereafter, at and for a redemption price of 100% of the principal to be redeemed plus accrued interest to the date set for redemption (the "Redemption Price"). The University intends to call for redemption and payment all of the Series 2016 Bonds maturing in [_____] and thereafter (the "Refunded Bonds") for redemption and payment on a date that is not more than ninety (90) days from the date of issuance of the Series 2026-B Bonds (the "Refunded Bonds Redemption Date"). Proceeds from the Series 2026-B Bonds, together with interest earnings thereon, sufficient to timely pay maturing installments of principal and interest on the Refunded Bonds through and including the Refunded Bonds Redemption Date, and to pay the Redemption Price due on the Refunded Bonds Redemption Date, will be deposited into the Bond Fund of the Indenture or in a special escrow fund created under an agreement between the Trustee, as escrow agent, and the University, and used solely for payment of the Refunded Bonds as aforesaid.

2026-C Improvements

[] *Note to working group: this may be described as a refunding if the sole purpose of the Series 2026-C Bonds is to pay-off the bridge loan for the Fairhope MAPP property facility. For now this is intentionally blank.*

SECURITY AND SOURCE OF PAYMENT

General

The University has previously issued various series of Bonds under the Indenture, of which fifteen series of Bonds are outstanding before giving effect to the issuance of the Series 2026 Bonds. Those series of Bonds consist of the following:

- (a) \$32,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-A, dated June 28, 2013 (the "Series 2013-A Bond");
- (b) \$8,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-B, dated June 28, 2013 (the "Series 2013-B Bond");
- (c) \$10,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2013-C, dated June 28, 2013 (the "Series 2013-C Bond");
- (d) \$6,000,000 original principal amount University Facilities Revenue Capital Improvement Bond, Series 2015, dated June 15, 2015 (the "Series 2015 Bond");
- (e) \$85,605,000 University Facilities Revenue Refunding Bonds, Series 2016, dated September 14, 2016 (the "Series 2016 Bonds");
- (f) \$38,105,000 University Facilities Revenue Bonds, Series 2017, dated June 15, 2017 (the "Series 2017 Bonds");
- (g) \$47,750,000 University Facilities Revenue Bonds, Series 2019-A, dated February 7, 2019 (the "Series 2019-A Bonds");
- (h) \$18,440,000 Taxable University Facilities Revenue Bonds, Series 2019-B, dated February 7, 2019 (the "Series 2019-B Bonds");
- (i) \$19,086,000 original principal amount University Facilities Revenue Bond, Series 2019-C, dated December 12, 2019 (the "Series 2019-C Bond");
- (j) \$37,005,000 original principal amount University Facilities Revenue Bonds, Series 2020, dated March 10, 2020 (the "Series 2020 Bonds");
- (k) \$40,555,000 original principal amount University Facilities Revenue Bonds, Series 2021, dated March 10, 2021 (the "Series 2021 Bonds");
- (l) \$15,387,000 original principal amount University Facilities Revenue Bond, Series 2021-B, dated July 8, 2021 (the "Series 2021-B Bond");
- (m) \$72,810,000 University Facilities Revenue Bonds, Series 2024-A, dated July 22, 2024 (the "Series 2024-A Bonds");
- (n) \$19,925,000,000 Taxable University Facilities Revenue Bonds, Series 2024-B, dated July 22, 2024 (the "Series 2024-B Bonds"); and

- (o) \$90,850,000 University Facilities Revenue Bonds, Series 2024-C, dated August 22, 2014 (the "Series 2024-C Bonds").

The Series 2013-A Bond, the Series 2013-B Bond, the Series 2013-C Bond, the Series 2015 Bond, [the Series 2016 Bonds], the Series 2017 Bonds, the Series 2019-A Bonds, the Series 2019-B Bonds, the Series 2019-C Bond, the Series 2020 Bonds, the Series 2021 Bonds, the Series 2021-B Bond, the Series 2024-A Bonds, the Series 2024-B Bonds, and the Series 2024-C Bonds are herein collectively referred to as the "Outstanding Bonds." The Outstanding Bonds, the Series 2026 Bonds, and any Additional Bonds hereafter issued are referred to herein collectively as the "Bonds".

Sources of Payment and Pledged Revenues

The Series 2026 Bonds will be issued under the Indenture, as supplemented and amended by a Twenty-[Fourth] Supplemental University Facilities Revenue Trust Indenture dated the date of the Series 2026 Bonds (the "Twenty-[Fourth] Supplemental Indenture") between the University and the Trustee, and will constitute limited obligations of the University payable solely from and secured by a lien on and a pledge of the Pledged Revenues (hereinafter defined) levied and collected by the University. The Series 2026 Bonds are secured pro rata and on an equal lien basis one with the other, with the Outstanding Bonds and with any Additional Bonds that may be hereafter issued under and subject to the terms and conditions of the Indenture, by a pledge of the Pledged Revenues.

The Series 2026 Bonds shall never be payable from any funds at any time provided for or appropriated by the State of Alabama and shall not be a charge on the general credit or tax revenues of the State of Alabama. Neither the State of Alabama nor the University shall be obligated, directly or indirectly, to contribute any funds, property or resources to the payment of the Series 2026 Bonds except the Pledged Revenues.

The Series 2026 Bonds are payable solely out of the Pledged Revenues as defined in the Indenture, as amended, on a parity of lien with the Outstanding Bonds and any Additional Bonds at any time issued under the Indenture. Pledged Revenues is defined in the Indenture as follows:

"*Pledged Revenues*" means the Auxiliary Enterprises Revenues, the Children's & Women's Hospital Revenues, the General Fees, and additional fees and revenues, if any, that may be subjected to the lien of the Indenture pursuant to a Supplemental Indenture.

"*Auxiliary Enterprises Revenues*" means the gross revenues derived from auxiliary enterprises services furnished by the University, including, without limitation, food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University.

"*Children's & Women's Hospital Revenues*" means an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's & Women's Hospital.

"*General Fees*" means all fees now or hereafter levied as a general tuition fee against students enrolled at the University.

Additional Bonds

In the Indenture, the University has reserved the right to issue and deliver from time to time and at any time Bonds ("Additional Bonds") secured by a pledge of the Pledged Revenues on a parity with the Outstanding Bonds, the Series 2026 Bonds, and any other Additional Bonds then outstanding for any purpose permitted by law and upon compliance with certain requirements set forth under the Indenture. See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" below.

ANNUAL DEBT SERVICE REQUIREMENTS; UNIVERSITY DEBT

Debt Service Requirements of the Series 2026 Bonds

Series 2026-A Bonds. The following sets forth the estimated debt service requirements of the Series 2026-A Bonds on a fiscal year basis:

Fiscal Year Ending <u>September 30,</u>	<u>Principal*</u>	<u>Interest*</u>	<u>Total*</u>
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* Preliminary; subject to change.

Series 2026-B Bonds. The following sets forth the estimated debt service requirements of the Series 2026-B Bonds on a fiscal year basis:

Fiscal Year Ending <u>September 30,</u>	<u>Principal*</u>	<u>Interest*</u>	<u>Total*</u>
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* Preliminary; subject to change.

Series 2026-C Bonds. The following sets forth the estimated debt service requirements of the Series 2026-C Bonds on a fiscal year basis:

Fiscal Year Ending <u>September 30.</u>	<u>Principal*</u>	<u>Interest*</u>	<u>Total*</u>
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* Preliminary; subject to change.

Debt Service Requirements – Outstanding Bonds and the Series 2026 Bonds

The following table sets forth the scheduled debt service requirements on all Outstanding Bonds and the Series 2026 Bonds (and also reflects the defeasance of the Refunded Bonds) on a fiscal year basis:

Fiscal Year	Series	Series	Series	Series	Series	Series	Series	Series	Series	Series	Series	Series	Total Debt
Ending	2013 Bonds ⁽¹⁾	2015 Bonds	2017 Bonds	2019 Bonds ⁽²⁾	2020 Bonds	2021 Bonds ⁽³⁾	2024 Bonds ⁽⁴⁾	2024-C Bonds	2026-A Bonds	2026-B Bonds	2026-C Bonds	Service	Service
Sept. 30													
2026	\$3,470,942	\$421,956	\$2,981,688	\$6,341,736	\$2,903,600	\$4,809,872	\$6,009,943	\$9,722,250					
2027	3,470,942	412,565	2,973,250	6,385,960	2,899,600	4,833,730	6,011,239	9,675,750					
2028	3,470,942	403,251	2,980,375	6,436,123	2,902,100	4,860,246	6,007,795	9,622,750					
2029	2,646,549	393,782	2,977,875	6,483,325	2,900,600	4,883,562	6,006,985	9,573,000					
2030	2,646,549	384,391	2,975,750	5,648,528	2,905,100	4,910,493	6,011,775	9,515,750					
2031	2,646,548	-	2,978,625	4,285,865	2,900,100	4,940,286	6,009,727	9,460,750					
2032	2,646,548	-	2,981,125	4,287,333	2,900,850	4,166,863	6,008,279	9,397,250					
2033	2,646,548	-	2,978,125	4,784,230	2,901,850	3,249,250	6,011,393	9,335,000					
2034	-	-	2,979,375	4,560,250	2,902,850	3,249,500	6,008,472	9,268,250					
2035	-	-	2,974,625	4,547,000	2,898,600	3,249,500	6,004,629	9,196,500					
2036	-	-	2,978,500	4,833,750	2,902,000	3,244,000	6,000,275	9,119,250					
2037	-	-	2,975,625	4,500,250	2,906,600	3,248,000	6,003,025	9,040,500					
2038	-	-	1,640,000	4,486,500	2,902,200	3,245,750	6,004,775	-					
2039	-	-	-	4,472,000	2,904,000	3,247,250	6,000,275	-					
2040	-	-	-	4,156,500	2,901,600	3,247,000	6,004,525	-					
2041	-	-	-	4,154,750	-	3,249,750	6,001,775	-					
2042	-	-	-	4,156,500	-	-	6,002,025	-					
2043	-	-	-	4,156,250	-	-	6,004,775	-					
2044	-	-	-	4,158,750	-	-	6,004,525	-					
2045	-	-	-	4,153,500	-	-	6,001,025	-					
2046	-	-	-	4,155,500	-	-	6,004,025	-					
2047	-	-	-	3,254,000	-	-	6,002,775	-					
2048	-	-	-	3,298,750	-	-	6,002,025	-					
2049	-	-	-	3,344,250	-	-	6,001,275	-					
2050	-	-	-	-	-	-	6,000,025	-					
2051	-	-	-	-	-	-	6,001,163	-					
2052	-	-	-	-	-	-	6,004,438	-					
2053	-	-	-	-	-	-	6,004,063	-					
2054	-	-	-	-	-	-	6,004,513	-					

* Preliminary; subject to change.

⁽¹⁾ Includes the Series 2013-A Bond, the Series 2013-B Bond and the Series 2013-C Bond

⁽²⁾ Includes debt service on Series 2019-A Bonds, Series 2019-B Bonds and the Series 2019-C Bond.

⁽³⁾ Includes debt service on Series 2021 Bonds and the Series 2021-B Bond.

⁽⁴⁾ Includes debt service on Series 2024-A Bonds and the Series 2024-B Bonds.

Pledged Revenues

The following is a summary of the amount of General Fees, Auxiliary Enterprises Revenues and Children's & Women's Hospital Revenues collected by the University for the fiscal years ended September 30, 2021, through September 30, 2025:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fees ¹	\$167,432,000	\$167,008,000	\$166,501,000	\$175,626,000	\$185,643,000
Auxiliary Enterprises Revenues ¹	19,725,000	22,686,000	24,482,000	28,064,000	33,040,000
Children's & Women's Hospital Revenues ²	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total	<u>\$197,157,000</u>	<u>\$199,694,000</u>	<u>\$200,983,000</u>	<u>\$213,690,000</u>	<u>\$228,683,000</u>

¹ General Fees and Auxiliary Enterprises Revenues include amounts allocated to scholarship allowances for accounting purposes. General Fees and Auxiliary Enterprises Revenues net of scholarship allowances for fiscal year 2021 were approximately \$128,040,000, and \$18,507,000, respectively; for fiscal year 2022 were \$130,677,000 and \$21,562,000, respectively; for fiscal year 2023 were \$125,929,000 and \$23,227,000, respectively; for fiscal year 2024 were \$135,733,000 and \$26,830,000, respectively; and for fiscal year 2025 were \$130,842,000 and \$31,345,000, respectively.

² Only \$10,000,000 of the gross revenues from the USA Children's and Women's Hospital, in any fiscal year of the University, are pledged to payment of all the Bonds (*i.e.*, the Outstanding Bonds, the Series 2026 Bonds and any Additional Bonds hereafter issued). See "HEALTH CARE SYSTEM" below for total gross revenues from USA Children's and Women's Hospital for the years shown.

Reference is hereby made to the audited financial statements of the University for the fiscal year ended September 30, 2025, appearing as Appendix A hereto, and the audited financial statements of the University for the other periods which are available on EMMA (as defined herein). See "CONTINUING DISCLOSURE" below for a description of EMMA.

Following issuance of the Series 2026 Bonds, the total principal amount of indebtedness of the University payable from Pledged Revenues is estimated to be not greater than \$[REDACTED].

Maximum Annual Debt Service Requirement

The estimated Maximum Annual Debt Service Requirement respecting the Series 2026 Bonds and the Outstanding Bonds, based on the amortization schedules set forth above under "Debt Service Requirements – Outstanding Bonds and the Series 2026 Bonds", occurring in the fiscal year of the University ending September 30, [REDACTED] (\$[REDACTED]), is estimated to be covered [REDACTED] times by Pledged Revenues referable to the fiscal year of the University ended September 30, 2025 (\$228,683,000). See "Pledged Revenues" above.

Other University Debt

Energy Savings Agreement with Alabama Power. The University has entered into a ten (10) year agreement dated September 30, 2016 (the "Energy Savings Agreement") with Alabama Power Company ("APC") under which APC agrees to design, procure and install certain energy conservation equipment and measures to reduce energy and maintenance costs at USA Health University Hospital. Under this Agreement, the University pays APC \$18,882 per month over a period of 120 months (totaling \$2,265,840 in payments from the University). Payments under the Energy Savings Agreement are not secured by Pledged Revenues under the Indenture or other special funds or assets of the University. This Agreement should conclude by the end of fiscal year 2026; however, additional amendments with APC require USA to make monthly payments through November 2035.

Master Lease Agreement with Hancock Whitney. The University has entered a Master Lease Agreement dated June 13, 2019 (the "Master Lease Agreement") with Hancock Whitney Equipment Finance and Leasing, LLC ("Hancock Whitney") under and pursuant to which the University may request and receive extensions of credit from Hancock Whitney to purchase up to \$15,000,000 in equipment for use by the University. Under the

Master Lease Agreement, Hancock Whitney purchases and leases equipment requested by the University. Lease payments from the University include principal and interest components. To date, the University has approximately \$4.40 million of payment obligations outstanding under the Master Lease Agreement as shown in the table below, which such amount bears interest at fixed annual rates as shown below, and is payable on a monthly basis (with equal monthly payments of principal and interest). Payments under the Master Lease Agreement are not secured by Pledged Revenues under the Indenture or other special funds or assets of the University.

Lease Number	Amount Outstanding	Rate	Maturity
BTS8	\$807,987	7.25%	November 10, 2028
BTS9	761,885	6.12	December 27, 2025
BTS11	563,688	6.30	March 18, 2030
BTS12	2,130,463	5.77	September 18, 2030
BTS13	137,609	6.29	October 15, 2028

Rent Supplement Agreement for USA HCA. USA HCA (hereinafter defined) entered into an agreement with Family Medical Investments, LLC, an Alabama limited liability company and local physicians' group (the "Physicians' Group") to design, construct, and lease a medical office building on the USA Health Mapp Family Campus. Construction began in 2021 and was completed in October 2022, at which time the agreement commenced for an initial 15-year term, with two successive five-year extension options. USA HCA began making monthly payments in October 2022. As of September 30, 2025, the outstanding principal balance under USA HCA's agreement with Physicians' Group is approximately \$21,478,000. Upon expiration of the agreement term, ownership of the building will transfer to USA HCA.

Under a Whole Building Lease Agreement (the "MOB Agreement") with Physicians' Group, the Physicians' Group caused the design, construction, and development of an approximately 51,000-square-foot medical office building (the "Medical Office Building") for lease to USA HCA. Pursuant to the MOB Agreement, USA HCA pays fixed annual base rent ("Base Rent") and additional amounts covering all operating expenses, including insurance, repairs, and maintenance ("Additional Rent"), as well as certain other costs and expenses upon the occurrence of specified events (the "Remaining Leasehold Obligations").

The University is also a tenant under a long-term real property lease pursuant to which certain healthcare operations and activities of USA Health and USA HCA are conducted within the facility. In connection with the MOB Agreement, the University entered into a Rent Supplement Agreement dated October 7, 2021, with the Physicians' Group, USA HCA, and TheFirst, a national banking association and construction lender to the Physicians' Group. Under the Rent Supplement Agreement, USA HCA is obligated to use its revenues to pay Base Rent, Additional Rent, and the Remaining Leasehold Obligations. If USA HCA fails to timely remit the full amount of such payments, the University has agreed to fund the shortfall to USA HCA.

Payments under the USA HCA Rent Supplement Agreement are not secured by pledged revenues under the Indenture or by any other special funds or assets of the University.

Rent Supplement Agreements for USARTC. As more particularly described under the section entitled "RESEARCH & TECHNOLOGY CORPORATION", USARTC (hereinafter defined) is a not-for-profit corporation organized by the University to own and operate certain facilities on land of the University incident to research, technological and other enterprises. USARTC has financed these facilities through loans secured by rentals payable from tenants of these facilities to USARTC. There are two such loans currently outstanding; (i) one with a remaining principal balance of \$9.70 million as of September 30, 2025, bearing interest at a fixed annual rate of 4.38%, and (ii) the other with a remaining outstanding principal amount of \$6.30 million bearing interest at a fixed annual rate of 3.08%. For each such loan, the University has entered into an agreement (each, a "USARTC Rent Supplement Agreement") under which the University agrees to cover any shortfall in payments owed as debt service. Payments under each USARTC Rent Supplement Agreement are not secured by Pledged Revenues under the Indenture or any other special funds or assets of the University.

Ambulatory Surgery Center Acquisition. In October 2025, USA HCA received notice for the option to exercise a right of first refusal related to the ASC Ground Lease and Development Agreement with HHRE USA Fairhope ASC, LLC (HHRE). The said development agreement allows USA HCA to have the right of first refusal in the purchase of an Ambulatory Surgery Center (the "ASC Building") located on a parcel of real property known as the "USA Health Mapp Family Campus", and to receive assignment of a ground lease related to the ASC Building (the "ASC Ground Lease") on which the building resides.

On November 13, 2025, USA HCA notified HHRE of its intent to exercise its right to purchase the ASC Building and receive assignment of the ASC Ground Lease at a price of \$15,100,000, and said transaction closed the transaction in January 2026. The purchase was funded by the University (which received an assignment of the rights of USA HCA and, as a result of the transactions herein described, now owns the ASC Building) through a short-term bridge loan (the "ASC Building Loan") in the amount of \$15,100,000, bearing interest, payable monthly, at a fixed per annum rate of 5.65%, from Renasant Bank. Principal of the said bridge loan matures and becomes payable on January 21, 2027. The University expects to finance the payment of all principal of this loan, along with any accrued but unpaid interest, with proceeds of one or more series of Additional Bonds issued under the Indenture (either with proceeds of Series 2026 Bonds or on parity of lien with the Series 2026 Bonds).

Future Debt

Campus Master Plan. In 2017, the Board of Trustees approved the University campus master plan, which covers the ten-year period from 2017 to 2027. Some of these projects (to cover capital improvements not appropriate for pay-as-you-go financing) may be funded through the issuance of long-term debt.

Project Osprey. Building on a partnership announcement in October 2025, the University is evaluating an expansion of its collaboration with Airbus to establish an Airbus presence at USA's Research and Technology Park. The proposed project would support the potential relocation of Airbus's Mobile-based U.S. Engineering Center to the University's campus, and is intended to expand internship, research, and workforce development opportunities aligned with aerospace and advanced manufacturing programs. The University is in the early stages of financial planning for a potential issuance of Additional Bonds in late 2026 or early 2027 in an estimated principal amount of up to approximately \$48.0 million to finance all or a portion of the project. Any such issuance would be subject to final project approval, market conditions, and required authorizations.

Refinancing of ASC Building Loan. The University intends to issue Additional Bonds in the amount of approximately \$15,100,000 to pay and refinance the ASC Building Loan. See "Other University Debt" above.

NEW MEDICAL SCHOOL BUILDING

General. In December 2023, the University broke ground on a new, 250,000-square-foot [Frederick P. Whiddon College of Medicine](#) building (the "New Medical School Building") to house the USA College of Medicine. The New Medical School Building will round-out a medical education hub on campus that includes the [College of Nursing](#), the [Pat Capps Covey College of Allied Health Professions](#), the [Health Simulation Building](#) and the Charles M. Baugh Biomedical Library, and will allow the University to graduate more physicians and accelerate research and innovation.

When the new building opens, it is expected that more than 500,000 square feet of campus facilities will be dedicated to healthcare education and research. This includes (among other things) state-of-the-art laboratory spaces to create flexibility and efficiency for current and future research. It will also allow for expanding the class size of first-year medical students from 80 to 100, with the capability of increasing to 120 in the future. The Whiddon College of Medicine at the University of South Alabama is one of 158 accredited MD-granting institutions in the United States, and one of only two in the state. More than 1,139 of its graduates are practicing medicine in Alabama.

The University anticipates construction of the New Medical School Building to be completed in December 2026.

Estimated Cost; Sources to Fund Construction. The New Medical School Building and related capital projects ("CoM Project") are estimated to cost approximately \$296 million. Nearly half of the funds needed for the CoM Project have come from federal and state grants for which the University has already received, together with a relatively small amount of cash from the College of Medicine, including:

- \$68.1 million from Alabama Public School and College Authority grants.
- \$59.4 million from a National Institute for Standards and Technology grant.
- \$5.1 million from cash on hand at the University.

The University intends to cover the balance through a combination of sources (the "Future Funding Sources"), including:

- Approximately \$39.3 million from the University of South Alabama Foundation, including property valued at approximately \$10.5M.
- Approximately \$11.1 million from a fundraising campaign specific to the New Medical School Building that is presently being developed by the University.
- Approximately \$10.0 million from the City of Mobile, Alabama (the "City") under a funding agreement between the City and the University (the "City Funding Agreement"). The payment obligations of the City under the City Funding Agreement are to be made in annual installments of \$1.0 million/year for the years 2024 through 2033, and such payments are contingent upon the City's actual revenues being for any year being sufficient to sustain the operating budget of the City (and, if not, the City has the right to terminate the City Funding Agreement and declare it null and void).
- Approximately \$5.0 million from Mobile County, Alabama (the "County") under a funding agreement between the County and the University (the "County Funding Agreement"). The payment obligations of the County under the County Funding Agreement are to be made in annual installments of \$500,000 /year for the years 2024 through 2033, and such payments are contingent upon the County's actual revenues for any year being sufficient to sustain the operating budget of the County (and, if not, the County has the right to terminate the County Funding Agreement and declare it null and void).

The remainder (approximately \$98.3 million) is anticipated to be funded from operating cash proceeds of bonds to be issued by the University under the Indenture on parity of lien with the Series 2026 Bonds (the "Prospective Medical School Parity Bond Issue").

In the event of any shortfall in amounts available under the Future Funding Sources, the University will either value engineer the construction of the New Medical School Building or increase the size of the Prospective Medical School Parity Bond Issue to include such difference. Additionally, the University may lower the amount of the Prospective Medical School Parity Bond Issue should additional funds become available from ongoing fundraising initiatives.

ESTIMATED SOURCES AND USES OF PROCEEDS

The estimated sources and uses of funds from sale proceeds of the Series 2026 Bonds are as follows:

Series 2026-A Bonds.

Sources of Funds

Principal Amount of Series 2026-A Bonds
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses of Funds

Payment of 2026-A Improvements
Costs of Issuance¹

Total Uses

¹ Includes underwriting discount, legal and accounting fees, printing costs, rating agency fees, municipal advisory fees, and other expenses of issuance of the Series 2026-A Bonds.

Series 2026-B Bonds.

Sources of Funds

Principal Amount of Series 2026-B Bonds
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses of Funds

Redemption of Refunded Bonds
Costs of Issuance¹

Total Uses

¹ Includes underwriting discount, legal and accounting fees, printing costs, rating agency fees, municipal advisory fees, and other expenses of issuance of the Series 2026-B Bonds.

Series 2026-C Bonds.

Sources of Funds

Principal Amount of Series 2026-C Bonds
[Plus/Less] [Net] Original Issue [Premium/Discount]

Total Sources

Uses of Funds

Redemption of Refunded Bonds
Costs of Issuance¹

Total Uses

¹ Includes underwriting discount, legal and accounting fees, printing costs, rating agency fees, municipal advisory fees, and other expenses of issuance of the Series 2026-C Bonds.

CERTAIN GENERAL INFORMATION RESPECTING

THE UNIVERSITY

General

The University of South Alabama (the "University") is a public body corporate of the State of Alabama existing under provisions of Act No. 157, Acts of Alabama, Second Special Session 1963, and Chapter 55 of Title 16 of the Code of Alabama 1975, as amended. The University is a comprehensive, coeducational, state-assisted institution, which serves as a major center of undergraduate, graduate, and professional education for Alabama, the Gulf Coast region and the southeastern United States.

The University's mission encompasses the three traditional academic functions of teaching, research, and public service through which it pursues the discovery, preservation and communication of knowledge. The University was admitted to membership in the Southern Association of Colleges and Schools on December 4, 1968.

USA offers programs leading to 63 baccalaureate degrees, 38 master's degrees, an Education Specialist (Ed.S.) degree, 16 doctoral degrees, and a Medical Doctor (M.D.) degree. USA also offers a number of post-secondary certificates. In addition to the traditional on-campus course offerings, the University offers over 500 online courses each semester to fit the needs of a diverse student body.

Total enrollment for Fall 2025 was 14,285. Of those students, 9,530 were classified as undergraduate students, 4,755 were enrolled in graduate or professional programs, and 0 were unclassified. For the academic year 2024-2025, the University awarded 3,300 degrees, of which 1,793 were Baccalaureate Degrees, 1,172 were Master's Degrees, 267 were Doctoral degrees, and 68 were M.D. degrees.

The University of South Alabama main campus, located in a section of Mobile called Springhill, consists of 1,200 wooded acres. The primary instructional buildings are contained on this campus, as well as the medical college and dormitory facilities. A 750-acre municipal park is adjacent to the main campus.

The University of South Alabama Baldwin County Campus was established as a branch campus in 1984 to better meet the needs of students located in Baldwin County, Alabama, and offers graduate courses, upper-level undergraduate courses, and non-credit courses/public service programs.

For the 2025-2026 academic year, the University employed 885 full-time faculty persons. Approximately 28.6% of faculty members are tenured. The University employs 9,464 persons in all categories.

The main campuses in Mobile, Alabama, consists of 159 major buildings, including hospital and medical related facilities. Those facilities include buildings currently providing approximately 2,814 beds (with capacity to expand up to 3,008 beds, if needed) available for student residency on campus.

The University's health system, known as USA Health, is composed of the USA Health University Hospital ("USAUH"), the USA Children & Women's Hospital ("USACW"), USA Health Providence Hospital, the USA Health Mitchell Cancer Institute ("USAMCI"), and USA Health Physicians Enterprise ("Physician Enterprise). USA Health provides primary and tertiary care for a multi-county service area. USAUH is a 406-licensed bed hospital which includes the region's only level I trauma center, a burn unit, and state-of-the-art facilities for internal medicine, surgery and cardiovascular diagnostic and treatment techniques.

USACW is a 152-licensed bed facility specializing in pediatric, obstetric and gynecological services. USACW includes neonatal and pediatric intensive care nurseries, progressive care nurseries and other facilities for dealing with high-risk deliveries. In 2015, the 195,000 square foot expansion of USACW was placed into service.

USAMCI is the region's only academic-based cancer research and treatment facility. It is housed in a state-of-the-art 125,000 square foot integrated clinical and research building, and provides comprehensive cancer care to 4.5 million people in a 150-mile radius.

Physician Enterprise consists of 700 medical providers (including USA HCA and Providence Hospital Community Providers) with over 300 academic faculty physicians and over 144 community physicians. The Strada Patient Care Center, a 133,000 square foot building located near USACW, was placed in service in December 2016 and provides 153 patient exam rooms, 16 nurses' stations, and seven (7) educational conference rooms for use by University physicians.

USA Providence Hospital, the facilities of which were acquired by the University on October 1, 2023, is a full-service, 349 bed hospital that provides 24/7 emergency care and a Level III trauma center. The hospital offers birthing services, surgical care and specialty care. The hospital is the anchor facility on a medical campus that includes other medical services and assets including, among other things, primary care clinics, outpatient specialty clinics, rehabilitation services, a pharmacy, and a wide range of treatment services including minimally invasive procedures, imaging, lab tests, wound care and diabetes care.

The University leases USA Providence Hospital to the University of South Alabama Health Care Authority, an Alabama public corporation ("USA HCA"), which operates and manages USA Providence Hospital under a lease agreement between the University and USA HCA (the "USA Providence Hospital Lease"). All licenses and regulatory titles incident to the operation and management of USA Providence Hospital are held by and in the name of USA HCA. Under the terms of the USA Providence Hospital Lease, USA HCA is required to make lease payments to the University from revenues remaining after the expenses of operating USA Providence Hospital in amounts corresponding to maturing installments of principal and interest on the Series 2024-A Bonds and the Series 2024-B Bonds (though no portion of the operations of USA Providence Hospital is pledged to or otherwise a source of payment of debt service of the Series 2024-A Bonds or the Series 2024-B Bonds).

For its fiscal year ended September 30, 2025, the University reported grants and contracts revenue from Federal, State and private sources of approximately \$60,776,000, and an additional \$197,448,000 from direct State of Alabama legislative appropriations. Tuition and fees revenues reported during the fiscal year ended September 30, 2025 (net of scholarship allowances) were approximately \$130,842,000, and net patient service revenues from USA Health during such period were approximately \$913,243,000. See [Appendix A](#).

*Summary Enrollment Profile - Fall 2025
(Excluding Medical Residents)*

	Fall 2025	
	Number	Percent
Covey College of Allied Health Professions	1,857	13.0%
College of Arts and Sciences	2,986	20.9%
Mitchell College of Business	1,150	8.1%
School of Computing	604	4.3%
College of Education & Professional Studies	1,729	12.1%
College of Engineering	1,141	8.0%
Graduate School	39	0.2%
College of Medicine	360	2.5%
College of Nursing	<u>4,419</u>	<u>30.9%</u>
Total	14,285	100.0%

Financial

The following section contains certain financial information for the University, including a comparison of the revenues, expenses and changes in net position for the fiscal years 2021 through 2025 (dollars in thousands).

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Operating revenues:					
Tuition and fees, net of scholarship allowances	\$128,040	\$130,677	\$125,929	\$135,733	\$130,842
Net patient service revenue	622,678	720,055	791,446	926,256	913,243
Federal, state and private grants and contracts	44,589	48,749	62,507	63,915	60,776
Other	<u>65,388</u>	<u>80,440</u>	<u>80,143</u>	<u>106,387</u>	<u>134,467</u>

Total	860,695	979,921	1,060,025	1,232,291	1,239,328
Operating expenses:					
Salaries and benefits	554,587	587,844	653,681	739,331	817,747
Supplies and other services	338,512	409,008	418,707	461,047	506,789
Other	<u>97,399</u>	<u>98,038</u>	<u>115,211</u>	<u>139,699</u>	<u>135,134</u>
Total	990,498	1,094,890	1,187,599	1,340,077	1,459,670
Operating loss	<u>(129,803)</u>	<u>(114,969)</u>	<u>(127,574)</u>	<u>(107,786)</u>	<u>(220,342)</u>
Nonoperating revenues (expenses):					
State appropriations	126,481	140,709	181,177	187,908	197,448
Investment income (loss)	54,294	(53,135)	42,889	83,382	59,728
Other, net	<u>61,611</u>	<u>27,626</u>	<u>(2,920)</u>	<u>(18,269)</u>	<u>(14,206)</u>
Net nonoperating revenues	<u>242,386</u>	<u>115,200</u>	<u>221,146</u>	<u>253,021</u>	<u>242,970</u>
Income (loss) before capital appropriations, capital contributions, grants, and additions to endowment	112,583	231	93,572	145,235	22,628
Capital appropriations, capital contributions, grants and additions to endowment	<u>13,449</u>	<u>25,711</u>	<u>38,479</u>	<u>46,187</u>	<u>101,076</u>
Change in net position	<u>126,032</u>	<u>25,942</u>	<u>132,051</u>	<u>191,422</u>	<u>123,704</u>
Beginning net position, before cumulative effect of change in accounting principle	216,278	342,310	361,188	493,239	684,661
Cumulative effect of change in accounting principle	-	(7,064)	-	-	(22,768)
Beginning net position- as adjusted	<u>216,278</u>	<u>335,246</u>	<u>361,188</u>	<u>493,239</u>	<u>661,893</u>
Ending net position	<u>\$342,310</u>	<u>\$361,188</u>	<u>\$493,239</u>	<u>\$684,661</u>	<u>\$785,597</u>

The University's audited financial statements for the year ended September 30, 2025, are attached as Appendix A.

Faculty and Staff

Faculty and staff employees for the University were as follows at September 30 for the years shown:

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Full-time faculty by rank:					
Professor	165	163	170	171	168
Associate Professor	225	225	210	205	192
Assistant Professor	383	354	346	356	361
Instructor	111	110	104	115	113
Lecturer	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	<u>885</u>	<u>853</u>	<u>831</u>	<u>848</u>	<u>835</u>
Full-time faculty by length of service:					
Up to 2 years	200	169	150	164	147
3-4 years	111	112	99	109	123
5-9 years	218	230	238	224	217
10-14 years	139	116	100	102	116
15+ years	<u>217</u>	<u>226</u>	<u>244</u>	<u>249</u>	<u>232</u>
TOTAL	<u>885</u>	<u>853</u>	<u>831</u>	<u>848</u>	<u>835</u>
Percent of faculty tenured	28.6%	30.5%	31.9%	31.8%	31.9%
Part-time faculty	343	339	330	399	471

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Non-faculty	<u>8,251</u>	<u>8,663</u>	<u>8,111</u>	<u>6,064</u>	<u>5,425</u>
Total University employees	<u>9,464</u>	<u>9,840</u>	<u>9,260</u>	<u>7,305</u>	<u>6,719</u>

Student Enrollment and Trends

Enrollment Strategy. As reflected in the tables below, Fall 2025 represented a continuation of recent enrollment increases both in total enrollment and that of new incoming students which began in 2023. Notably, the 2025 entering first-time freshman class was the largest in university history the recently. Overall enrollment is up 2%, driven by undergraduates up by 3% (which is largely the result of increased first-time freshmen enrollment which was up for the third consecutive year and by 10%).

Among other initiatives, the University engaged in strategies designed to better market the University to prospective students in general, and to better target those with higher probabilities of enrolling and matriculating through the University. Specifically, the University continued to increase on-campus visit opportunities for prospective students and families driven once again by the addition of hosting 55 *Jag-Day* Bus Tours (including students from all Mobile and Baldwin County high schools as well as schools in our FL and MS service area counties). Additionally, administration personally presented to juniors and seniors at more than 80 high schools throughout the state and region. High schools involved in *Jag-Days* and administration visits continue to show enrollment increases overall.

The University also continues to increase its digital footprint via additional electronic media name-buys and expanding other digital marketing tools. The Slate recruitment and admissions (CRM) system is five years old and continues to be expanded in order to more consistently engage prospective students and, more than ever before, engaging prospective student parents. The CRM was employed by the University to enhance electronic mail and digital marketing programs, and more recently to support recruitment event management to more effectively understand and react to student and parent engagement trends. Additionally, the Enrollment Services Unit (along with several other departments on campus) has integrated a new parent engagement platform (CampusESP) in order to encourage participation in parent online communities. Through these parent communities, it more effective for our departments to provide them with the most pertinent information about their student’s college selection process and new-student transition.

Additionally, volumes of prospective students with academic interests aligning with top programs at the University, as well as increasing the geographic footprint from which student interest can be cultivated, both continue to be enhanced. The university also joined the state of Alabama’s “Match” direct admission initiative this year and have received over 2,000 Alabama applicants through this process. These strategic actions are contributing to increased prospective student volumes and ultimately to freshmen applications and admissions moving into the Fall 2026 semester compared to last year at this time as noted below.

- Total records purchased by the University for marketing to prospective students is typically over 110,000
- Fall 2026 freshman applications vs. 2025: +900 (an increase of 8.0%)
- Fall 2026 freshman admissions vs. 2025: +1000 (an increase of 11.0%)

The University’s “test-optional” application and admissions review process continues to ensure equitable consideration and enrollment opportunities for students with diverse academic backgrounds who have proven records of successful course completion and grades. Additionally, merit and need-based funding continues to support students based on exceptional academic work and/or financial need.

Short-Term Results. The University continues to be encouraged by the short-term results of its enrollment strategy as seen in Fall 2023, 2024, and 2025. Additional admissions counselors charged with recruitment of high school students, transfer students, and adult learners combined with enhanced prospective student volume purchases, expanded geographic market positioning and innovative increased campus visit opportunities continue to positively impact our enrollment recovery.

Enrollment, Application, Acceptance and Related Trends. The following tables present results for the periods indicated relating to student enrollment, applications, matriculations, and retention.

Total student enrollment by head count was as follows for the semesters shown:

	<u>Fall 2025</u>	<u>Fall 2024</u>	<u>Fall 2023</u>	<u>Fall 2022</u>	<u>Fall 2021</u>
Undergraduate	9,530	9,238	8,913	8,489	8,830
Graduate/Professional	4,755	4,762	4,854	4,972	5,159
Unclassified	<u>0</u>	<u>3</u>	<u>1</u>	<u>2</u>	<u>3</u>
Total	<u>14,285</u>	<u>14,003</u>	<u>13,768</u>	<u>13,463</u>	<u>13,992</u>

Applications, acceptances and matriculations for freshmen students:

	<u>Fall 2025</u>	<u>Fall 2024</u>	<u>Fall 2023</u>	<u>Fall 2022</u>	<u>Fall 2021</u>
Applications	13,532	12,948	12,629	12,510	11,779
Acceptances	9,747	9,159	8,677	8,163	8,325
Matriculations ⁽¹⁾	2,070	1,865	1,833	1,573	1,734
Percent of applicants accepted	72.0%	70.7%	68.7%	65.3%	70.7%
Percent of applicants enrolled	15.3%	14.4%	14.5%	12.6%	14.7%
Percent of acceptances enrolled	21.24%	20.36%	21.12%	19.27%	20.83%

⁽¹⁾ Reflects only first-time freshmen that started in the fall semester indicated.

Total enrollment by full-time equivalent⁽¹⁾:

	<u>Fall 2025</u>	<u>Fall 2024</u>	<u>Fall 2023</u>	<u>Fall 2022</u>	<u>Fall 2021</u>
Undergraduate	8,786	8,434	8,147	7,722	8,053
Graduate/Professional	<u>3,972</u>	<u>3,945</u>	<u>4,010</u>	<u>4,091</u>	<u>4,210</u>
Total	<u>12,758</u>	<u>12,379</u>	<u>12,157</u>	<u>11,813</u>	<u>12,263</u>

⁽¹⁾ FTE enrollment is calculated using ACHE guidelines.

Retention rate for full-time freshmen entering in:

	<u>Fall 2024</u>	<u>Fall 2023</u>	<u>Fall 2022</u>	<u>Fall 2021</u>	<u>Fall 2020</u>
Number matriculated ⁽¹⁾	1,916	1,888	1,596	1,749	1,544
Number returned	1,434	1,430	1,217	1,203	1,096
Retention rate	75.8%	75.7%	76.3%	68.8%	71.0%

⁽¹⁾ Includes first-time freshmen that started in the fall semester indicated, plus first-time freshmen that started in the immediately preceding summer semester and reenrolled in the fall semester indicated.

Test Scores

Average ACT scores of matriculated students for years shown:

<u>Fall 2025</u>	<u>Fall 2024</u>	<u>Fall 2023</u>	<u>Fall 2022</u>	<u>Fall 2021</u>
23.1	23.2	23.0	23.1	22.8

Geographic Concentrations of Students

	<u>Fall 2025</u>	<u>Fall 2024</u>	<u>Fall 2023</u>	<u>Fall 2022</u>	<u>Fall 2021</u>
Mobile County	4,892	4,920	4,878	4,783	5,005
Baldwin County	1,468	1,414	1,352	1,245	1,250
Other Alabama counties	2,686	2,532	2,444	2,458	2,645
Florida	983	964	929	928	1,001
Mississippi	1,463	1,375	1,294	1,257	1,286
Other states in the U.S.A.	2,526	2,511	2,584	2,517	2,589

International	<u>267</u>	<u>287</u>	<u>287</u>	<u>275</u>	<u>216</u>
Total	<u>14,285</u>	<u>14,003</u>	<u>13,768</u>	<u>13,463</u>	<u>13,992</u>

Main Schools in Competitive Group and Listed Tuition – 2025-2026 Academic Year:

The following lists the annual tuition for traditional students for the academic institutions listed:

	Undergraduate		Graduate	
	<u>Resident</u>	<u>Non-Resident</u>	<u>Resident</u>	<u>Non-Resident</u>
University of South Alabama	\$11,220	\$22,440	\$11,520	\$23,040
In-state reference group:				
Alabama A & M University	8,790	17,550	10,224	20,352
Alabama State University	8,328	16,656	9,888	19,776
Athens State University	7,890	15,780	9,120	15,792
Auburn University	11,352	34,056	11,340	34,020
Auburn University at Montgomery	11,370	25,500	11,496	25,800
Jacksonville State University	10,590	21,180	10,416	16,944
Troy University	12,720	25,440	11,400	22,800
University of Alabama	11,684	34,542	11,684	34,542
University of Alabama at Birmingham	11,640	28,980	11,856	29,064
University of Alabama in Huntsville	10,700	25,390	11,670	28,000
University of Montevallo	12,510	25,980	10,872	26,016
University of North Alabama	10,200	20,400	11,880	23,760
University of West Alabama	9,750	19,500	10,296	20,592
Regional reference group:				
University of Southern Mississippi	10,394	12,394	10,394	12,394
University of New Orleans	9,829	14,665	9,333	13,903
University of West Florida	6,360	19,241	9,062	24,894

In-State Reference Group Source: Alabama Commission on Higher Education Annual Tuition Schedule

Certain Fees and Charges

The following shows the fee schedule for Undergraduate and Graduate Arts and Sciences majors for the periods shown. The course fees for other majors are slightly higher. Except as otherwise indicated, course fees are per semester hour. Graduate School does not include the College of Medicine.

	<u>2025-2026</u>	<u>2024-2025</u>	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>
Application fee	\$35	\$35	\$35	\$35	\$35
Registration fee (charged only if enrolled in less than 15 semester hours)	150	150	150	150	150
Late registration fee	100	100	100	100	100
<i>In-state course fee, per semester hour</i>					
Undergraduate	374	374	374	359	344
Graduate	480	480	480	468	457
<i>Out-of-state course fee, per semester hour</i>					
Undergraduate	748	748	748	718	688
Graduate	960	960	960	936	914

College of Medicine

Fees and certain charges for the College of Medicine were as follows for the periods indicated:

	<u>2025-2026</u>	<u>2024-2025</u>	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>
Application fee	\$75	\$75	\$110	\$110	\$110
Resource fee	508	508	508	508	508
Course fee, academic year					
In-state	35,233	34,307	34,207	33,211	31,934
Out-of-state	70,466	68,414	68,414	66,422	63,868

Degrees Awarded

The University awarded the following degrees for the academic years ending May 31 for the years shown below:

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Baccalaureate	1,793	1,772	1,809	1,868	1,954
Masters	1,172	1,223	1,266	1,205	1,233
Para-professional certificates	286	270	225	259	263
Professional:					
M.D.	68	74	74	75	69
Ph.D.	61	43	50	37	35
Au.D.	10	7	11	10	9
D.P.T.	39	40	38	40	40
D.N.P.	149	178	166	148	134
Ed.D.	<u>8</u>	<u>10</u>	<u>4</u>	<u>7</u>	<u>4</u>
Total (degrees only) ⁽¹⁾	<u>3,300</u>	<u>3,347</u>	<u>3,418</u>	<u>3,390</u>	<u>3,478</u>

⁽¹⁾ Excludes Para-professional certificates.

Student Financial Aid

The University awarded and paid financial aid at the following levels for the following academic years, as follows:

	<u>2024-2025</u>	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>
Federal government:					
Student Loans	\$115,747,729	\$114,837,100	\$110,033,582	\$115,373,460	\$120,701,783
Grants	29,037,728	22,187,024	18,739,184	18,728,734	18,094,936
Student employment	164,545	174,682	286,947	203,537	189,351
University:					
Loans	100,550	125,161	137,052	140,128	184,905
Scholarships	<u>35,562,525</u>	<u>33,785,065</u>	<u>28,161,021</u>	<u>31,767,379</u>	<u>31,017,998</u>
Total	<u>\$180,613,077</u>	<u>\$171,109,032</u>	<u>\$157,357,786</u>	<u>\$166,213,238</u>	<u>\$170,188,973</u>

GOVERNING BODY

State law provides for a Board of Trustees as the governing body of the University with all of the rights, privileges and authority necessary to promote the purpose of its creation, which is to establish and provide for the maintenance and operation of a state university in Mobile County, Alabama. The Board of Trustees consists of sixteen members. The Governor is the ex officio President of the Board of Trustees. Three members of the Board of Trustees are appointed from Mobile County. Five members are appointed from the State at large. Two members are appointed from the United States at large. One member is appointed from each of the following state senatorial districts, or combinations thereof, as those districts were designated at the time the University was organized: (1) Sixteenth and Seventeenth Districts; (2) Nineteenth and Twentieth Districts; (3) Twenty-first District; (4) Twenty-third, Twenty-fifth, and Thirtieth Districts; and (5) Thirty-fifth District. All Trustees, except ex officio members, are appointed by the Governor by and with the advice and consent of the State Senate, and

hold office for a term of six years and until their successors shall be appointed and qualified. The present members of the Board of Trustees are as follows:

<u>Name of Trustee</u>	<u>Occupation</u>	<u>Current Term Expires</u>
Katherine Alexis Atkins	Business Administration	September 30, 2031
Dr. Scott A. Charlton	Physician	September 30, 2027
Dr. Steven P. Furr	Physician	September 30, 2029
Mr. Louis Gonzalez	Business Administration	September 30, 2029
William Ronald Graham	Business Administration	September 30, 2029
Meredith Mitchell Hamilton	Business Administration	September 30, 2027
Mr. Robert D. Jenkins, III	Business Administration	September 30, 2031
The Honorable Bill W. Lewis, II	Circuit Court Judge	September 30, 2031
Mrs. Arlene Mitchell	Philanthropist and Civic Volunteer	September 30, 2027
Lenus M. Perkins	Business Administration	September 30, 2029
Mr. James H. Shumock	Business Administration	September 30, 2027
Mrs. Chandra Brown Stewart	Business Administration	September 30, 2031
Dr. Steven H. Stokes	Physician	September 30, 2029
The Honorable Michael P. Windom	Circuit Court Judge	September 30, 2031
Mr. James A. Yance	Attorney, Retired	September 30, 2027
The Honorable Kay Ivey	Governor, State of Alabama	Ex Officio

The University President falls under the Board of Trustees. The Executive Vice President and Provost, Athletic Director, General Counsel, USA Health CEO, and Vice President of Medical Affairs & Dean of the College of Medicine report to the University President. Nine Vice Presidents and the Executive Vice Provost fall under the Executive Vice President & Provost (the Vice President of Finance, Vice President of Administration, Vice President of Facilities Management, Vice President of Governmental Relations, Vice President of Development & Alumni Relations, Vice President & Dean of Student Affairs, Vice President of Marketing & Communications, Vice President of Research & Economic Development, and Vice President of Community Engagement).

The Board of Trustees appoints the President of the University. Josiah (Jo) Robins Bonner, Jr. has served as President of the University since November 2021. President Bonner is the fourth President in the history of the University. Previously, President Bonner served as chief of staff to Alabama Governor Kay Ivey. For more than a decade, he represented Alabama's first District in the U.S. House of Representatives, where he was a member of the House Appropriations Committee and served as chair of the House Ethics Committee.

President Bonner received his Bachelor's Degree in Journalism from the University of Alabama in Tuscaloosa in 1982.

Kristen Roberts is the Vice President of Finance of the University and Health System. Mrs. Roberts oversees the financial operations of the system, which is collectively responsible for developing and overseeing the budget process, treasury and accounting, financial planning and analysis for the University. Mrs. Roberts has been at the University since 2015, where she began as an assistant controller. Mrs. Roberts then served as Controller, Assistant Vice President for Finance & Admin., Chief Financial Officer, and in 2025 became the Vice President of Finance. Mrs. Roberts is a CPA and holds a Bachelor's Degree in Accounting and a Master of Accountancy from the University of Alabama in Tuscaloosa.

HEALTH CARE SYSTEM

General. The University's health care system is operated under two primary entities: (1) USA Health, a division of the University ("USAH"), which includes a series of hospitals, physician groups, and outpatient service locations, and (2) the University of South Alabama Health Care Authority ("USA HCA").

Collectively, USAH and the USA HCA are referred to in this Official Statement as the "Health System".

Included within the Health System are: (1) a tertiary teaching hospital with a level 1 trauma center hereinbelow further described and defined as "USAUH"; (2) USA Children's & Women's Hospital (a children's and women's hospital hereinbelow further described and defined as "USACW"); (3) an adult community hospital; (4) the USA Mitchell Cancer Institute, an academic cancer research and treatment institute (hereinbelow further described and defined as "USAMCI"); (5) three physician networks of faculty and community practices and clinics; and (6) other outpatient service centers including an Ambulatory Surgery Center ("ASC"), Freestanding Emergency Department ("FED"), and Industrial Medicine. The Health System has grown from 7 sites of care in 2016 to over 40 locations in 2026, and now employs over 7,300 full and part-time associates.

USA Health University Hospital ("USAUH"). USAUH is a 406-licensed bed tertiary care center with the region's only Level 1 trauma and burn center that supports the adult teaching and research missions of the USA Frederick P. Whiddon College of Medicine (the "USA Medical College"). Recognized as a top performer on key quality measures, USAUH offers advanced treatment of trauma, stroke, epilepsy, cardiovascular disease, and sickle cell disease. Patients treated at USAUH tend to require medically complex care and treatment that is offered only at this location throughout the region.

USAUH has experienced significant growth across its inpatient and outpatient services. In December 2020, USAUH opened a new 32,000 square foot trauma center, which replaced an 11,000 square foot emergency department and created three advanced trauma treatment bays that are directly connected to advanced imaging services, a four-bed behavioral health emergency unit, and 40 general purpose emergency room beds. Emergency room visits have grown from 23,197 in 2014 to 32,437 in 2025. Additionally, in April of 2022, USAUH opened a freestanding emergency room ("FED") and the University Hospital Diagnostic Imaging Center in Mobile, Alabama, adding an additional 16 emergency room beds, as well as computer tomography scan, x-ray, magnetic resonance imaging (i.e., "MRI"), mammography, and ultrasound services. The FED handled 33,892 visits in FY 2025, and the imaging center processed 15,611 exams in fiscal year 2025.

Other outpatient procedural volume has grown as well. This includes gastroenterology cases which have grown by 150% over the last twelve years. Combined inpatient and outpatient surgery volume grew from 5,341 cases in 2014 to 9,851 cases in fiscal year 2025; an increase of approximately 84% since 2014. Inpatient volumes have also grown consistently year over year, with total discharges of 6,447 in 2014 growing to 12,654 total discharges in 2025; representing a 96% increase since between 2014 and 2025.

In 2023, in an effort to meet growing service demand and enhance technology, USAUH opened four new state-of-the-art surgical suites and one hybrid surgical suite featuring both general surgical and heart catheterization capabilities.

Gross Revenues of USAUH for the last ten fiscal years were as follows:

Year	Gross Revenues
2025	\$1,273,789,096
2024	1,188,155,847
2023	1,082,684,262
2022	970,316,050
2021	744,484,422
2020	662,620,142
2019	614,219,907
2018	474,193,133
2017	470,741,917
2016	406,528,233

USA Children's & Women's Hospital ("USACW"). USACW is a 152-licensed bed hospital with an additional 35 newborn bassinets and serves as the only facility in the region dedicated to providing services to children and women. USACW provides the highest level of care in the region for neonatal and pediatric intensive care, 24/7 pediatric emergency services, and high-risk pregnancies. USACW features a Level III neonatal intensive care unit, which is the largest in the region, and a pediatric epilepsy monitoring unit, which is the only one of its kind along the upper Gulf Coast. In 2023, a 20-bed mother-baby floor was opened to create a unique

birthing experience. USACW is home to the region’s largest group of pediatric specialists and obstetric providers.

With the recent recruitment of additional obstetrician and gynecologist providers, inpatient service volume at USACW is significant. Inpatient discharges reached 12,983 in 2025, with delivery volume of 2,794 for the year. Partially driven by USACW’s ongoing recruitment of pediatric surgical, procedural and anesthesia specialists, surgical volume has grown from 3,199 cases in 2014 to 6,094 cases in 2025, a growth rate of 90%. USACW has completed construction of its eighth surgical suite as a measure to meet increasing demand and enhance surgical technology. USACW provides the only dedicated pediatric emergency department in the region. Patient visits through the emergency department have grown to over 35,000 annually. In January 2024, USACW completed a new state-of-the-art pediatric emergency department, featuring 30 treatment rooms and additional specialty rooms. The new department boasts 19,000 square feet, essentially doubling emergency capacity.

Gross Revenues of USACW for the last ten fiscal years were as follows:

Year	Gross Revenues
2025	\$710,407,703
2024	657,078,862
2023	587,595,833
2022	549,046,849
2021	457,623,298
2020	393,098,849
2019	287,570,187
2018	249,122,847
2017	243,090,525
2016	248,819,071

USA Mitchell Cancer Institute ("USAMCI"). USAMCI is the only academic cancer research and treatment center in the upper Gulf Coast corridor. Providing cancer care to a catchment area of over 4.5 million persons in a 150-mile radius, USAMCI brings state-of-the art, research-based cancer treatment to the region, serving over 4,500 new individual patients per year. Its capabilities span the entire continuum of cancer care, from prevention and early detection to treatment and survivorship. With a highly skilled and trained team of oncologists, USAMCI is improving cancer outcomes for patients, including the most vulnerable residents of the county, state and beyond. USAMCI provides cancer treatment in two Mobile, Alabama locations, as well as one in Fairhope, Alabama. For patients who are not candidates for traditional cancer therapy, USAMCI offers a host of clinical trials with over 127 patients enrolled in therapeutic clinical trials per year, approximately 35% of whom are minority patients.

USAMCI has eight Principal Investigators conducting research, funded through the National Institutes of Health, the Department of Defense, the American Cancer Society and other federal sources. As an integrated cancer treatment and research center, USAMCI provides innovative cancer care in a caring environment with 15 clinical faculty members and 11 advanced practice providers, while accelerating research to enhance care delivery for future patients. USAMCI reported 66,403 visits in fiscal year 2025, an increase of 56% since 2016.

In addition, USAMCI opened a specialty pharmacy in July 2018 and became provider-based with USACW in September 2019. The result of USAMCI’s operational enhancements, growth, and dedicated revenue cycle have led to both improved throughput and operating margins.

Gross Revenues of USAMCI for the last ten fiscal years were as follows:

Year	Gross Revenues
2025	\$123,831,658
2024	110,509,194
2023	95,810,195
2022	82,803,518

2021	74,496,956
2020	62,626,474
2019	51,099,476
2018	19,709,735
2017	19,933,067
2016	15,829,428

Physician Enterprise; Growth of Physicians at USAH. Through both acquisitions and organic growth, the Health System has experienced unprecedented growth in its employed physician enterprise over the past seven years and currently employs over 700 medical providers (including the USA HCA and the recent Providence Hospital acquisition). The USA Health physician enterprise is comprised of both academic faculty physicians and community physicians providing high quality patient-centric medical care to patients across 35 outpatient clinic locations and four acute care hospitals.

The physician enterprise includes three large multi-specialty practice sites. Opened in 2017, the Strada Patient Care Center is located on the USACW campus. At more than 133,000 square feet, the building is the practice home for over 20 medical specialties including pediatric subspecialists and maternal high-risk care. The Mapp Family Campus physician office building opened in 2022 and has provided increased access to medical specialty care in Baldwin County, Alabama. The 50,000 square foot building is the medical home to both community and academic physicians.

The Hillcrest Physician Office Building opened in 2023 and serves as the practice home for the Health System's largest primary care group, as well as offering an opportunity to expand subspecialty services in West Mobile, Alabama. At more than 90,000 square feet, the building is adjacent to the new FED and the University Hospital Diagnostic Imaging Center. During the last fiscal year, the physician enterprise and HCA providers conducted more than 665,000 outpatient visits, in addition to managing over 235,000 inpatient days in the three hospitals.

Comprised of nearly 300 academic physicians on faculty at the USA Medical College, the physician faculty practice is the region's largest multi-specialty practice and the only academic physician's group along the central Gulf Coast. The collective mission of the faculty practice providers is the delivery of leading-edge care to patients and supporting the larger mission of the USA Medical College in the education and training of medical students and over 335 residents and fellows in the advancement of medical care through medical research.

Gross revenues of USAH's physician enterprise for the last ten fiscal year were as follows:

Year	Gross Revenues
2025	\$450,875,348
2024	418,001,058
2023	308,832,165
2022	274,868,078
2021	265,159,099
2020	249,409,682
2019	176,840,712
2018	120,488,250
2017	125,686,741
2016	136,470,653

The University of South Alabama Health Care Authority ("USA HCA"). USA HCA was formed in May of 2017 pursuant to Section 16-17A-1 et seq. of the Code of Alabama 1975, as amended, as an Alabama public corporation to assist the University in certain administrative, personnel, and health care operational functions.

In addition to USAH's physician enterprise, the USA HCA includes a network of physician practices. The USA HCA has grown to more than 100 providers, including more than 80 physicians providing community-based medical care to the people along the Gulf Coast. The USA HCA established an industrial medicine program in 2021. This growing program provides services to numerous employers across the region, including

on-site 24/7 medical care.

On October 1, 2023, the University purchased the medical facilities comprising Providence Hospital ("USAPH"), a 349-licensed bed acute care community hospital located in Mobile, Alabama. Through the UASPH acquisition, the Health System added 75 providers, 45 of which are physicians, and the Health System began fiscal year 2024 with the addition of seven new areas of primary care patient access.

Gross revenues of the USA HCA for the last eight fiscal years are as follows:

Year	Gross Revenues
2025	\$1,235,409,453
2024	1,092,011,287
2023	104,459,997
2022	67,970,770
2021	49,447,176
2020	32,026,193
2019	35,128,988
2018	24,243,252

KPMG has audited the financial statements for USA HCA for the fiscal year ended September 30, 2025. See Pages 26-27 of Appendix A attached hereto.

ACADEMIC MEDICAL CENTERS

Academic Medical Centers ("AMCs") throughout the United States face a dynamic healthcare environment. These changes include potential funding reductions from governmental entities and insurance companies, as well as a transition from productivity to value-based reimbursements.

As a result, AMCs are evaluating their business models and restructuring themselves to respond to the current and future healthcare environments. Nationwide, AMCs are evaluating partnerships with other AMCs or even non-AMC healthcare providers. Consistent with this national trend, the University, although in the very early stage, is proactively addressing its structure and governance with respect to these issues.

USA TECHNOLOGY & RESEARCH CORPORATION

The USA Research and Technology Corporation ("USARTC") was incorporated in 2002 as a not-for-profit corporation under the laws of the State of Alabama. The mission of USARTC is to facilitate new and enhanced types of interaction between the University and the wider public and private sectors and to serve as a catalyst for regional development by furthering innovation and enterprise in a collaborative and principled fashion that respects and elevates the social and economic well-being of the community. The facilities of USARTC are located on approximately 160 acres adjacent to the main campus of the University, an area known as the USA Technology & Research Park (the "Park"). USARTC owns three buildings in the Park, which together comprise approximately 222,300 square feet of space available for lease, with approximately 200,000 square feet currently under lease.

Since USARTC's inception, total tenant employment (non-University) has grown to approximately 350, including approximately 70 University graduates.

FACILITIES

Certain Facilities

The University has 6,884,240 gross square feet of inventory space presently in use, including the USA

Baldwin County-Fairhope Campus, USA Health University Hospital, USA Health Mitchell Cancer Institute, USA Health HCA Providence Hospital, and USA Health Children’s & Women’s Hospital. Existing main campus structures include the Administration Building; Instructional Laboratory Building; Library; Biomedical Library; Chemistry Building; Life Science Building; Health, Physical Education and Recreation Building; Student Center; Humanities Building; Medical Sciences Building; Multi-Purpose Arena; Performing Arts Building; Business Building; Student Services Building; Archaeology Building; Intramural Fieldhouse; Transportation Services Building; three Technology and Research buildings; Shelby Hall; Health Science; Dining Facility; Faculty Club; Academic Services; Business Resource Center; Innovation in Learning Center; Education Services Building; Education and Outreach Building, and a variety of residence halls. The Bethel Theater, Mobile Townhouse, and Alumni Hall, all located on the campus, are renovated buildings of great historic value.

Historical details of construction, acquisition and renovations at the University campus are as follows:

Years of construction or acquisition	Gross Square Feet Constructed or Acquired	Gross Square Feet Renovated
Prior to 1960	1,091,119	207,676
1960-1969	813,280	302,671
1970-1979	1,046,420	192,963
1980-1989	597,710	81,712
1990-1999	277,443	-
2000-2009	550,333	153,575
2010-2015	714,605	502,204
2016-2020	859,527	231,306
2021-2023	961,055	518,877
2024-2025	646,732	178,306
Total	<u>7,558,224</u>	<u>2,369,290</u>

The University also has many other types of facilities used for student and student-related activities, such as a 25,450-seat multi-purpose stadium, opened in 2020, for use primary by the University of South Alabama Jaguars Division I football team, and many other athletic and related facilities.

The campus is served by water, gas and electric utilities supplied by public utilities serving the greater Mobile metropolitan area.

Insurance

Claims for damages to the University's campus property are covered by the State Insurance Fund of the State of Alabama's Division of Risk Management. All buildings and contents are covered by the State Insurance Fund policy. The University uses two self-insured trust funds to pay general liability and professional liability claims. Injuries from work-related incidents to those employees covered by the University's self-insured health plan are covered by that plan. Work-related injuries to employees not covered by the health plan are reviewed by the State Board of Adjustment for final resolution.

Student Housing

University Owned Housing. With respect to on-campus student housing, approximately 2,814 beds (with capacity to expand up to 3,008 beds, if needed) are available for occupancy in campus student residences. Over the last five years, occupancy rates have averaged 95.9% as of the fall census date with the Fall 2025 semester at 98.5%, which includes an additional 150 bed-spaces leased from a nearby apartment complex for overflow housing due to demand. Approximately 20.4% of total headcount enrollment occupied student housing

for the Fall 2025 semester.

For the Spring 2025 semester USA Housing maintained a 95.5% occupancy rate as of the spring census date, which includes an additional 228 bed-spaces leased from a nearby apartment complex. Approximately 18.7% of total headcount enrollment occupied student housing for the Spring 2025 semester.

For the Spring 2026 semester USA Housing maintained a 93.8% occupancy rate as of the spring census date, which includes an additional 150 bed-spaces leased from a nearby apartment complex. Approximately 20.8% of total headcount enrollment occupied student housing for the Spring 2025 semester.

Non-University Owned Housing. In addition to the approximately 3,008 University-owned beds, there are several apartment-style housing complexes not owned by the University but that focus on University students. One is located on campus and the rest are located off-campus. The on-campus complex was built on land leased by the University to a developer under a long-term lease, and the University is under no obligation to guarantee the financing relating to that complex, occupancy within that complex, or any other revenue or performance activity from the same. The off-campus complexes are built on land not owned by the University. These complexes offer approximately 3,000 beds.

SUMMARY INFORMATION RESPECTING STATE AND PRIVATE FUNDING

State Appropriations

The University has received appropriations from the State of Alabama for certain of its operating costs and other non-operating cash requirements, including capital expenditures. State appropriations may not lawfully be used for the payment of debt service on the Bonds, including the Series 2026 Bonds. There can be no assurance that future Legislatures will continue to make such appropriations, or, if made, that they will be timely or sufficient when added to operating revenues and General Fees, Auxiliary Enterprise Revenues, and Children's & Women's Hospital Revenues remaining after the payment of debt service, to cover in full, operating expenses of the University.

The following tabulation compiled by the University staff from University accounting records shows State appropriations to the University for the fiscal years ended September 30, 2021, through September 30, 2025:

Fiscal year ended	Total Appropriations	
	<u>Authorized</u>	<u>Received</u>
<u>September 30</u>		
2025	\$197,448,000	\$197,448,000
2024	187,908,000	187,908,000
2023	181,177,000	181,177,000
2022	140,709,000	140,709,000
2021	126,481,000	126,481,000

Although not pledged for payment of debt service on the Bonds or otherwise subject to the lien of the Indenture, the University relies on State appropriations to fund basic operations, student services and other costs of the University. The Alabama State Legislature is considering the implementation of an outcomes-based funding model for a portion of state appropriations paid to State of Alabama universities, such as the University. In theory, an outcomes-based formula increases or reduces appropriations to a particular university based upon its success or failure, respectively, against certain established performance measures. This initiative is in the early phase, and, as such, it is not possible at this time to determine whether this initiative will be adopted and become part of the State appropriation process for public university funding or how the University's funding would be impacted.

Endowment Assets

Endowment assets for the University are deposited both in the University and in the Foundation (described below). Net endowment assets in the accounts of the University at September 30, 2025, were \$224.9

million. Of the net endowment assets, \$85.7 million are classified as restricted, nonexpendable, \$139.2 million are classified as restricted, expendable, and \$0.00 are classified as unrestricted. The Board of Trustees has an approved endowment management and investment policy that includes an established spending rate of 4.5% based on the 5-year moving average of net assets of endowments. In maintaining its endowment, it is the goal of the University to provide revenue while preserving principal to fund those projects which have been endowed for specific purposes. Net assets of endowments are allocated as follows at September 30, 2025:

Return-Seeking Assets (e.g., equities)	47.1%
Risk-Mitigating Assets (e.g., fixed income)	19.1
Diversifying Assets (e.g., alternatives)	33.8
Total	<u>100.0%</u>

The University of South Alabama Foundation

The University of South Alabama Foundation (the "Foundation"), a legally separate entity, exists for the primary purpose of advancing the purpose of the University in furthering, improving and expanding its properties, services, facilities and activities. Its total assets at June 30, 2025, its most recent audited fiscal year-end, were \$469.9 million, and its net assets were \$468.9 million at the same date. Assets are primarily invested in marketable securities (59%), timber and mineral properties (38%) and other assets (3%). Cash and non-cash distributions to the University over the past five fiscal years are, as reported in the audited financial statements of the Foundation for the years ended June 30, 2019, through June 30, 2025, as follows:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Distributions</u>
2025	\$14,614,000
2024	18,332,000
2023	20,900,000
2022	23,762,000
2021	10,698,000
2020	10,280,000
2019	9,755,000

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture, as heretofore amended and supplemented and as further amended and supplemented by the Twenty-[Fourth] Supplemental Indenture, to which Indenture and Twenty-[Fourth] Supplemental Indenture in their entirety reference is made for the detailed provisions thereof. Unless the context clearly indicates otherwise, all references herein shall be deemed to include the Series 2026 Bonds, the Outstanding Bonds, and any Additional Bonds hereafter issued under the Indenture.

As used in the following summary, the following definitions shall have the following respective meanings.

"*Annual Debt Service Requirement*" means, as of any date of determination, the amount of principal and interest maturing with respect to the then outstanding Bonds in such Bond Year; provided, (i) that the principal amount of any Bonds subject to a Mandatory Redemption Provision during such Bond Year shall, for purposes of this definition, be considered as maturing in the Bond Year during which such redemption is required and not in the Bond Year in which their stated maturity occurs; (ii) in the case of Bonds (whether outstanding or proposed to be issued) that bear interest at a variable or adjustable rate, the interest payable on such Bonds shall be calculated on the assumption that such Bonds bear interest at a fixed rate of interest estimated by a professional consulting firm or investment banking firm acceptable to the Trustee by reference to bonds of similar credit rating maturity and tax characteristics on the date such calculation is made; and (iii) for purposes of the foregoing formula, Bonds that are "deemed paid" under the Indenture shall not be deemed outstanding.

"*Bond Year*" means the period beginning November 2 in each calendar year and ending on November 1 of the next succeeding calendar year.

"*Interest Payment Date*" means (a) with respect to the Series 2026 Bonds, each [___] 1 and [___] 1, commencing [___] 1, [___], and (b) with respect to any series of Additional Bonds, such date or dates as shall be specified in the Supplemental Indenture pertaining to such Additional Bonds as the dates for payment of interest of such Additional Bonds.

"*Mandatory Redemption Provision*" means any provisions that may be set forth in a Supplemental Indenture for mandatory redemption of any Additional Bonds at a redemption price equal to the principal amount thereof.

"*Principal Payment Date*" means (a) with respect to the Series 2026 Bonds, each [___] 1 commencing [___] 1, [_____] through and including [___] 1, [____], and (b) with respect to any series of Additional Bonds, a date (which shall in every case be the first day of a Month) specified in the Supplemental Indenture pertaining to such Additional Bonds as a date for payment of principal of such Additional Bonds.

"*Supplemental Indenture*" means an agreement supplemental to the Indenture.

Special Funds

Bond Fund. The Indenture provides for the creation of a special trust fund called the "Bond Principal and Interest Fund." The University is required to pay into the Bond Fund, in addition to all other amounts required by the Indenture, the following:

(a) Contemporaneously with the issuance and sale of any of the Bonds and out of the proceeds derived from such sale, the University (or the Trustee on behalf of the University) is required to pay into the Bond Fund such part of the proceeds from the sale as is allocable to premium (if any) and accrued interest.

(b) On or before the Business Day next preceding each Interest Payment Date until the principal and the interest on the Bonds is paid in full, the University is required to pay into the Bond Fund, out of the Pledged Revenues, an amount equal to the sum of (i) the semiannual installment of interest that will mature on the Bonds on the then next succeeding semiannual Interest Payment Date with respect thereto, plus (ii) the principal that will become due on the Bonds on the then next succeeding Principal Payment Date, plus (iii) the principal required to be redeemed on the next succeeding Principal Payment Date pursuant to any Mandatory Redemption Provision.

All moneys paid into the Bond Fund are required to be used only for payment of the principal of and the interest on the Bonds upon or after the respective maturities of such principal and interest and to redeem Bonds subject to a Mandatory Redemption Provision. If at the final maturity of the Bonds, however, such Bonds may mature, there are in the Bond Fund moneys in excess of what is required to pay in full the principal of and the interest on the Bonds, then any such excess will be returned to the University.

Prior to the issuance of any Additional Bonds, there shall be executed and delivered a Supplemental Indenture containing a provision that the semiannual payments into the Bond Fund be adjusted to provide for such additional amounts as may be necessary to pay the principal of and interest on such Additional Bonds; provided, however, that in making such adjustment the principal amount of any such Additional Bonds required by the terms of the Supplemental Indenture to be redeemed during any Bond Year shall be considered as maturing in the Bond Year during which such redemption is required and not in the Bond Year in which their stated maturity occurs.

Additional Bonds

The Indenture authorizes the issuance of Additional Bonds, subject to the provisions of the Indenture. Among the conditions to the issuance of any Additional Bonds are the following:

(a) **Supplemental Indenture.** Prior to the issuance of any Additional Bonds, there shall be executed

and delivered a Supplemental Indenture containing: (i) a description of the Additional Bonds proposed to be issued, including the date, the aggregate principal amount, the series designation, the denomination or denominations, the interest rate or rates (or provisions for determining the same), the maturity or maturities, the form of such Additional Bonds, and any provisions for redemption thereof prior to their respective maturities; (ii) a statement of the purpose or purposes for which the Additional Bonds are proposed to be issued; and (iii) any other provisions that do not conflict with the provisions of the Indenture.

(b) Certificate as to Pledged Revenues. The item or items required by either of the following subparagraphs (i) or (ii):

(i) A certificate by the Vice President of Finance (previously the Vice President for Finance and Administration) of the University certifying that the amount of Pledged Revenues received during the Fiscal Year next preceding the date of the issuance of the Additional Bonds then proposed to be issued was not less than 125% of the maximum Annual Debt Service Requirement with respect to the then current or any then succeeding Bond Year immediately following the issuance of the then proposed Additional Bonds, which certificate shall set forth the figures on which it is based and shall recite that the Pledged Revenues for such Fiscal Year specified therein were taken from the annual audit of the University for such Fiscal Year or, if such audit shall not have been completed for the most recent Fiscal year at the date of such certificate, were taken from the official records of the University, or

(ii) A Resolution or Resolutions adopted by the University after the commencement of the Fiscal Year next preceding the issuance of the then proposed Additional Bonds either (i) increasing the General Fees, or (ii) levying new fees and charges of a type or kind different from the General Fees, or (iii) a combination thereof, accompanied by a certificate of the Vice President of Finance stating that if the increased General Fees or the new fees set forth in the said Resolution or Resolutions had been in effect throughout the Fiscal Year next preceding the date of issuance of the then proposed Additional Bonds, the amount of Pledged Revenues during the Fiscal Year next preceding the date of issuance of the then proposed Additional Bonds would have been not less than 125% of the maximum Annual Debt Service Requirement during the then current or any then succeeding Bond Year with respect to Bonds that will be outstanding immediately following the issuance of the then proposed Additional Bonds; and

(c) Opinion of Independent Counsel. An opinion dated on the date of issuance of such Additional Bonds, signed by Independent Counsel acceptable to the Trustee, approving the forms of all documents required above to be delivered to the Trustee and reciting that they comply with the applicable requirements set out above.

Maintenance of Pledged Revenues

The University has covenanted in the Indenture that, so long as any of the Bonds remain outstanding and unpaid, the University will fix, levy and collect General Fees and Auxiliary Enterprises Revenues from all students attending the University during each Fiscal Year in such amounts and at such times as shall be required to produce revenues sufficient to pay the principal of, unamortized premium, if any, and interest on the Bonds during the same Fiscal Year. No covenant with respect to the Children's & Women's Hospital Revenues has been made.

Supplemental Indentures

Supplemental Indentures Without Bondholder Consent. The University and the Trustee may at any time and from time to time enter into such Supplemental Indentures (in addition to such Supplemental Indentures as are otherwise provided for in the Indenture) as shall not be inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the University contained in the Indenture other covenants and agreements thereafter to be observed and performed by the University, provided that such other covenants and agreements may not either expressly or impliedly limit or restrict any of the obligations of the

University contained in the Indenture;

(b) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provisions contained in the Indenture or in any Supplemental Indenture or to make any provisions with respect to matters arising under the Indenture or any Supplemental Indenture for any other purpose if such provisions are necessary or desirable and are not inconsistent with the provisions of the Indenture or any Supplemental Indenture and do not adversely affect the interests of the holders of the Bonds;

(c) to subject to the pledge contained in the Indenture additional revenues or to identify more precisely any of the revenues of the University subject to the Indenture;

(d) to cause the Indenture to comply with the provisions of the Trust Indenture Act of 1939 or such other federal securities laws as may hereafter be applicable to the Indenture; or

(e) to provide for the issuance of Additional Bonds in accordance with the Indenture.

Any such Supplemental Indenture will not require the consent of any bondholders.

Supplemental Indentures Requiring Bondholders Consent. In addition to those Supplemental Indentures described above, the Indenture provides that the University and the Trustee may, at any time and from time to time, with the written consent of the holders of not less than a majority in aggregate principal amount of Bonds then outstanding, enter into such Supplemental Indentures as shall be deemed necessary or desirable by the University and the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the term or provisions contained in the Indenture or in any Supplemental Indenture; provided that without the written consent of the Holder of each Bond affected, no reduction in the principal amount of, rate of interest on, or the premium payable upon the redemption of, any Bond shall be made; and provided, further, that, without the written consent of the holders of all the Bonds, none of the following shall be permitted:

(a) an extension of the maturity of any installment of principal of or interest on any Bond;

(b) any change in any Mandatory Redemption Provision;

(c) the creation of a lien or charge on the Pledged Revenues ranking prior to or (except in connection with the issuance of Additional Bonds) on a parity with the lien or charge thereon contained in the Indenture;

(d) the establishment of preferences or priorities as between the Bonds (but only with respect to the security provided for all Bonds); or

(e) a reduction in the aggregate principal amount of Bonds the holders of which are required to consent to such Supplemental Indenture.

[Any Supplemental Indenture that requires the consent of holders of the Insured Series 2026 Bonds or adversely affects the rights or interests of [___] shall also be subject to the prior written consent of [___].

Upon the execution of any Supplemental Indenture under and pursuant to the provisions described above, the Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the University, the Trustee and all holders of the Bonds then outstanding shall thereafter be determined, exercised and enforced under the Indenture, subject in all respects to such modifications and amendments.

Defaults and Remedies

Events of Default under the Indenture include the following:

(a) failure by the University to pay principal of, the interest on or the premium (if any) on any Bond as and when the same shall become due, as provided therein and in the Indenture (whether such shall become due pursuant to any Mandatory Redemption Provisions or otherwise);

(b) failure by the University to perform and observe any of the agreements and covenants on its part contained in the Indenture (other than in the manner described in (a) above) which such failure continues for a period of not less than thirty (30) days after written notice of such failure has been given to the University by the Trustee or by the holders of not less than twenty-five percent (25%) in outstanding amount of Bonds, unless during such period or any extension thereof the University has commenced and is diligently pursuing appropriate corrective action; or

(c) determination by a court having jurisdiction that the University is insolvent or bankrupt, or appointment by a court having jurisdiction of a receiver for the University or for a substantial part thereof, or approval by a court of competent jurisdiction of any petition for reorganization of the University or rearrangement or readjustment of the obligations of the University under any provisions of the bankruptcy laws of the United States of America or the State of Alabama.

Upon the occurrence of an Event of Default the Trustee shall have the following rights and remedies:

(a) **Acceleration.** The Trustee may, by written notice to the University and with the consent of the bond insurer respecting any Bonds then outstanding and insured thereby, declare the principal of all the Bonds [(including, without limitation, consent of [____] respecting acceleration of the Insured Series 2026 Bonds)] forthwith due and payable, and such principal shall thereupon become and be immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding. If, however, the University makes good that default and every other default under the Indenture (except for those installments of principal declared due and payable that would, absent such declaration, not be due and payable), with interest on all overdue payments of principal and interest, and made reimbursement of all of the reasonable expenses of the Trustee, then the Trustee may (and, if requested in writing by the holders of a majority in principal amount of the then outstanding Bonds, shall), by written notice to the University, waive such default and its consequences, but no such waiver shall affect any subsequent default or right relative thereto.

(b) **Mandamus and Other Remedies.** The Trustee shall have the right of mandamus or other lawful remedy in any court of competent jurisdiction to enforce its rights and the rights of the holders of the Bonds against the University and any officers, agents or employees of the University, including but not limited to the right to require the University and its officers, agents or employees to perform and observe all of its or their duties under Section 16-3-28 of the Code of Alabama 1975, as amended.

[Anything in the Indenture to the contrary notwithstanding, upon the occurrence and continuation of a default or an Event of Default, [____] shall be deemed the sole holder of the Insured Series 2026 Bonds and shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Series 2026 Bonds under the Indenture, and no default or Event of Default may be waived without the prior written consent of [____].]

Concerning the Trustee

The Trustee shall be under no obligation to institute suit or to take any proceedings under the Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant or to take steps in the execution of trust created or in the enforcement of any rights or powers under the Indenture, until it shall be indemnified to its satisfaction against any and all costs and expense, outlays and counsel fees and other reasonable disbursements and against all liability.

The Trustee shall not be liable in connection with the performance of its duties under the Indenture except for its gross negligence or willful misconduct.

The University has agreed to pay to the Trustee from time to time reasonable compensation for all services rendered by it under the Indenture, including the services of bond registrar and paying agent and also all of its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys and employees incurred in and about the performance of its powers and duties under the Indenture prior to the Bonds. Nothing contained in the Indenture or any supplemental indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers if it believes that the repayment of such funds or the making whole in respect of such

liability is not reasonably assured to it.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, Inc. ("S&P") have given the Series 2026 Bonds an underlying rating of ["___"] and ["___"], respectively.

The underlying rating provided by each of Moody's and S&P (collectively, the "Rating Agencies") reflects that agency's rating of the creditworthiness of the University with respect to obligations payable from the Pledged Revenues.

Any further explanation of the significance of such ratings may be obtained only from the appropriate Rating Agency. The University furnished to the Rating Agencies the information contained in this Official Statement and certain other information respecting the University and the Series 2026 Bonds. Generally, rating agencies base their underlying ratings on such materials and information, as well as on their own investigations, studies and assumptions.

The ratings indicated above and on the cover page are not recommendations to buy, sell or hold the Series 2026 Bonds, and any such ratings may be subject to revision or withdrawal at any time by the Rating Agencies. Any downward revision or withdrawal of any or all of such rating may have an adverse effect on the market price of the affected Series 2026 Bonds. Neither the University nor the Underwriters have undertaken any responsibility either to bring to the attention of the holders of Series 2026 Bonds any proposed revision, suspension or withdrawal of a rating or to oppose any such revision, suspension or withdrawal.

LITIGATION

To the best of the University's knowledge, there is no litigation pending or threatened (i) restraining or enjoining the issuance or delivery of the Series 2026 Bonds, (ii) contesting or affecting the validity of the Series 2026 Bonds or the proceedings or authority under which they are to be issued, (iii) contesting the creation, organization or existence of the University or the title of any of its present officials to their respective offices, or (iv) contesting the right of the University to enter into the financing documents to which it is a party or to secure the Series 2026 Bonds in accordance with the Indenture.

The University and its hospitals are immune from suit in medical malpractice matters; however, such claims may still be brought against healthcare providers employed to provide such services on behalf of the University. These providers are insured by the University's Professional Liability Trust Fund. If a final judgment were entered in any professional liability action in an amount in excess of its insurance coverage, the University would not be liable for the excess.

The University has been notified by the Equal Employment Opportunity Office ("EEOC") of charges filed with the EEOC against the University or its employees. The charges arise from alleged employment practices or policies. Should a lawsuit arise out of such charges, they would be covered by the University's General Liability Trust Fund.

Finally, the University has been notified of claims filed against it in the State Board of Adjustment. None of the aforementioned charges or claims involve any significant sums in excess of the sums otherwise provided for and would not have an impact upon the collection of the Pledged Revenues. In the opinion of the University's General Counsel, the aggregate exposure of the University with respect to all pending claims and suits would not be material to the University's financial position.

LEGAL MATTERS

The Series 2026 Bonds will be issued subject to the approving opinion of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the University. It is anticipated that the opinion of Bond Counsel to the University will be in substantially the form set forth in [Appendix B](#).

The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the authoring firm or attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon or the future performance of parties to the transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

General

In the opinion of Bradley Arant Boult Cummings LLP, Bond Counsel to the University, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, interest on the Series 2026-A Bonds and the Series 2026-B Bonds (together, the "Tax-Exempt Series 2026 Bonds") is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. Interest on the Tax-Exempt Series 2026 Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code. In rendering its opinion, Bond Counsel to the University has relied on certain representations, certifications of fact and statements of reasonable expectations made by the University and others in connection with the Tax-Exempt Series 2026 Bonds, and Bond Counsel to the University has assumed compliance with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Tax-Exempt Series 2026 Bonds from gross income under Section 103 of the Code. As a result of amendments to the Code enacted pursuant to the Inflation Reduction Act of 2022, interest on the Tax-Exempt Series 2026 Bonds may be taken into account for purposes of the alternative minimum tax imposed by Section 55(b)(2) of the Code on "applicable corporations", as defined in Section 59(k) of the Code.

We draw to your attention that interest income on the Series 2026-C Bonds is not excludable from federal income taxation.

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the Series 2026 Bonds. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel expresses no opinion on the effect of any action taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Series 2026 Bonds.

Certain Ongoing Federal Tax Requirements and Covenants. The Code establishes certain significant ongoing requirements that must be met subsequent to the issuance and delivery of the Tax-Exempt Series 2026 Bonds in order that interest on the Tax-Exempt Series 2026 Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Tax-Exempt Series 2026 Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Tax-Exempt Series 2026 Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The University has covenanted to comply under the Indenture with certain applicable requirements of the Code to assure the exclusion of interest on the Tax-Exempt Series 2026 Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences. The following is a brief discussion of certain collateral federal income tax matters with respect to the Tax-Exempt Series 2026 Bonds. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of any Tax-Exempt Series 2026 Bonds. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of Tax-Exempt Series 2026 Bonds.

Prospective owners of the Tax-Exempt Series 2026 Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as

corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for federal income tax purposes. Interest on the Tax-Exempt Series 2026 Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Premium. The initial public offering price to be paid for the Tax-Exempt Series 2026 Bonds is greater than the principal amount thereof. Under existing law, any owner who has purchased a Tax-Exempt Series 2026 Bond in the initial public offering of the Tax-Exempt Series 2026 Bonds is required to reduce his basis in such Tax-Exempt Series 2026 Bond by the amount of premium allocable to periods during which he holds such Tax-Exempt Series 2026 Bond, and the amount of premium allocable to each accrual period will be applied to reduce the amount of interest received by the owner during each such period. All owners of Tax-Exempt Series 2026 Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Tax-Exempt Series 2026 Bond and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale, gift or other disposition of such Tax-Exempt Series 2026 Bond.

Bank Qualification. The Tax-Exempt Series 2026 Bonds have not been designated as "qualified tax-exempt obligations" under Section 265 of the Code.

Post-Issuance Matters. The tax-exempt status of the Tax-Exempt Series 2026 Bonds could be affected by post-issuance events. See "SPECIAL CONSIDERATIONS RESPECTING THE SERIES 2026 BONDS – Tax-Exempt Status of Tax-Exempt Series 2026 Bonds" herein. The Indenture does not provide for mandatory redemption of the Tax-Exempt Series 2026 Bonds or payment of any additional interest or penalty if a determination is made that the Tax-Exempt Series 2026 Bonds do not comply with the existing requirements of the Code, if a subsequent change in law adversely affects the tax-exempt status of the Tax-Exempt Series 2026 Bonds or the economic benefit of investing in the Tax-Exempt Series 2026 Bonds or if any other event or occurrence takes place that impacts the tax status of the Tax-Exempt Series 2026 Bonds.

CONTINUING DISCLOSURE

General

Under a Continuing Disclosure Agreement, dated the date of the Series 2026 Bonds (the "Continuing Disclosure Agreement"), the University has agreed to provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") using its electronic municipal market access system (referred to as "EMMA"), certain updated financial information and operating data annually, and timely notice of specified events for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule").

See Appendix C for a form of the Continuing Disclosure Agreement relating to the Series 2026 Bonds.

A failure by the University to comply with the Continuing Disclosure Agreement will not constitute an event of default under the Indenture. Beneficial owners of the Series 2026 Bonds are limited to the remedies described in the Continuing Disclosure Agreement. A failure by the University to comply with the Continuing Disclosure Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2026 Bonds in the secondary market.

Compliance with Prior Continuing Disclosure Agreements

In connection with the prior issuance of certain of the Outstanding Bonds, the University has entered into other continuing disclosure agreements under the Rule. The University did not file notice of the incurrence of a financial obligation it had entered on January 14, 2021, until February 17, 2021.

Since August 2016 the University has operated under procedures intended to improve timeliness of its required filings under the Rule. The University also uses a template into which all financial and operating data can be compiled into a single document for continuing disclosure filings.

STATE NOT LIABLE ON SERIES 2026 BONDS

The Series 2026 Bonds are limited obligations of the University payable solely out of, and secured by a pledge of, the Pledged Revenues. Neither the principal of nor the interest on the Series 2026 Bonds nor the aforesaid pledge or any other agreement contained in the Indenture shall constitute an obligation of any nature whatsoever of the State of Alabama, and neither the Series 2026 Bonds nor any obligation arising from said pledge or agreements shall be payable out of any moneys appropriated to the University by the State of Alabama.

FINANCIAL INFORMATION

Appendix A contains audited financial statements of the University for the fiscal year ended September 30, 2025. KPMG LLP, the University's independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein as Appendix A, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this Official Statement.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Official Statement including, without limitation, statements containing the words "estimates," "believes," "anticipates," "expects" and words of similar import, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the University or other entities to which the forward-looking statements relate to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions, and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the University. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. The University and the Underwriters disclaim any obligation to update any such factors or to publicly announce the results of any revision to any of the forward-looking statements contained herein to reflect future events or developments.

THE UNIVERSITY UNDERTAKES NO OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD LOOKING STATEMENT AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHER INFORMATION.

SPECIAL CONSIDERATIONS RESPECTING THE SERIES 2026 BONDS

General

An investment in the Series 2026 Bonds involves certain risks which should be carefully considered by investors. The sufficiency of Pledged Revenues to pay debt service on the Series 2026 Bonds may be affected by events and conditions relating to, among other things, general economic conditions, population in the University's basic service area, the demand for higher education and legislative and administrative requirements on the University's operations.

Prospective investors should carefully examine this Official Statement and their own financial condition in order to make a judgment as to their ability to bear the economic risk of such an investment and whether or not the Series 2026 Bonds are an appropriate investment for them.

Holders of the Series 2026 Bonds should be aware that their rights and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases.

Limitations on Source of Payment, Security and Remedies

Limited Source of Payment. The Series 2026 Bonds will be limited obligations of the University, payable solely from, and secured by a pledge of, the Pledged Revenues. See "SECURITY AND SOURCE OF PAYMENT."

The Series 2026 Bonds will not be debts or obligations of the State of Alabama, and debt service on the Series 2026 Bonds will not be payable out of any money provided or appropriated to the University by the State of Alabama. Holders of the Series 2026 Bonds shall never have the right to demand payment of the Series 2026 Bonds from the University from any source other than the special funds established under the Indenture and the Pledged Revenues and shall be entitled to payment from such sources only on a parity basis with all other bonds outstanding under the Indenture.

Additional Debt. All Bonds are secured on a parity by the lien on Pledged Revenues. If the University incurs additional debt secured by the Indenture, the security interest in Pledged Revenues for the benefit of Bondholders will in effect be diluted.

Hospitals Are Limited Use Facilities. The hospitals and other health care facilities of the University, which are operating assets of the University, are limited use facilities, suitable primarily for hospital or health care purposes. Consequently, the market for sale or other disposition of such facilities is limited. In the event of a sale of such facilities, whether in a bankruptcy proceeding or otherwise, the number of potential purchasers and the sale price may be affected by the limited possible use.

Limitation on Remedies Upon Default. The Indenture does not constitute a mortgage on or security interest in any properties of the University, and no foreclosure or sale proceedings with respect to any property of the University may occur. The University is exempt from all suits under the doctrine of sovereign immunity, but state law provides that agents and employees of the University may, by mandamus, be compelled to apply the Pledged Revenues to the payment of the Series 2026 Bonds in accordance with the terms of the Indenture.

The remedies available to the registered holders of the Series 2026 Bonds upon the occurrence of a default under the Indenture are in many respects dependent upon regulatory and judicial actions, which are often subject to discretion and delay. Under existing law, the remedies provided under the Indenture may not be readily available or may be limited, and no assurance can be given that a mandamus or other legal action to enforce payment under the Indenture would be successful. The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds will be qualified as to enforceability of the various legal instruments, limitations imposed by bankruptcy, reorganization, insolvency or similar laws affecting the rights of creditors generally and by judicial discretion applicable to equitable remedies and proceedings generally.

Health Care Industry Factors

The health care industry is subject to a number of factors that could adversely affect the business prospects of the University. Among those factors are the following:

The Health Care Industry is Highly Regulated. The health care industry is highly regulated by the federal and state governments. These regulations relate to areas such as the required delivery of care whether or not patients have the resources for payment, the quality of care and outcomes of health care services provided, excessive re-admission of patients, accuracy of billing and collecting for services rendered, privacy of patients and their health care information, and the relationship between providers and physicians who refer patients to the provider's health care facilities. For providers organized as charitable organizations under Section 501(c)(3)

of the Internal Revenue Code there are additional regulations that must be satisfied to preserve tax-exempt status. The cost of compliance with these regulations is significant.

Payment Systems. USA Health derives most of its revenues from Medicare, Medicaid, Blue Cross and other third-party payor programs. Such programs may provide payment for services rendered to their beneficiaries in an amount that is less than actual patient charges. These payment systems are complex, subject to periodic change, and require a high degree of accuracy in the billing and collecting process. Failure to submit accurate billing may result in large financial penalties or claims or disqualification from the programs. Penalties or claims may be from governmental authorities, such as the United States Justice Department ("DOJ") and the United States Health and Human Services Office of Inspector General, independent auditing firms under contract with the government, or from private litigants under so-called "qui tam actions."

Alternate Payment Systems. The payment systems for health care services may be expanded to cover capitation or other coverage programs in which the providers assume the risk of health care services for a defined population. The University currently does not provide coverage on a capitated basis; however, the development of such coverage programs in the University's market could force the University to assume increased risk for the amount and cost of services it provides.

Health Care Reform. In 2010, Congress adopted extensive health reform legislation commonly referred to as the Affordable Care Act (the "ACA"). This legislation attempts to extend commercial insurance coverage and Medicaid coverage to many patients not previously covered. The State of Alabama declined the ACA option to expand the Medicaid coverage, which reduces the amount of reimbursement that might otherwise be available to the health care facilities operated by the University. This legislation also imposes numerous operating and reporting requirements on health care providers. Implementation of the various ACA initiatives will take several years and will require extensive time and expense. Implementation has been and continues to be uncertain. It is expected that governments will continue to consider various reform proposals in the health care industry. If adopted, such proposals may subject health care providers like the University to increased compliance requirements, reduced reimbursement for services, increased costs, or a combination of such results.

Trend Toward Large-Deductible Insurance Policies. Coverage provided by insurance is trending toward large deductibles or self-insurance retention for patients, which reduces the required premiums but increases out-of-pocket expense for the insured. These large deductible policies can be expected to increase the challenge of collecting for services rendered and may result in an increase of bad debt expense for health care providers.

Budgetary Pressure for Medicare and Medicaid Funding. Medicare and Medicaid are government-sponsored programs. Funding for those programs is subject to the legislative process of federal and state governments. The spending policies or deficit reduction initiatives of those governments have resulted in significant reductions in reimbursement for health care services in the past and can be expected to apply pressure on reimbursement for the foreseeable future.

Competition from Other Providers. The health care industry is highly competitive. Other health care providers may develop competing facilities or services in the University's service area. Competing facilities or services may include, among others, new hospitals, specialty hospitals, outpatient facilities, and managed care or insurance products. Other forms of competition could also affect the University's ability to maintain or improve its market share, including increasing competition (1) between physicians who generally use hospitals and non-physician practitioners such as nurse practitioners, chiropractors, physical and occupational therapists and others who may not generally use hospitals, and (2) from nursing homes, home health agencies, ambulatory care facilities, surgical centers, outpatient radiology centers, rehabilitation and therapy centers, physician group practices and other non-hospital providers of many services for which patients generally rely on hospitals currently.

Antitrust. The United States Federal Trade Commission ("FTC") and DOJ have in recent years increased their focus on enforcement of antitrust laws against health care providers. At various times, the University and its component parts may be subject to an investigation or inquiry by the FTC, DOJ or any state governmental agency charged with the enforcement of antitrust laws, or subject to administrative or criminal and/or civil enforcement proceedings by a federal or state agency, as well as by private litigants.

Capital Investment and Technology. The technology for diagnosis and treatment of patients changes rapidly and requires large capital investment on an ongoing basis in order for a health system to meet the needs of its patients.

Other Factors Affecting the Health Care Industry. In addition to the factors discussed above, the following additional factors, among others, may adversely affect the operations of health care providers, including the University:

(a) Increased efforts by insurers, private employers and governmental agencies to limit the cost of hospital services, to reduce the number of hospital beds and to reduce utilization of hospital facilities by such means as preventive medicine, payment policies aiming to reimburse providers at the same rate for identical outpatient procedures (so called site neutrality payments), improved occupational health and safety and outpatient care.

(b) Termination of existing agreements between a provider and employed physicians who render services to the provider's patients or alteration of referral patterns by independent physicians and physician groups.

(c) Congressional and administrative efforts seeking to tighten eligibility to the prescription drug discount program established under 340B of the federal Public Health Service (the "340B Program"), as well as efforts to eliminate or reduce the scope of the 340B Program or reduce related payments for the 340B Program.

(d) The availability and cost of insurance or self-insurance to protect against malpractice and general liability claims.

(d) Environmental and hazardous waste disposal regulations.

(f) Future legislation and regulations affecting the tax-exempt status of governmental and 501(c)(3) hospitals or imposing additional requirements on qualification.

(g) The reduced need for hospitalization or other traditional health care services as a result of medical and other scientific advances.

(h) Imposition of wage and price controls for the health care industry.

(i) The availability of or cost of retaining nursing, technical or other health care personnel.

(j) The spread of any bacteria, virus or infectious disease that is resistant to existing drugs or medical treatment.

(k) Reduction in population, increased unemployment or other adverse economic conditions in the market.

Factors Affecting Academic Medical Centers

Academic medical center hospitals, like those operated by the University, are subject to certain negative credit factors that do not affect other not-for-profit hospitals. Among those factors are the following:

Special Revenue and Expense Challenges. The research and teaching divisions at academic medical centers often operate at break-even or deficit levels. Funding these missions sometimes requires organizational subsidies that can detrimentally affect the hospital's overall operating performance. Fundraising, endowment spending and excess cash generated from patient care can be used to support the non-clinical departments at an academic medical center, but these sources of funding may not be enough to offset the drag on operating funds.

Negative Reimbursement Pressure from Medicare and Medicaid. The federal government has proposed a reduction in graduate medical education funding from CMS as one way to address federal budget challenges. Although funding cuts would impact all teaching hospitals with medical residents, academic medical centers

would be disproportionately impacted due to higher numbers of residents and greater indirect cost payments for high acuity services performed. In addition, securing federal funding for research has become increasingly competitive among research institutions, primarily due to federal budget constraints. Changes in federal funding patterns could adversely affect academic medical centers and their ability to make debt service payments.

Inordinately High Exposure to Medicaid Patients. Many academic medical centers provide a disproportionate amount of charity care in their communities, which results in high exposure to Medicaid patients and receipt of Disproportionate Share Funding ("DSH"). Medicaid reimbursement cuts in recent years have disproportionately impacted academic medical centers. Additionally, reductions in DSH payments were mandated by the ACA beginning in 2016.

Increased Financial Support for Sponsoring University. Academic medical centers are increasingly facing requests for financial transfers to their associated universities to support strategic investments, program development and educational activities. These financial transfers are typically negotiated between the university and the hospital on an annual basis, and immediate needs at the university level could lead to a growing financial subsidy. These payments could adversely affect the academic medical center's operating performance.

State Proration

The State of Alabama appropriates money each year to the University for operating costs and non-operating cash requirements, including capital expenditures. Because the State is mandated by its constitution to operate with a balanced budget, the State occasionally has reduced its appropriations, through a process known as "proration", when its annual revenues are not expected to meet budgeted appropriations. The last fiscal year in which State appropriations were "prorated" was fiscal year 2011. It is possible that proration may be implemented from time to time in the future and, when proration does occur, the University may be required to implement various cost-saving measures in order to balance its own budget. Although proration may impact the University's budget, the Series 2026 Bonds are not payable from State appropriations.

Certain Factors Affecting Pledged Revenues

No representation can be made and no assurance can be given that receipts from the Pledged Revenues will be sufficient to make the required payment of debt service on the Series 2026 Bonds and to pay necessary operating expenses. The amount of Pledged Revenues collected by the University will be subject to a variety of factors that could adversely affect debt service coverage on the Series 2026 Bonds, including general economic conditions, population in the University's basic service area, the demand for higher education, and the impact of legislative and administrative requirements on the University's operations.

Cybersecurity

General. Like many public universities and other large organizations, the University relies heavily on digital technologies to conduct its day-to-day operations. In the past several years, a number of entities, originating domestically and throughout the world, have sought to gain unauthorized access to digital systems of organizations (including "denial of service" attacks whereby a malicious actor aims to render a computer or other device, or group of computers and devices, unavailable to the intended user or users, "distributed denial-of service" attacks whereby multiple systems flood the bandwidth or resources of a target system, including two or more web servers, services, phishing attacks, ransomware attacks that permanently block use of electronic devices, including a network of devices, and various other types of malicious cyber tactics) for the purpose of misappropriating information, causing operational disruptions, extracting substantial financial payments from the target organization, and other malicious aims and results. These attempts include highly sophisticated efforts to electronically circumvent network security as well as more traditional intelligence gathering and social engineering aimed at obtaining information necessary to gain access.

While the University maintains a network security system, policies and other measures intended to stop or contain such "cyber-attacks" no assurances can be given that such security systems will be successful. Breaches of the University's cyber-security efforts could result in, without limitation, inadvertent disclosure of protected or other confidential information, ransom attacks holding critical information hostage, impairment on the operations of the

University, and many other consequences that could materially and negatively impact the University, its finances, and its ability to timely pay debt service on the Series 2026 Bonds.

For additional information concerning the cyber-security policies of the University, see <https://www.southalabama.edu/departments/csc/informationsecurity/securitypolicy.html>

Change Healthcare Cyberattack. As has been widely reported, in February 2024 a ransomware attack now known as the "Change Healthcare Cyberattack" occurred on the information technology systems of Change Healthcare, an affiliate of Ascension ("Change Healthcare"). Change Healthcare is one of the largest health payment processing companies in the world and services many health care providers, including USA Health and USA HCA. This attack, among other things, resulted in a backlog of unpaid medical claims for many hospitals, physicians, and other health care providers. USA Health and USA HCA experienced similar delays in payment processing and collections due directly to the Change Healthcare Cyberattack. USA Health and USA HCA do not expect permanent loss on collecting these delayed payments.

Ascension Cyberattack Impact on USA Providence Hospital; Others. Cyber-attacks from service and other providers to the University can have a materially negative impact on the operations of the University. As has been widely reported, on May 8, 2024, Ascension Health Alliance ("Ascension"), an owner and operator of hospitals and other healthcare facilities across the country, experienced a ransomware attack on its information technology and related systems (the "Ascension Cyberattack"). At the time of that attack USA HCA was under a transition services agreement with an affiliate of Ascension pursuant to which, among other services, USA HCA utilized Ascension's information technology in the operations and activities of USA Providence Hospital. Operations at USA Providence Hospital were materially and negatively impacted by the Ascension Cyberattack, including issues with patient processing and services, access to information, billing and collections disruptions, and other similar issues.

USA Health Marketing Site. On August 19, 2024, the USA Health marketing site experienced a Distributed Denial of Service (DDoS) attack. Information Security was alerted by the Health-ISAC Threat Operations Center that a hacker group claimed responsibility. The FBI had obtained information from the dark web indicating that the Dark Storm Team hacking group was targeting "United States Healthcare" in general. USA set up a CloudFlare firewall to block all malicious IPs and setup a geofence for our site to prevent future attacks.

G4-Unlimited. October 19th, 2025, G4-Unlimited discovered that within the commercial datacenters used to host g4-Centricity for Vector platform customers, several Microsoft Windows servers had become encrypted. G4-Unlimited has subsequently confirmed this encryption activity was the result of a ransomware attack. To date, all available evidence indicates that activity by the threat-actor was confined to the datacenter network deployed for g4-Centricity hosting. USA Health's billing for oncology was impacted directly and disconnected. USA Health decided to transition to Cerner for oncology reimbursements.

Tax-Exempt Status of Tax-Exempt Series 2026 Bonds

It is expected that the Tax-Exempt Series 2026 Bonds will qualify as tax-exempt obligations for federal income tax purposes as of the date of issuance. See "TAX MATTERS – General." It is anticipated that Bond Counsel to the University will render an opinion substantially in the form attached hereto as Appendix B, which should be read in its entirety for a complete understanding of the scope of the opinions and the conclusions expressed therein. A legal opinion expresses the professional judgment of the attorney rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The tax status of the Tax-Exempt Series 2026 Bonds could be affected by post-issuance events. There are various requirements of the Internal Revenue Code that must be observed or satisfied after the issuance of the Tax-Exempt Series 2026 Bonds in order for the Tax-Exempt Series 2026 Bonds to qualify for, and retain, tax-exempt status. These requirements include appropriate use of the proceeds of the Tax-Exempt Series 2026 Bonds, use of the facilities financed by the Tax-Exempt Series 2026 Bonds, investment of bond proceeds, and the rebate of so-called excess arbitrage earnings. Compliance with these requirements is the responsibility of the University.

The Internal Revenue Service (the "IRS") conducts an audit program to examine compliance with the requirements regarding tax-exempt status. Under current IRS procedures, in the initial stages of an audit with respect to the Tax-Exempt Series 2026 Bonds, the University would be treated as the taxpayer, and the owners of the Tax-Exempt Series 2026 Bonds may have limited rights to participate in the audit process. The initiation of an audit with respect to the Tax-Exempt Series 2026 Bonds could adversely affect the market value and liquidity of the Tax-Exempt Series 2026 Bonds, even though no final determination about the tax-exempt status has been made. If an audit results in a final determination that the Tax-Exempt Series 2026 Bonds do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Tax-Exempt Series 2026 Bonds.

In addition to post-issuance compliance, a change in law after the date of issuance of the Tax-Exempt Series 2026 Bonds could affect the tax-exempt status of the Tax-Exempt Series 2026 Bonds or the effect of investing in the Tax-Exempt Series 2026 Bonds. For example, the federal government is considering various proposals to reduce federal budget deficits and the amount of federal debt, including proposals that would eliminate or reduce indirect expenditures made through various deductions and exemptions currently allowed by the income tax laws. The exemption for interest on tax-exempt bonds is one of the indirect expenditures that could be affected by a deficit reduction initiative. Some deficit-reduction proposals would eliminate the exemption for interest on tax-exempt bonds. Other proposals would place an aggregate cap on the total amount of exemptions and deductions that may be claimed by a taxpayer, or a cap on the exemption for interest on tax-exempt bonds. Changes in the rate of the federal income tax, including so-called "flat tax" proposals, could also reduce the value of the exemption. Changes affecting the exemption for interest on tax-exempt bonds, if enacted, could apply to tax-exempt bonds already outstanding, including the Tax-Exempt Series 2026 Bonds offered pursuant to this Official Statement, as well as bonds issued after the effective date of such legislation. It is not possible to predict whether Congress will adopt legislation affecting the exemption for tax-exempt bonds, what the provisions of such legislation may be, whether any such legislation will be retroactive in effect, or what effect any such legislation may have on investors in the Tax-Exempt Series 2026 Bonds. Investors should consult their own tax advisers about the prospects and possible effect of future legislation that could affect the exemption for interest on tax-exempt bonds.

The Indenture does not provide for mandatory redemption of the Tax-Exempt Series 2026 Bonds or payment of any additional interest or penalty if a determination is made that the Tax-Exempt Series 2026 Bonds do not comply with the existing requirements of the Code, if a subsequent change in law adversely affects the tax-exempt status of the Tax-Exempt Series 2026 Bonds or the economic benefit of investing in the Tax-Exempt Series 2026 Bonds, or if any other event or occurrence takes place that impacts the tax status of the Tax-Exempt Series 2026 Bonds.

The United States Bankruptcy Code

Chapter 9 of Title 11 of the United States Code, 11 U.S.C. 101, *et seq.* (the "Bankruptcy Code") permits a political subdivision, public agency or instrumentality of a State to file a petition for relief in federal bankruptcy courts if the subdivision, agency or instrumentality is insolvent within the meaning of Chapter 9 and is authorized under applicable state law to seek such relief. The University, as an instrumentality of the State of Alabama, meets the initial eligibility requirement for a debtor under Chapter 9 of the United States Bankruptcy Code, as set forth at 11 U.S.C. §109(c)(1), because it is a "municipality" as defined at 11 U.S.C. §101(40), but the University is not expressly authorized by Article XIV, Section 266 of the Alabama Constitution of 1901 or by §16-48-1 *et seq.* of the Code of Alabama 1975, as amended, to initiate a Chapter 9 proceeding. Therefore, absent enactment of legislation by the Alabama Legislature that specifically authorizes a filing by the University, or by all instrumentalities of the State of Alabama, the University does not appear to be eligible to be a "debtor" under Chapter 9 of the United States Bankruptcy Code.

Nonetheless, Chapter 9 has been rarely used, and there is little precedent concerning its interpretation or the interpretation of related state laws, so there can be no definitive assurance that the University would be prevented from filing a petition for relief under Chapter 9, and if it did so, what relief would be provided. For example, Chapter 9 of the Bankruptcy Code provides certain protections to creditors whose debts are secured by

pledged special revenues; however, because of the limited precedent available with respect to Chapter 9, it is possible that a federal bankruptcy court could reject or circumscribe certain of these provisions under the facts of a specific case.

It should be noted that Section 922(d) of Chapter 9 of the Bankruptcy Code provides that a bankruptcy petition does not operate as a stay of "application of pledged special revenues" to the payment of indebtedness secured by such revenues in a manner consistent with other provisions of the Bankruptcy Code. Without limitation, section 928 of the Bankruptcy Code provides that special revenues acquired by the debtor after commencement of a Chapter 9 case remain subject to any lien resulting from any security agreement entered into by the debtor before commencement of the case, but further provides that any such lien on special revenues (other than municipal betterment assessments) derived from a project or system shall be subject to "the necessary operating expenses of such project or system." It is not clear whether the pledge of Pledged Revenues made by the University for the benefit of the Series 2026 Bonds would constitute "special revenues" as that term is defined in section 902(2) of the Bankruptcy Code. Moreover, the phrase "application of pledged special revenues" has given rise to arguments that the provisions of section 922(d) apply only to funds in possession and control of the debtholders, or their trustee. Therefore, it is uncertain whether or not the filing of a Chapter 9 petition (if the University had such power under Alabama law) would affect application of Pledged Revenues for the payment of principal and interest on the Series 2026 Bonds. Similarly, it is uncertain whether section 928 of the Bankruptcy Code would control the claims of holders of the Series 2026 Bonds with respect to the Pledged Revenues.

As a "municipality" within the meaning of the Bankruptcy Code, the University's eligibility to be a debtor is governed solely by 11 U.S.C. §109(c). A "municipality" within the meaning of Chapter 9 of the Bankruptcy Code cannot seek relief as a "debtor" under other chapters of the Bankruptcy Code, including without limitation Chapters 7 and 11.

The approving legal opinion of Bond Counsel to the University will contain the customary reservation that the rights of the holders of the Series 2026 Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, sovereign immunity, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases. See the proposed form of approving legal opinion set forth in [Appendix B](#) – "Proposed Form of Approval Opinion of Bond Counsel to the University."

MUNICIPAL ADVISOR

PFM Financial Advisors LLC ("PFM") is employed by the University to perform professional services in the capacity of municipal advisor. In its role as municipal advisor to the University, PFM has provided advice on the plan of financing and structure of the Series 2026 Bonds, and reviewed certain legal and disclosure documents, including this Official Statement, for financial matters. PFM has not independently verified the factual information contained in this Official Statement, but relied on the information supplied by the University and other sources and the University's certification as to the Official Statement.

UNDERWRITING

The Series 2026 Bonds are being purchased for reoffering by J.P. Morgan Securities LLC, Piper Sandler & Co., Raymond James & Associates, Inc., and Truist Securities, Inc. (collectively, the "Underwriters") at an aggregate purchase price of \$100,369,320.95 (representing the initial par amount of the Series 2026 Bonds, less an underwriting discount of \$311,883.90, plus original issue premium of \$9,831,204.85). The public offering price of the Series 2026 Bonds as set forth on the inside of the cover page of this Official Statement may be changed from time to time by the Underwriters, and the Underwriters may allow a concession from the public offering price to certain dealers.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters for the Series 2026 Bonds, has entered into negotiated dealer agreements (each a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2026 Bonds from JPMS at the original price less a negotiated portion of the selling concession applicable to any Series

2026 Bonds that such firm sells.

Truist Securities is the trade name for the corporate and investment banking services of Truist Financial Corporation and its subsidiaries. Securities and strategic advisory services are provided by Truist Securities, Inc., member FINRA and SIPC and one of the Underwriters for the Series 2026 Bonds. Lending, financial risk management, and treasury management and payment services are offered by Truist Bank. Deposit products are offered by Truist Bank, Member FDIC. In its normal course of business Truist Bank may currently, or in the future, provide credit, treasury management, or other commercial banking services to the University. Truist Securities has entered into an agreement (the "Truist Distribution Agreement") with Truist Investment Services, Inc. ("TIS") for the retail distribution of certain municipal securities offerings, including the Series 2026 Bonds. Pursuant to the Truist Distribution Agreement, Truist Securities will share a portion of its underwriting compensation, as applicable, with respect to the Series 2026 Bonds with TIS. TIS is a subsidiary of Truist Financial Corporation.

STI Institutional & Government, Inc. is an affiliate of Truist Securities, Inc.. Accordingly, substantially all of the proceeds from the sale of the Series 2026 Bonds will be paid to an affiliate of one of the Underwriters (i.e., Truist Securities, Inc.) in order to refinance and retire the Refunded Bonds.

MISCELLANEOUS

The references herein to statutory provisions, the Indenture and other documents and instruments are summaries of certain provisions thereof and do not purport to be complete. For full and complete statements of such provisions reference is hereby made to the specific statutory provision, document or instrument to which such summary relates.

So far as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2026 Bonds.

The information contained in this Official Statement has been compiled or prepared from information obtained from sources believed to be reliable; however, the University makes no representation as to the accuracy or completeness of such information. The information and the expressions of opinion herein are subject to change without notice. Accordingly, neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that, since the date hereof, there has been no change in the affairs of the University or any other governmental agencies or entities discussed herein.

The distribution of this Official Statement and its use in the offering and sale of the Series 2026 Bonds have been approved by the governing body of the University.

UNIVERSITY OF SOUTH ALABAMA

/s/ Jo Bonner

President

APPENDIX A

**AUDITED FINANCIAL STATEMENT FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2025**

APPENDIX B

PROPOSED FORM OF APPROVAL OPINION OF BOND COUNSEL TO THE UNIVERSITY

Proposed Form of Approval Opinion of Bond Counsel

_____, 2025

Board of Trustees of the
University of South Alabama
Mobile, Alabama

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Alabama and certified copies of proceedings of the Board of Trustees of the University of South Alabama (herein called the "University") and other documents submitted to us pertaining to the authorization, issuance and validity of:

\$ _____
**University Facilities
Revenue Bonds
Series 2026-A**

\$ _____
**University Facilities
Revenue Bonds
Series 2026-B**

\$ _____
**Taxable University Facilities
Revenue Bonds
Series 2026-C**

The statements hereinafter made and the opinions hereinafter expressed are based upon our examination of said constitution, laws, proceedings, and documents, which show as follows:

(1) that the above-referenced University Facility Revenue Bonds, Series 2026-A (the "Series 2026-A Bonds"), University Facility Revenue Bonds, Series 2026-B (the "Series 2026-B Bonds") and Taxable University Facility Revenue Bonds, Series 2026-C (the "Series 2026-C Bonds") and, together with the Series 2026-A Bonds and the Series 2026-B Bonds, the "Series 2026 Bonds") have been issued under a University Facilities Revenue Trust Indenture dated as of February 15, 1996, as heretofore supplemented and amended and as further supplemented by a Twenty-[Fourth] Supplemental University Facilities Revenue Trust Indenture dated the date of the Series 2026 Bonds between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (said Indenture, as so supplemented and amended, herein called the "Indenture"), wherein there has been pledged for payment of all bonds issued thereunder so much as may be necessary therefor of (a) the proceeds of the general tuition fees levied against all students attending the University, (b) the gross revenues derived from auxiliary enterprises services furnished by the University, including, without limitation, food services, housing, college stores, dining, concessions and other similar services, as such revenues are shown as a separate item on the audited financial statements of the University, and (c) an amount not exceeding \$10,000,000 in any fiscal year of the University of the gross revenues derived from that certain hospital facility owned and operated by the University and known as USA Children's & Women's Hospital (collectively herein called the "Pledged Revenues"); and

(2) that the University is authorized under the Indenture to issue, without express limit as to principal amount but only upon compliance with certain conditions precedent specified in the Indenture, Additional Bonds (as such term is defined in the Indenture) secured by a pledge of the Pledged Revenues on a parity with all other bonds issued under the Indenture and at any time outstanding.

We are of the following opinion: that the University is a public body corporate under the laws of the State of Alabama and has corporate power to issue the Series 2026 Bonds and to execute and deliver the Indenture; that the Series 2026 Bonds have been duly authorized, executed and issued in the manner provided by the applicable

provisions of the Constitution and laws of the State of Alabama, are in due and legal form and evidence valid and binding limited and special obligations of the University payable, as to principal and interest, solely out of the Pledged Revenues; that the payment of the principal of and the interest on the Series 2026 Bonds is secured on a parity with all Bonds (as such term is defined in the Indenture) previously issued under the Indenture and with any other Additional Bonds hereafter issued under the Indenture by a pledge of the Pledged Revenues pro rata and without preference or priority of the Bonds of one series over those of another; that the said pledge is valid, subject to all lawful prior charges on the Pledged Revenues; and that the Indenture has been duly authorized, executed and delivered on behalf of the University. We are of the opinion that the interest on the Series 2026 Bonds is, under existing statutes and regulations as presently construed, exempt from Alabama income taxation.

We are further of the opinion that under the Internal Revenue Code of 1986, as amended (herein called the "Code"), as presently construed and administered, and assuming compliance by the University with its covenants pertaining to certain requirements of federal tax law that are set forth in the Indenture and the proceedings authorizing the issuance of the Series 2026-A Bonds and the Series 2026-B Bonds (together, the "Tax-Exempt Series 2026 Bonds"), the interest on the Tax-Exempt Series 2026 Bonds will be excludable from gross income of the recipient thereof for federal income tax purposes pursuant to the provisions of Section 103(a) of the Code and will not be an item of tax preference included in alternative minimum taxable income for the purpose of computing the minimum tax imposed by Section 55 of the Code. As a result of amendments to the Code enacted pursuant to the Inflation Reduction Act of 2022, interest on the Tax-Exempt Series 2026 Bonds may be taken into account for purposes of the alternative minimum tax imposed by Section 55(b)(2) of the Code on "applicable corporations", as defined in Section 59(k) of the Code. We express no opinion regarding tax consequences arising with respect to the Series 2024-C Bonds other than as expressly set forth herein.

We call to your attention that interest on the Series 2026-C Bonds is not excluded from federal income taxation.

We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement of the University relating to the Series 2026 Bonds. We express no opinion with respect to the federal tax consequences to the recipient of the interest on the Series 2026 Bonds under any provision of the Code not referred to above.

The rights of the holders of the Series 2026 Bonds and the enforceability of the Series 2026 Bonds and the Indenture are subject to all applicable bankruptcy, insolvency, reorganization, sovereign immunity, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and the exercise of judicial discretion in appropriate cases.

Neither the principal of nor the interest on the Series 2026 Bonds nor the aforesaid pledge or any other agreements contained in the Indenture constitute an obligation of any nature whatsoever of the State of Alabama, and neither the Series 2026 Bonds nor any obligation arising from said pledge or other agreements are payable out of any moneys appropriated to the University by the State of Alabama. The Indenture does not constitute a mortgage on any of the property of the University, and no foreclosure or sale proceedings with respect to any property of the University shall ever be had under its authority.

This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

APPENDIX C
FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

The University of South Alabama, a public body corporate under the laws of the State of Alabama (the "University"), has entered into this Agreement for the benefit of the holders of its University Facilities Revenue Bonds, Series 2026-A, in the aggregate principal amount of \$_____,000 (the "Series 2026-A Bonds"), University Facilities Revenue Bonds, Series 2026-B, in the aggregate principal amount of \$_____,000 (the "Series 2026-B Bonds"), and Taxable University Facilities Revenue Bonds, Series 2026-C, in the aggregate principal amount of \$_____,000 (the "Series 2026-C Bonds" and, together with the Series 2026-A Bonds and the Series 2026-B Bonds, the "Bonds"). The University is the Obligated Person with respect to the Bonds.

Recitals

A. The Bonds are being issued pursuant to a University Facilities Revenue Trust Indenture dated as of February 15, 1996 (the said Indenture, as heretofore supplemented and amended and as further supplemented and amended by a Twenty-[Fourth] Supplemental University Facilities Revenue Trust Indenture dated the date of the Bonds (the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

B. An Official Statement dated [____], 2026 (the "Official Statement") has been prepared for distribution to prospective purchasers of the Bonds.

C. The Bonds are subject to the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), as amended. This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule.

D. Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with definitions in the Rule, in the Official Statement.

E. There is no Obligated Person with respect to the Bonds other than the University.

NOW, THEREFORE, for and in consideration of the premises, the University hereby covenants, agrees and binds itself as follows:

1. Financial Statements; Annual Report.

(a) The University will provide to the Municipal Securities Rulemaking Board (the "MSRB") the audited financial statements of the University, prepared in accordance with generally accepted accounting principles as applicable to the University, not later than 210 days after the close of each fiscal year of the University, beginning with the fiscal year ending September 30, 2026.

(b) The University will provide, not later than 210 days after the end of each fiscal year of the University, commencing with the fiscal year ending September 30, 2026, to the MSRB the following financial and operating data, unless such information is included in the filed audited financial statements (the "Annual Report"):

- (1) the revenues from the general tuition fees the proceeds of which are pledged for payment of the Bonds;
- (2) the revenues from the auxiliary enterprises fees the proceeds of which are pledged for payment of the Bonds;
- (3) the schedule of undergraduate and graduate fees and College of Medicine fees;

- (4) the number of students, by geographic classification, attending the fall term commencing within the fiscal year covered by the University Annual Report;
- (5) the total State appropriations authorized and received.

(c) If the University's fiscal year is changed subsequent to the execution of this Agreement, the University shall provide timely notice of the change to the MSRB stating that its fiscal year has changed and specifying the new period constituting the University's fiscal year.

2. Event Notices. The University agrees to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, as required by the Rule, to the MSRB, notice of the occurrence of any of the following events (each a "Listed Event") with respect to the Bonds:

1. principal and interest payment delinquencies.
2. non-payment related defaults, if material.
3. unscheduled draws on debt service reserves reflecting financial difficulties.
4. unscheduled draws on credit enhancements reflecting financial difficulties.
5. substitution of credit or liquidity providers, or their failure to perform.
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. modifications of the rights of holders of the Bonds, if material.
8. bond calls, if material, and tender offers.
9. defeasances.
10. release, substitution or sale of property securing repayment of the Bonds, if material.
11. rating changes.
12. bankruptcy, insolvency, receivership, or similar event of the obligated person.
13. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. incurrence of a Financial Obligation of an Obligor, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligor, any of which affect security holders, if material.
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligor, any of which reflect financial difficulties.

As used herein, "Financial Obligation" shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of (a) or (b). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB under the Rule.

3. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the University chooses to disseminate information in addition to that required herein, whether by including such information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement or otherwise, the University shall have no obligation under this Agreement to update or continue to provide such information or include it in any future notice of occurrence of a Listed Event.

4. Form and Method of Filing. All filings to be provided hereunder to the MSRB shall be made by posting such information in electronic format on the MSRB's Electronic Municipal Market Access ("EMMA") system at <http://emma.msrb.org> accompanied by identifying information as prescribed by the MSRB. All such filings shall be made in conformity with the procedures and requirements established by the MSRB in effect at the time of such filing.

5. Beneficiaries; Limitation of Remedies Hereunder. This Agreement is for the benefit of the holders of the Bonds and shall be enforceable by such holders, subject to the limitations herein. The University shall never be subject to money damages in any sum or amount, whether compensatory, punitive or otherwise, for its failure to comply with its obligations contained herein. The only remedy available to the holders of the Bonds for breach by the University of its obligations hereunder shall be the remedy of specific performance or mandamus against the appropriate officials of the University to obtain performance of the University's obligations hereunder. No failure by the University to comply with the provisions of this Agreement shall be an event of default with respect to the Bonds under the Indenture.

6. Responsibility for Compliance.

(a) No person other than the University shall have any liability or responsibility for compliance by the University with its obligations under this Agreement. The Trustee has undertaken no responsibility with respect to any reports, notices or disclosures required by this Agreement or the Rule.

(b) The University will pay all costs incurred in connection with the performance of its obligations under this Agreement, including without limitation the fees and expenses of any dissemination agent, consultants, advisers, accountants, legal counsel or other persons that may be retained by the University to assist in the performance of the University's obligations.

7. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the University may amend this Agreement and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not cause the undertakings herein to violate the Rule taking into account any subsequent change in or official interpretation of the Rule.

8. Termination. The University reserves the right to terminate its obligation to provide an Annual Report, audited financial statements and notices of material events, as set forth above, if and when the University no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

9. Contract Formed. This Agreement shall constitute a contract between the University and the holders from time to time and at any time of the Bonds, but no other person, firm or corporation shall have any

rights hereunder.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly authorized by the University and has been executed by and on behalf of the University by its duly authorized officer, all as of the [] day of [], 2026.

UNIVERSITY OF SOUTH ALABAMA

By: _____

Its: _____

APPENDIX D
DTC PROCEDURES

DTC Book-Entry Only System

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2024-C Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such maturity, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 7A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being

redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the University as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from University or Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Trustee, or University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of University or Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to University or Trustee. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE UNIVERSITY, THE UNDERWRITERS AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2024-C BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE SERIES 2024-C BONDS, (2) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2024-C BONDS, OR (3) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2024-C BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE UNIVERSITY, THE UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE SERIES 2024-C BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2024-C BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND INDENTURE TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2024-C BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

APPENDIX E

EXHIBIT IV
FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

The University of South Alabama, a public body corporate under the laws of the State of Alabama (the "University"), has entered into this Agreement for the benefit of the holders of its University Facilities Revenue Bonds, Series 2026-[___], in the aggregate principal amount of \$[_____] (the "Bonds"). The University is the Obligated Person with respect to the Bonds.

Recitals

A. The Bonds are being issued pursuant to a University Facilities Revenue Trust Indenture dated as of February 15, 1996 (the said Indenture, as heretofore supplemented and amended and as further supplemented and amended by a Twenty-[Fourth] Supplemental University Facilities Revenue Trust Indenture dated the date of the Bonds (the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

B. An Official Statement dated [____], [____] (the "Official Statement") has been prepared for distribution to prospective purchasers of the Bonds.

C. The Bonds are subject to the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), as amended. This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule.

D. Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with definitions in the Rule, in the Official Statement.

E. There is no Obligated Person with respect to the Bonds other than the University.

NOW, THEREFORE, for and in consideration of the premises, the University hereby covenants, agrees and binds itself as follows:

1. Financial Statements; Annual Report.

(a) The University will provide to the Municipal Securities Rulemaking Board (the "MSRB") the audited financial statements of the University, prepared in accordance with generally accepted accounting principles as applicable to the University, not later than 210 days after the close of each fiscal year of the University, beginning with the fiscal year ending September 30, 2026.

(b) The University will provide, not later than 210 days after the end of each fiscal year of the University, commencing with the fiscal year ending September 30, 2026, to the MSRB the following financial and operating data, unless such information is included in the filed audited financial statements (the "Annual Report"):

(1) the revenues from the general tuition fees the proceeds of which are

pledged for payment of the Bonds;

- (2) the revenues from the auxiliary enterprises fees the proceeds of which are pledged for payment of the Bonds;
- (3) the schedule of undergraduate and graduate fees and Medical College fees;
- (4) the number of students, by geographic classification, attending the fall term commencing within the fiscal year covered by the University Annual Report; and
- (5) the total State appropriations authorized and received.

(c) If the University's fiscal year is changed subsequent to the execution of this Agreement, the University shall provide timely notice of the change to the MSRB stating that its fiscal year has changed and specifying the new period constituting the University's fiscal year.

2. Event Notices. The University agrees to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, as required by the Rule, to the MSRB, notice of the occurrence of any of the following events (each a "Listed Event") with respect to the Bonds:

1. principal and interest payment delinquencies.
2. non-payment related defaults, if material.
3. unscheduled draws on debt service reserves reflecting financial difficulties.
4. unscheduled draws on credit enhancements reflecting financial difficulties.
5. substitution of credit or liquidity providers, or their failure to perform.
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. modifications of the rights of holders of the Bonds, if material.
8. bond calls, if material, and tender offers.
9. defeasances.
10. release, substitution or sale of property securing repayment of the Bonds, if material.

11. rating changes.
12. bankruptcy, insolvency, receivership, or similar event of the obligated person.
13. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. incurrence of a Financial Obligation of the University, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the University, any of which affect security holders, if material.
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the University, any of which reflect financial difficulties.

As used herein, "Financial Obligation" shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of (a) or (b). The term financial obligation does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB under the Rule

3. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the University chooses to disseminate information in addition to that required herein, whether by including such information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement or otherwise, the University shall have no obligation under this Agreement to update or continue to provide such information or include it in any future notice of occurrence of a Listed Event.

4. Form and Method of Filing. All filings to be provided hereunder to the MSRB shall be made by posting such information in electronic format on the MSRB's Electronic Municipal Market Access ("EMMA") system at <http://emma.msrb.org> accompanied by identifying information as prescribed by the MSRB. All such filings shall be made in conformity with the procedures and requirements established by the MSRB in effect at the time of such filing.

5. Beneficiaries; Limitation of Remedies Hereunder. This Agreement is for the

benefit of the holders of the Bonds and shall be enforceable by such holders, subject to the limitations herein. The University shall never be subject to money damages in any sum or amount, whether compensatory, punitive or otherwise, for its failure to comply with its obligations contained herein. The only remedy available to the holders of the Bonds for breach by the University of its obligations hereunder shall be the remedy of specific performance or mandamus against the appropriate officials of the University to obtain performance of the University's obligations hereunder. No failure by the University to comply with the provisions of this Agreement shall be an event of default with respect to the Bonds under the Indenture.

6. Responsibility for Compliance.

(a) No person other than the University shall have any liability or responsibility for compliance by the University with its obligations under this Agreement. The Trustee has undertaken no responsibility with respect to any reports, notices or disclosures required by this Agreement or the Rule.

(b) The University will pay all costs incurred in connection with the performance of its obligations under this Agreement, including without limitation the fees and expenses of any dissemination agent, consultants, advisers, accountants, legal counsel or other persons that may be retained by the University to assist in the performance of the University's obligations.

7. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the University may amend this Agreement and any provision of this Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not cause the undertakings herein to violate the Rule taking into account any subsequent change in or official interpretation of the Rule.

8. Termination. The University reserves the right to terminate its obligation to provide an Annual Report, audited financial statements and notices of material events, as set forth above, if and when the University no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

9. Contract Formed. This Agreement shall constitute a contract between the University and the holders from time to time and at any time of the Bonds, but no other person, firm or corporation shall have any rights hereunder.

IN WITNESS WHEREOF, this Agreement has been duly authorized by the University and has been executed by and on behalf of the University by its duly authorized officer, all as of the [__] day of [____], [____].

UNIVERSITY OF SOUTH ALABAMA

By: _____
President

EXHIBIT V
FORM OF CERTIFICATE OF COMPLIANCE

This Certificate of Compliance is being delivered by the undersigned member of The Board of Trustees (the "Board") of The University of South Alabama (the "University"), in such member's capacity as a Designated Board Member, and by the undersigned [President of the University]/[Vice President of Finance of the University], in such officer's capacity as a Designated Officer, with respect to the issuance by the University of its \$ _____ University Facilities Revenue Bonds, Series 2026-[] (the "Series 2026-[] Bond[s]") under, pursuant to and in accordance with that certain resolution adopted on March [], 2026, by the Board (the "Authorizing Resolution"). The Plan of Finance for the Series 2026-[] Bonds is described in the Authorizing Resolution. Capitalized terms used and not otherwise defined herein shall have the meaning ascribed thereto in the Authorizing Resolution.

Each of the undersigned does hereby declare, certify, establish, and order, as follows:

1. The undersigned is a Designated Board Member or a Designated Officer as described and set forth in the Authorizing Resolution.
2. Each of the undersigned confirms and verifies that the Series 2026-[] Bonds have been sold and are to be issued in accordance with the Authorizing Resolution and the Plan of Finance.
3. [Pursuant to Section 7(a) of the Authorizing Resolution, the Series 2026-[] Bonds are being issued to [_____], as underwriters.]/[Pursuant to Section 7(b) of the Authorizing Resolution, the Lender acquiring the Series 2026-[] Bond[s] is [_____].

IN WITNESS WHEREOF, this certificate and order has been executed on behalf of the Board and the University.

Dated: _____, 2026.

Designated Board Member

Designated Officer

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



UNIVERSITY OF SOUTH ALABAMA

**DISCLOSURE OF INFORMATION ON PURCHASE OF REAL PROPERTY
PURSUANT TO ALABAMA ACT 2014-133**

PROPERTY ADDRESS:

6703 Providence Hospital Drive
Mobile, AL 36608

Parcel Number: 2804204000107.001

APPRAISAL INFORMATION:

Appraised by: Cushman-Wakefield
Date: 02/10/2025
Appraised Value: \$884,000.00

CONTRACTS RELATED TO THE PURCHASE:

Attached hereto

PURCHASE TERMS:

Cash Purchase

SOURCES OF FUNDS USED IN THE PURCHASE:

Unrestricted Funds

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is made and entered as of the Effective Date (hereinafter defined) by and between **DAUGHTERS OF CHARITY MINISTRIES, INC.**, a Missouri non-profit corporation (“**Seller**”), and **UNIVERSITY OF SOUTH ALABAMA**, a public body corporate of the State of Alabama (“**Buyer**”) Seller and Buyer are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS:

WHEREAS, Seller is the owner of the Property (hereafter defined); and

WHEREAS, Buyer desires to purchase and acquire from Seller, and Seller desires to sell and transfer to Buyer, the Property, subject to the terms and conditions set forth below.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the premises, mutual covenants, agreements, representations and warranties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Sale of Property. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase and acquire from Seller, on the terms hereinafter stated:

1.1. fee simple interest in that certain real property located at 6703 Providence Hospital Drive, Mobile, Alabama, being Parcel ID No 2804204000107.001 consisting of approximately two (2) acres, and more particularly described on Exhibit A attached hereto, together with all easements, rights of way, licenses, privileges, hereditaments and appurtenances, if any, inuring to the benefit of such real property, including, without limitation, all abutter’s rights and title to all land underlying roadways adjacent to such real property (collectively, the “**Real Property**”);

1.2. all buildings, structures and other improvements of any and every nature located on the Real Property and all fixtures attached or affixed, to the Real Property or to any such buildings, structures or other improvements, located on the Real Property (collectively, the “**Improvements**”);

1.3. all machinery, equipment, furniture, furnishings, appliances and other personal property located in, or attached to, the Real Property and identified by Buyer during the Inspection Period (hereinafter defined) (“**Personal Property**”); and

1.4. all surveys, plans and specifications, warranties, guaranties, certificates, licenses, permits, authorizations, consents and approvals with respect to the use, occupancy, possession and operation of the Real Property and Improvements (the “**Permits**”);

The Real Property, the Improvements, the Personal Property, and the Permits, are collectively referred to herein as the “**Property**”.

2. Excluded Assets. The Property shall not include, and Buyer shall not acquire any right, title or interest in, the assets of Seller listed on the attached **Schedule 2**.

3. Seller and Buyer acknowledge and agree that (i) Daughters of Charity of St. Vincent de Paul of Indiana, Inc., a nonprofit corporation ("**DOC Indiana**") purchased the Property from Providence Hospital, an Alabama nonprofit corporation ("**Providence Hospital**") by Statutory Warranty Deed, dated November 17, 1986, and recorded in Book 3020 at Page 252 in the office of the Judge of Probate of Mobile County, Alabama (the "**DOC Deed**"), (ii) that the DOC Deed contains a reservation by Providence Hospital of the right to repurchase the Property, (iii) Buyer is the successor in interest to Providence Hospital and has exercised the right to repurchase, (iv) Seller is the successor in interest to DOC Indiana, and (v) this Agreement and the sale and purchase of the Property are the result of such exercise by Buyer.

4. Independent Contract Consideration. Concurrent with the Effective Date, Buyer has paid to Seller the amount of One Hundred and No/100 Dollars (\$100.00) (the "**Independent Contract Consideration**"), the receipt of which is hereby acknowledged by Seller, which amount the Parties have bargained and agreed to as the consideration for Buyer's exclusive option to purchase the Property in accordance herewith, and Seller's execution, delivery and performance of this Agreement. The Independent Contract Consideration is in addition to and independent of any other consideration or payment provided for in this Agreement, is nonrefundable, and shall be retained by Seller, notwithstanding any other provision of this Agreement.

5. Purchase Price. Subject to the adjustments and prorations hereinafter described, the purchase price to be paid by Buyer to Seller for the purchase of the Property is the sum of Three Hundred Forty-Nine Thousand Seventy-Four and 23/100 Dollars (\$349,074.23) (the "**Purchase Price**"). The Purchase Price will be paid in the following manner:

5.1. Earnest Money Deposit. On or before the date that is ten (10) Business Days (hereinafter defined) following the Effective Date, Buyer shall deposit Five Thousand and No/100 Dollars (\$5,000.00) (the "**Deposit**") with The Guarantee Title Company, LLC, located at 4300 Downtowner Loop N. Mobile, Alabama 36609, Attn: Lauren Brandon Email: lauren@guaranteetitle.com (the "**Escrow Agent**" or "**Title Company**"), as earnest money to be held by the Escrow Agent in a non-interest bearing escrow account and applied to the Purchase Price at Closing or as otherwise provided in this Agreement. Escrow Agent acknowledges, consents and agrees that it is serving in a fiduciary capacity for and on behalf of Seller and Buyer, and as such, shall not release the Deposit except upon joint written instruction of Seller and Buyer, or in the event of a dispute between Seller and Buyer, by interpleading the Deposit into a court of appropriate jurisdiction; provided, however, that if Buyer delivers a written termination of this Agreement to Seller pursuant to and in accordance with the terms and conditions of this Agreement, the Escrow Agent shall return the Deposit to Buyer without Seller's consent.

5.2. Cash at Closing. At Closing, Buyer shall pay the Purchase Price to Seller in cash or other certified funds, with the Deposit being applied to the Purchase Price, subject to the prorations, costs and adjustments as provided herein.

6. Buyer's Diligence.

6.1. Property Condition. Commencing upon the Effective Date and continuing through the occurrence of Closing, Buyer shall, at Buyer's expense, have the right to access and make reasonable examinations and inspections of the Property and the contracts, books, records, plans, reports and inspections, including site plan analyses, engineering analyses, geotechnical analyses, soil borings, Phase I and Phase II relating to the environmental and physical condition of the Property, survey, zoning, and notices to or from third parties, and accounts of Seller regarding the Property to the extent Seller possesses same. Buyer's access as aforementioned shall be provided upon reasonable request to Seller for same, and all documentation requested by Buyer shall be made available at the Property or at some other mutually agreed location during normal business hours. Buyer agrees to promptly repair at Buyer's expense any

material damage to the Property caused by Buyer. If, on or before the date that is thirty (30) days following the Effective Date (the "**Inspection Period**"), Buyer determines in its sole and absolute discretion that the condition of the Property is unsatisfactory for any reason or no reason or that Buyer is no longer interested in pursuing the Property, the determination of which shall be in Buyer's sole and absolute discretion, Buyer will have the option, for and in consideration of the Independent Contract Consideration, to terminate this Agreement by serving written notice of termination to Seller, and the Deposit will be returned to Buyer upon such termination and this Agreement and the rights, duties and obligations of the Parties hereunder shall terminate and be of no further force or effect. If Buyer does not terminate this Agreement prior to the expiration of the Inspection Period, the Deposit shall become non-refundable except in the event of a default by Seller or as otherwise specifically provided for herein.

6.2. **Title.** On or before the date that is twenty (20) days following the Effective Date, Buyer shall obtain: (a) a commitment for title insurance (the "**Title Commitment**") for issuance of an owner's title insurance policy in form and substance satisfactory to Buyer in its sole and absolute discretion (the "**Title Policy**") issued by the Title Company containing the requirements and exceptions to coverage described therein, offering to issue title insurance to the Property for the benefit of Buyer, subject to the requirements and exceptions demonstrated by the Exception Documents (hereinafter defined), and (b) legible copies of all instruments creating title exceptions described in the Title Commitment (the "**Exception Documents**"). Buyer will have ten (10) days after receipt of the Title Commitment (or any update thereto reflecting requirements or exceptions not reflected on the Title Commitment) and all of the Exception Documents and Survey (hereinafter defined) to provide to Seller a written notice setting forth all of Buyer's objections to Seller's title to the Property as reflected in the Title Commitment and the Exception Documents (the "**Title Objection**"). Upon receipt of the Title Objection, Seller shall use Seller's commercially reasonable efforts to correct the defects in title objected to by Buyer in the Title Objection and cause a revised version of the Title Commitment to be issued to Buyer. If, after using commercially reasonable efforts, Seller is unable to correct any such defect(s) within ten (10) days of Seller's receipt of the Title Objection (the "**Title Defect Period**"), Buyer will have the option, in the exercise of its sole and absolute discretion for and in consideration of the Independent Contract Consideration, to waive such defect(s) or to terminate this Agreement by written notice to Seller and obtain a refund of the Deposit, at which time this Agreement and the rights, duties and obligations of the Parties shall terminate and be of no further force and effect. All title exceptions reflected in the Title Commitment and the Exception Documents not objected to, or objected to and waived, shall be deemed "**Permitted Exceptions**". In no event shall Buyer be deemed to have elected to waive any of the defect(s), less and until, Buyer shall provide written notice of such waiver to Seller. Notwithstanding the foregoing, Seller shall satisfy and release any and all assessments, liens, security interests, mortgages or deeds of trust and other monetary encumbrances affecting the Property ("**Monetary Encumbrances**"), excluding those caused by Buyer at or before Closing and Buyer shall not be required to object to any Monetary Encumbrances and in no event shall any Monetary Encumbrances be a Permitted Exception.

6.3. **Survey.** Buyer may, at any time prior to Closing, have the Property surveyed by a surveyor registered in the State of Alabama (the "**Survey**"). If the Survey shows any encroachment on the Property, that any Improvement on the Property encroaches on the lands of others or any other matter that Buyer objects to in the exercise of its sole discretion, Buyer may submit a written objection to same at any time prior to the expiration of the Inspection Period (a "**Survey Objection**"). Seller shall use Seller's commercially reasonable efforts to correct the defects referenced in the Survey Objection and, if applicable, cause a revised version of the Title Commitment to be issued to Buyer reflecting resolution of the defects referenced in the Survey Objection. If, after using commercially reasonable efforts, Seller is unable to correct any such defect(s) within ten (10) days of Seller's receipt of the Survey Objection (the "**Survey Defect Period**"), Buyer will have the option, in the exercise of its sole and absolute discretion for an in consideration of the Independent Contract Consideration, to waive such defect(s) or to terminate this Agreement by serving written notice of termination to Seller, and the Deposit will be returned to Buyer

upon such termination and this Agreement and the right, duties and obligations of the Parties hereunder shall terminate and be of no further force or effect. In no event shall Buyer be deemed to have elected to waive any of the survey defect(s), less and until, Buyer shall provide written notice of such waiver to Seller. Notwithstanding anything contained herein to the contrary, the legal description for the Property for purposes of the Deed (hereinafter defined) shall be the legal description set forth in the Survey.

6.4. Seller Deliverables. On or before the date that is five (5) Business Days following the Effective Date, Seller shall deliver to Buyer any and all contracts, title policies, surveys, books, records, leasing files, plans, reports and inspections relating to the environmental and physical condition of the Property, notices to or from third parties, and leases and accounts of Seller regarding the Property in Seller actual possession or otherwise control, including without limitation any and all of the materials listed in Exhibit B attached hereto (collectively, "**Seller Deliverables**"). The Inspection Period shall be extended for a period equal to the number of days that the Seller delays in providing the Seller Deliverables, beyond the fifth (5th) Business Day following the Effective Date.

7. Conditions Precedent to Closing. The obligations of Buyer to consummate Closing shall be subject to the fulfillment on or before the Closing Date (hereinafter defined) (or such earlier time as otherwise required hereby) of all of the following conditions (the "**Buyer Closing Conditions**"), any or all which may be waived by Buyer in its sole and absolute discretion by the provision of written notice by Buyer to Seller specifying any such waivers:

7.1. Title Policy. Receipt by Buyer and/or its assignee of a Proforma Title Commitment for the issuance of a Title Policy in form and content satisfactory to Buyer in its sole and absolute discretion;

7.2. Survey. Receipt by Buyer and/or its assignee of an ALTA survey in form and content acceptable to Buyer in its sole and absolute discretion;

7.3. Representations and Warranties. The representations and warranties of Seller in this Agreement shall be true and correct, and certified by Seller to Buyer as such, on and as of the Closing Date.

7.4. Seller Default. Seller not being in default under the terms and conditions of this Agreement;

7.5. Buyer Termination. Buyer shall not have terminated this Agreement pursuant to an express right to terminate set forth in this Agreement.

In the event any of the Buyer Closing Conditions have not been satisfied by the Closing Date, Buyer will have the option for and in consideration of the Independent Contract Consideration to: (i) proceed forward with Closing; or (ii) terminate this Agreement by written notice to Seller on the Closing Date, in which event this Agreement shall terminate, the Deposit shall be returned to Buyer and the Parties shall have no further rights, duties and/or obligations hereunder, other than those which are expressly provided to survive the termination of this Agreement.

8. Closing. Buyer and Seller agree that the purchase and sale of the Property contemplated hereby will be consummated as follows:

8.1. Closing Date. Closing of the purchase and sale of the Property contemplated hereby ("**Closing**") will occur on or before the thirtieth (30th) day following the last to occur of (a) expiration of the Inspection Period, or (b) the satisfaction and/or waiver of each of the Buyer Closing Conditions by

Buyer (the “**Closing Date**”); provided, however, that Buyer shall have the right to cause Closing to occur on any particular Business Day that is no later than what is otherwise permitted hereunder by the giving of written notice to Seller of the Business Day on which Buyer intends to conduct the Closing, which date shall be at least five (5) Business Days after the date of such notice. Notwithstanding the foregoing, Buyer may elect to extend the Closing Date for a period of (30) days in the event that Buyer has been unable to secure all necessary approvals to complete the transaction contemplated by this Agreement, by providing written notice to Seller no later than five (5) days prior to the Closing Date. Closing will take place at the office of the Title Company; provided, however, Buyer and Seller shall use commercially reasonable efforts to cause Closing to occur without either Party having to be physically present at such office of the Title Company.

8.2. Seller’s Instruments. On the Closing Date, Seller will deliver or cause to be delivered to Buyer the following items (all documents will be duly executed and acknowledged where required):

8.2.1. Statutory Warranty Deed. A statutory warranty deed in form and substance reasonably acceptable to Buyer (the “**Deed**”) executed by Seller conveying the Property to Buyer, subject only to the Permitted Exceptions;

8.2.2. Title Affidavits. Such affidavits and other documents as may be reasonably requested by the Title Company in order to issue the Title Policy in accordance with the terms of the Title Commitment;

8.2.3. Nonforeign Affidavit. An affidavit in the form prescribed by Treasury Regulation §1.1445-2 stating Seller’s taxpayer identification number and confirming that the Seller is not a foreign person within the purview of 26 U.S.C. §1445 and the regulations issued thereunder; and

8.2.4. Assignment and Bill of Sale. A counterpart of an assignment and bill of sale, conveying the Permits and Personal Property in form and substance acceptable to Buyer in Buyer’s sole discretion (“**Assignment and Bill of Sale**”);

8.2.5. Closing Statement. A counterpart of the closing statement prepared by the Title Company with respect to Closing (the “**Closing Statement**”);

8.2.6. Permits. Executed original Permits, and copies of all related documents;

8.2.7. Documents; Keys. All keys and combinations to locks and other security devices located on the Property and all other items reasonably requested by Buyer relating to the Property;

8.2.8. Evidence of Authority. Authorizing resolutions of Seller authorizing the sale of the Property to Buyer, together with such other evidence of the authority of the person or persons executing the documents contemplated by this Agreement on behalf of Seller as Buyer and the Title Company might reasonably request;

8.2.9. Representations and Warranties Certification. A certificate in form and substance satisfactory to counsel for Buyer that the representations and warranties of Seller in this Agreement are true and correct on and as of the Closing Date;

8.2.10. Additional Documents. Such additional documents as may be reasonably requested by Buyer to consummate the sale of the Property to Buyer.

The foregoing documents are sometimes hereinafter collectively referred to as “**Seller’s Closing Documents**”.

8.3. Buyer’s Instruments. On the Closing Date, Buyer will deliver to Seller the following items (all documents will be duly executed and acknowledged where required):

8.3.1. Payment. Payment of the Purchase Price in accordance with Section 5 of this Agreement;

8.3.2. Reimbursement of Seller’s Appraisal Cost. Reimbursement to Seller of its appraisal cost in the amount of One Thousand Eight Hundred Fifty and No/100 Dollars (\$1,850.00);

8.3.3. Title Affidavits. Such affidavits and other documents as might be reasonably requested to issue the Title Policy in accordance with the terms of the Title Commitment;

8.3.4. Assignment and Bill of Sale. A counterpart of the Assignment and Bill of Sale;

8.3.5. Closing Statement. A counterpart of the Closing Statement;

8.3.6. Evidence of Authority. Such corporate resolutions, certificates of good standing and incumbency certificates and other evidence of authority with respect to Buyer and the person or persons acting on behalf of Buyer as might be reasonably requested by the Title Company;

8.3.7. Additional Documents. Such additional documents as might be reasonably requested by Seller to consummate the sale of the Property to Buyer.

The foregoing documents are sometimes hereinafter referred to as “**Buyer’s Closing Documents**”.

8.4. Possession. Possession of the Property will be delivered by Seller to Buyer at the time of Closing free and clear of (i) the Excluded Assets, and (ii) any and all tenancies and parties claiming rights to possession of or having claims against the Property. Effective on the delivery of the Deed, beneficial ownership and the risk of loss of the Property will pass from Seller to Buyer.

8.5. Closing Costs.

8.5.1. Seller Costs. Seller shall pay for the following costs and expenses: (a) the cost of the preparation of Seller’s Closing Documents; and (b) Seller’s attorneys’ fees.

8.5.2. Buyer Costs. Buyer shall pay for the following costs and expenses: (a) all costs of abstracting, title examination and other costs relating to the issuance of the Title Policy in form and content acceptable to Buyer in its sole and absolute discretion and the premium expense for the Title Policy in the amount of the Purchase Price; (b) the cost of the Survey; (c) the cost of any endorsements to the Title Policy; (d) all state, county and municipal transfer taxes, documentary stamps taxes, surtax, recording charges and taxes, and all other impositions on the conveyance, and the recording fee of the Deed; (e) Buyer’s attorneys’ fees; and (f) the cost of the preparation of Buyer’s Closing Documents.

8.5.3. Shared Costs. Seller and Buyer shall each pay one-half (1/2) of the following costs and expenses: (a) the fees and charges, if any, charged by the Escrow Agent for its services as the escrow agent hereunder; and (b) any closing fee charged by the Title Company for purposes of handling Closing.

9. Adjustments; Prorations. All receipts and disbursements of the Property will be prorated between Seller and Buyer as of 11:59 p.m. on the Closing Date and the Purchase Price will be adjusted on the following basis:

9.1. Disbursements. All sums due for accounts payable which were owing or incurred in connection with the Property on or prior to the Closing Date will be paid by Seller. Buyer will promptly furnish to Seller any bills for such period received after the Closing Date for payment, and Buyer will have no further obligation with respect thereto.

9.2. Property Taxes. All real and personal property ad valorem taxes, if any, for the calendar years preceding the year in which the Closing Date occurs will be paid by Seller. Seller shall be responsible for any special assessments assessed against the Property on or prior to the Closing Date, even if such special assessments are to be paid in installments. All real and personal property ad valorem taxes for the calendar year in which the Closing Date occurs will be prorated to the Closing Date. If the actual amounts to be pro-rated are not known as of Closing, the pro-ration shall be made at Closing on the basis of the best evidence then available without subsequent adjustment. If for any reason ad valorem property taxes for the then-current tax year have not been assessed on the Property, such pro-ration shall be estimated based upon the property taxes for the immediately preceding tax year, and Seller and Buyer shall subsequently make a cash adjustment when exact amounts are available. Notwithstanding the foregoing, Seller shall be responsible for the payment of any "roll-back" or similar assessment or tax as a result of Seller's assessment of the Property as "current use" or "agricultural use" or other property designation which triggers the recapture of taxes upon change of use.

9.3. Utility Charges. All utility charges for the Property (including, without limitation, telephone, water, storm and sanitary sewer, electricity, gas, garbage and waste removal) shall be prorated as of the Closing Date, transfer fees required with respect to any such utility shall be paid by or charged to Buyer, and Seller shall be credited with any deposits transferred to the account of Buyer; provided, however, that at either Party's election any one or more of such utility accounts shall be closed as of the Closing Date, in which event Seller shall be liable and responsible for all charges for service through the Closing Date and shall be entitled to all deposits theretofore made by Seller with respect to such utility, and Buyer shall be responsible for reopening and reinstating such service in Buyer's name, and shall be responsible for any fees, charges and deposits required in connection with such new account.

9.4. Insurance. Seller will terminate all existing insurance policies on the Closing Date, and Buyer will be responsible for placing all insurance coverage desired by Buyer. Any prepaid insurance premiums will be retained by Seller.

9.5. Other Items. Any other items which are customarily prorated in connection with the purchase and sale of properties similar to the Property shall be prorated as of the Closing Date.

10. Condemnation; Casualty. In the event of casualty loss or condemnation occurring prior to Closing, Buyer may elect to terminate this Agreement, in which event Escrow Agent shall immediately return the Deposit to Buyer and this Agreement and the rights, duties and obligations of the Parties hereunder shall terminate and be of no further force or effect. In the event Buyer elects to proceed with Closing despite any such casualty or condemnation, the obligations of the Parties shall remain in full force and effect as if such casualty or condemnation had not occurred. In the event Seller receives any condemnation awards or proceeds collected under policies of insurance pertaining to the Property, Seller shall pay to Buyer any and all sums of money received as condemnation awards or insurance proceeds and shall assign, transfer and set over to Buyer all of Seller's right, title and interest in and to said awards and proceeds and any further sums payable thereunder or by reason thereof.

11. Representations, Warranties, and Covenants

11.1. Representations, Warranties, and Covenants of Seller. In order to induce Buyer to enter into this Agreement and to complete Closing, Seller represents, warrants and agrees with Buyer as follows:

11.1.1. Seller Subsistence; Power; Authority.

(a) Seller is the entity identified in the first paragraph of this Agreement, and is duly organized, validly subsisting and in good standing under the laws of the state of formation, and duly qualified and with full power and authority generally to do business in the state where the Property is located, with all legal power and authority to undertake, observe and perform all of Seller's agreements and obligations hereunder and under Seller's Closing Documents.

(b) Seller's entry into this Agreement, and the observance and performance of Seller's agreements and obligations hereunder, have been duly approved by all necessary action of the directors, shareholders, members and/or partners (as applicable) of Seller. This Agreement constitutes and Seller's Closing Documents will, when executed and delivered, constitute the valid and binding obligations of Seller, enforceable in accordance with their terms.

(c) Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended.

(d) All the persons who have any legal or equitable interest in the Property, or whose joinder in any Seller's Closing Document would be necessary to convey to Buyer title to all the Property, as required by this Agreement, are named above as "Seller".

(e) Seller's execution and delivery of this Agreement and Seller's Closing Documents and Seller's compliance with the provisions thereof will not conflict with or constitute a breach of, or a default under, any of the provisions of any applicable law, rule, regulation or order of any court, administrative agency, bureau, board, commission, office, authority, department or other governmental entity.

(f) Seller is not a party to or bound by any agreement or obligation or subject to any restriction or to any applicable law, rule, regulation or order of any court, administrative agency, bureau, board, commission, office, authority, department or other governmental entity, which might result in a material impairment of the rights or abilities of Seller to perform its obligations hereunder or under Seller's Closing Documents.

11.1.2. Litigation. To Seller's knowledge and belief, there are no judgments, orders, suits, actions, garnishments, attachments or proceedings of any nature by or before any court, commission, board or other governmental body pending, or to the knowledge of Seller threatened, which involve or affect, or could involve or affect: (a) the Property, or any part thereof, (b) the validity or enforceability of this Agreement or Seller's Closing Documents, (c) any risk of any judgment or liability being imposed upon Seller which could materially adversely affect the financial condition of Seller or Seller's ability to observe or perform fully its agreements and obligations hereunder or under Seller's Closing Documents.

11.1.3. Bankruptcy Matters. The consummation of the transactions contemplated hereby will not render Seller insolvent or constitute a fraudulent conveyance or fraudulent transfer under any applicable law. Seller has not made any general assignment for the benefit of Seller's creditors. No

proceeding seeking (a) relief for Seller under any bankruptcy or insolvency law, (b) the rearrangement or readjustment of Seller's debt, (c) the appointment of a receiver, custodian, liquidator or trustee to take possession of substantially all of the assets of Seller, or (d) the liquidation of Seller, has been commenced or is planned by Seller or has been threatened by any other third party.

11.1.4. No Default. To Seller's knowledge and belief, Seller is not in default under any license, permit, lease, lease guaranty, contract, or other agreement or instrument relating to the Property to which Seller is a party or by which Seller or the Property is bound. There exists no condition or state of facts which, but for the giving of notice or the expiration of time (or both), would constitute such a default. The observance and performance of Seller's obligations hereunder and under Seller's Closing Documents will not conflict with or result in the breach of any license, permit, lease, lease guaranty, contract or other such agreement or other instrument.

11.1.5. Environmental.

(a) To Seller's knowledge and belief, Seller has not received any complaint, order, summons, citation, notice of violation, directive, letter or other communication from any governmental authority with regard to air emissions, water discharges, noise emissions or Hazardous Substances, or any other environmental, health or safety matters affecting the Property, or any portion thereof.

(b) For purposes of this Agreement, the term "**Hazardous Substance**" shall mean materials, wastes or substances that are (i) included within the definition of any one or more of the terms "hazardous substances," "hazardous materials," "toxic substances," "toxic pollutants" and "hazardous waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.), the Clean Water Act (33 U.S.C. Section 1251, et seq.), the Safe Drinking Water Act (14 U.S.C. Section 1401, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), and the Toxic Substance Control Act (15 U.S.C. Section 2601, et seq.) and the regulations promulgated pursuant to such laws, (ii) regulated or classified as hazardous or toxic, under federal, state or local environmental laws or regulations, (iii) petroleum, (iv) asbestos or asbestos-containing materials, (v) polychlorinated biphenyls, (vi) flammable explosives or (vii) radioactive materials.

11.1.6. Mechanics' Liens. No work has been or will be performed at, and no materials have been or will be furnished to, the Property, or any part thereof, which might give rise to any mechanics', materialmen's or other lien against the Property, or any part thereof. If any lien for such work is filed, Seller shall discharge the same promptly and in any event prior to Closing.

11.1.7. Compliance with Laws. To Seller's knowledge and belief, no notice or communication of any kind has been issued by any public authority relating to the Property, or any business or activity conducted thereon, including, but not limited to, notice of violation under zoning, building, health, or fire codes.

11.1.8. Condemnation. To Seller's knowledge and belief, as of the Effective Date, Seller has not received any written notice of any pending or threatened condemnation of all or any portion of the Property.

11.1.9. Quality of Title. (a) Seller now has, and at Closing will have, full legal and equitable fee simple absolute title to the Property subject to the Permitted Exceptions, of the quality and insurability called for by this Agreement. (b) Other than as set forth in Section 3 of this Agreement, there is no existing agreement, commitment, right of first refusal, right of first offer, option or right with, in or to any person to acquire the Property or any interest therein. (c) To Seller's knowledge and belief, no

default or breach exists under any recorded easement, covenant, agreement or restriction affecting the Property.

11.1.10. Representations and Warranties. Seller will not cause or permit any action to be taken which will cause any of the foregoing representations, warranties or covenants to be untrue or not to be performed on the Closing Date.

11.1.11. Seller Closing Documents. Seller will deliver on the Closing Date all documents and instruments required by this Agreement and perform all acts necessary or appropriate for the consummation of the purchase and sale of the Property as contemplated by and provided for in this Agreement.

11.2. Representations, Warranties, and Covenants of Buyer. Buyer represents, warrants, and covenants to Seller that:

11.2.1. Existence, Good Standing. Buyer is validly existing and in compliance under the laws of the state of Alabama.

11.2.2. Enforceability. This Agreement and all other agreements to be executed by Buyer in connection herewith have been (or upon execution will have been) duly executed and delivered by Buyer, and constitute (or upon execution will constitute) legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

11.2.3. Buyer Closing Documents. Subject to the terms and conditions of this Agreement, Buyer will deliver on the Closing Date all documents and instruments required by this Agreement for the consummation of the purchase and sale of the Property.

11.3. Continuing Nature; Survival. Each of the representations and warranties of Seller and Buyer contained in this Agreement: (a) is made as of the Effective Date, and (b) shall be deemed remade by Seller and Buyer, as applicable, and shall be true and correct in all respects, as of the Closing Date. If, after the execution of this Agreement, any event occurs or condition exists which renders any of Seller's or Buyer's, as applicable, representations or warranties untrue or misleading, then Seller or Buyer, respectively, shall promptly notify the other Party. The terms, conditions and provisions of this Agreement shall survive Closing for a period of one year.

11.4. Disclaimer. Except as expressly set forth in this Agreement and/or in any of the documents delivered by Seller at Closing, including but not limited to Seller's Closing Documents (collectively, "**Seller Documents**"), Buyer acknowledges and agrees that Seller has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to (a) the value, nature, quality or condition of the Property, including, without limitation, the water, soil and geology, (b) the income to be derived from the Property, (c) the suitability of the Property for any and all activities and uses which Buyer may conduct thereon, (d) the compliance of or by the Property or its operations with any legal requirements of any applicable governmental authority or body, (e) the compliance of its operations with any covenants, conditions, restrictions or easements which are binding on the Property, (f) the habitability, merchantability, profitability or fitness for a particular use or purpose of the Property, (g) the manner, quality, state of repair or lack of repair of the Property, or (h) any other matter with respect to the Property. Buyer further acknowledges and agrees that having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and not on any information provided or to be provided by Seller except as expressly set forth in this Agreement and/or any Seller Documents. Buyer further

acknowledges and agrees that any information provided or to be provided by Seller with respect to the Property that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy, truthfulness or completeness of such information except as expressly set forth in this Agreement and/or the Seller Documents. Except as expressly set forth in this Agreement and the Seller Documents, Buyer acknowledges and agrees that to the maximum extent permitted by law, the sale of the Property as provided for herein is made on an "AS IS," "WHERE IS" condition and basis and with all faults.

12. Default; Remedy. If Buyer fails or refuses to consummate the purchase of the Property pursuant to this Agreement at Closing or fails to perform any of Buyer's other obligations hereunder either prior to or at Closing for any reason other than termination of this Agreement by Buyer pursuant to a right so to terminate expressly set forth in this Agreement or Seller's failure to perform Seller's obligations under this Agreement, then Seller may terminate this Agreement at Seller's election by giving written notice thereof to Buyer prior to or at Closing, whereupon Escrow Agent shall pay the Deposit to Seller and Seller shall be entitled to retain the Deposit as liquidated damages hereunder, as its sole and exclusive remedy, it being agreed by the Parties that actual damages would be difficult to ascertain and that the Deposit shall constitute reasonable liquidated damages under the circumstances. If Seller fails to perform any of its obligations hereunder or otherwise breaches any of the terms and conditions hereof, Buyer may terminate this Agreement at Buyer's election by giving written notice thereof to Seller whereupon Escrow Agent shall return the Deposit to Buyer. Each Party's rights and/or obligations under this Section shall survive Closing.

13. Miscellaneous. It is further agreed as follows:

13.1. Time. Time is of the essence of each provision of this Agreement.

13.2. Business Day. As used herein, the capitalized term "Business Day" shall mean and refer to any day other than a Saturday, a Sunday, or a federally recognized holiday. Wherever herein there is a day or time period established for performance and such day or the expiration of such time period is not a Business Day, then such time for performance shall be automatically extended to the next following Business Day.

13.3. Notices. Any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement will be in writing and will be deemed to have been given (a) when delivered personally to the Party designated to receive such notice, (b) when sent by e-mail transmission, (c) on the first Business Day following the day sent by overnight courier, or (d) on the third (3rd) Business Day after the same is sent by United States mail, postage and charges prepaid, directed to the following addresses or to such other or additional addresses as any Party might designate by written notice to the other Party:

To Seller: Daughters of Charity Ministries
Attn: George Brenton
Provincial Director of Facilities
4330 Olive Street
St. Louis, MO 63108
E-Mail: george.brenton@doc.org

To Buyer: University of South Alabama
Attn: Harry Brislin, IV
Real Estate Services and Asset
Management
775 N. University Blvd, Suite 150
Mobile, AL 36608-4548
hbrislin@southalabama.edu

With Copy USA Health Legal Department
To: Attn: Yanya O'Hara
207 N. Catherine St., Suite 103
Mobile, Alabama 36604
USAHealthLegal@health.southalabama.edu

13.4. Brokerage. Both Buyer and Seller agree and understand that USA Properties is acting as an agent of the Buyer in this transaction and is solely assisting Seller as a transaction broker. Seller understands that Seller is under no obligation to pay a commission to USA Properties with respect to this transaction. Seller represents and warrants that it has not engaged or retained the services of any real estate broker or agent in connection with the negotiation or consummation of this transaction.

13.5. Governing Law. This Agreement and all the transactions contemplated hereby shall be governed and construed in accordance with the laws of the State of Alabama without regards to conflict of law principles.

13.6. VENUE. **THE PARTIES HERETO WAIVE TRIAL BY JURY AND AGREE TO SUBMIT TO THE PERSONAL JURISDICTION AND VENUE OF STATE AND/OR FEDERAL COURTS HAVING SUBJECT MATTER JURISDICTION LOCATED IN MOBILE COUNTY, ALABAMA, AS THE SOLE FORUM FOR THE RESOLUTION OF ANY DISPUTES CONCERNING THIS AGREEMENT AND WAIVE ANY OBJECTIONS RELATING THERETO, INCLUDING FORUM NON CONVENIENS.**

13.7. Assignment. This Agreement and the terms and provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the Parties. Buyer may assign this Agreement. Upon such assignment, the assignee shall succeed to all rights, and shall assume all obligations, of Buyer under this Agreement, and thereafter Buyer shall have no further obligations under this Agreement. Except as otherwise permitted by this Section, neither Seller nor Buyer may assign this Agreement or any of their respective rights, duties or obligations hereunder without the prior written consent of the non-assigning Party.

13.8. Amendment. Neither this Agreement nor any of the provisions hereof can be changed, waived, discharged or terminated, except by an instrument in writing signed by the Party against whom enforcement of the change, waiver, discharge or termination is sought.

13.9. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original document, but all of which taken together will constitute one agreement. This Agreement will not be binding on or constitute evidence of a contract between the Parties until such time as a counterpart of this Agreement has been executed by each Party and a copy thereof delivered (by hand, mail, facsimile and/or electronic mail) to the other Party to this Agreement.

13.10. Severability. If any clause or provision of this Agreement is illegal, invalid or unenforceable under any present or future law, the remainder of this Agreement will not be affected thereby. It is the intention of the Parties that if any such provision is held to be illegal, invalid or unenforceable, a similar provision will be added in lieu thereof where possible and be legal, valid and enforceable.

13.11. Waiver. Failure of any Party hereto to insist upon the strict performance of any of the covenants or conditions of this Agreement or to exercise any right or option conferred herein in one or more instances shall not be construed as a waiver or relinquishment of any such covenant or condition, right or option, but the same shall remain in full force and effect. The committing by either Party of any act or

thing which it is not obligated to do hereunder shall not be deemed to impose an obligation upon it to do any such act or thing in the future or in any way change or alter any provision of this Agreement.

13.12. Entire Agreement. This Agreement constitutes the entire agreement between Buyer and Seller relating to the purchase and sale of the Property. This Agreement supersedes, in all respects, all prior written or oral agreements, if any, between the Parties relating to the sale of the Property and there are no agreements, understandings, warranties or representations between Buyer and Seller except as set forth herein.

13.13. Effective Date. As used herein, the term “**Effective Date**” shall mean and refer to the date on which the last of Seller and Buyer, as applicable, executes this Agreement so that this Agreement has been fully executed by the Parties hereto, as evidenced by the dates set forth below the respective signature blocks of Seller and Buyer set forth hereinbelow.

13.14. Further Actions. Buyer and Seller each covenant and agree to sign, execute and deliver, or cause to be signed, executed and delivered, and to do or make, or cause to be done or made, upon the written request of the other Party, any and all agreements, instruments, papers, acts of things supplemental, confirmatory or otherwise as may be reasonably required by the Party hereto. Each Party’s rights and/or obligations under this Section shall survive Closing.

14. Excluded Liabilities. Buyer shall neither assume nor pay for nor be liable for any of Seller’s agreements, liabilities, debts, responsibilities or obligations with respect to the Property, the Excluded Assets, or otherwise, whether direct, fixed or contingent, and whether existing or arising at any time prior or subsequent to the Closing Date (“**Excluded Liabilities**”). Any and all such Excluded Liabilities shall be retained by Seller.

IN WITNESS WHEREOF, this instrument has been executed by the Parties on the dates hereafter.

SELLER:

DAUGHTERS OF CHARITY MINISTRIES, INC., a Missouri non-profit corporation

DocuSigned by:
By: Thomas M Beck
Name: Thomas Beck
As Its: Chief Financial Officer
Date of Execution: 11/10/2025

BUYER:

UNIVERSITY OF SOUTH ALABAMA, a public body corporate of the State of Alabama

By: Kristen Roberts
Name: Kristen Roberts
As Its: Vice President of Finance
Date of Execution: 11/18, 2025


RECEIPT

The undersigned acknowledges receipt of a fully-executed copy of this Purchase and Sale Agreement and Deposit in the amount of Five Thousand and No/100 Dollars (\$5,000.00) to be held and applied in accordance with the foregoing.

Receipt of fully-executed Agreement - November 20, 2025

Receipt of Deposit - November 24, 2025

THE GUARANTEE TITLE COMPANY, LLC

By: 
Name: Lauren Brandon
As Its: Closing Agent

Schedule 2
Excluded Assets

NONE

EXHIBIT A

LEGAL DESCRIPTION

That certain real property located in Mobile County, Alabama and more particularly described as follows:

Commencing at the Southeast corner of Section 20, T4S-R2W, Mobile County, Alabama, run S 89° 03' 55" W along the South line of said Section 20, a distance of 1705.0 feet to the point of beginning of the property herein described; thence continuing S 89° 03' 55" W along said South line of Section 20, run 307.0 feet to a point; thence run N 00° 25' 33" E 270.0 feet to a point; thence run N 89° 03' 55" E 307.0 feet to a point; thence run S 00° 25' 33" W 270.0 feet to the point of beginning. Containing 82,867 Square Feet or 1.9024 Acres, more or less.

EXHIBIT B

SELLER DELIVERABLES

Originals or legible copies of any of the following property-related information in Seller's actual possession or control:

- (a) Surveys, plats and legal descriptions of the Real Property.
- (b) A detailed listing of all capital expenditures on the Property made during the last three years.
- (c) Utility bills for the Property for the past twelve months, which will be made available on site.
- (d) All plans, specifications, engineering and mechanical data relating to the Property which are in Seller's possession.
- (e) Copies of any plans or specifications including site plans and floor plans for the building in Seller's possession.
- (f) Copies of all Permits.
- (g) Such other items in Seller's possession that Buyer may reasonably request in connection with its inspection of the Property.

COMMITTEE MINUTES

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Audit Committee

March 5, 2026

1:00 p.m.

A meeting of the Audit Committee (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Dr. Steve Stokes, Chair, on Thursday, March 5, 2026, at 1:08 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Scott Charlton, Steve Furr, Meredith Hamilton, Lenus Perkins, Ronnie Stallworth and Steve Stokes were present.

Other Trustees: Alexis Atkins, Chandra Brown Stewart, Luis Gonzalez, Ron Graham, Ron Jenkins, Arlene Mitchell, Jimmy Shumock, Mike Windom and Jim Yance.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Monica Ezell, Charlie Guest, Buck Kelley, Andi Kent, Spence Larche, Sarah Beth Magette (Warren Averett), Allen Parrish, Kristen Roberts, Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 1**, Dr. Stokes made a motion to approve the minutes for a meeting held on December 3, 2025, **Item 2**. Dr. Furr seconded, and the Committee voted unanimously to adopt the minutes.


Dr. Stokes called on Ms. Roberts to address the KPMG audit reports for the fiscal year ended September 30, 2025, **Item 3**. Ms. Roberts advised that the KPMG draft audit reports discussed at the December 3, 2025, meeting were finalized as presented and directed attention to the *University of South Alabama 2025 Financial Report*. Additionally, she stated USA ended the year with record assets totaling close to \$2.7 billion and an increase in net position of approximately \$124 million.

Concerning **Item 4**, the KPMG report on intercollegiate athletics for the fiscal year ended September 30, 2025, Ms. Roberts shared that the report, which focuses on compliance with agreed-upon procedures of the NCAA (National Collegiate Athletic Association), was filed with the NCAA in January and did not include exceptions.

Dr. Stokes called on Mr. Susman for a report on the activities of the Office of Internal Audit (OIA), **Item 5**. Mr. Susman introduced Ms. Sarah Beth Magette of Warren Averett, OIA Acting Director, who discussed the progress of engagements underway, as outlined by the University’s 2026 Audit Plan, and advised on upcoming engagements on track to begin in the coming weeks. Also discussed briefly was cyber risk and indemnity.

There being no further business, the meeting was adjourned at 1:13 p.m.

Respectfully submitted:


Steven H. Stokes, M.D., Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Development, Endowment and Investments Committee

March 5, 2026

1:13 p.m.

A meeting of the Development, Endowment and Investments Committee (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Judge Mike Windom, Chair, on Thursday, March 5, 2026, at 1:13 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Chandra Brown Stewart, Scott Charlton, Luis Gonzalez, Ron Jenkins, Steve Stokes, Mike Windom and Jim Yance were present.

Other Trustees: Alexis Atkins, Steve Furr, Ron Graham, Meredith Hamilton, Arlene Mitchell, Lenus Perkins, Ronnie Stallworth, and Jimmy Shumock.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Monica Ezell, Charlie Guest, Buck Kelley, Andi Kent, Spence Larche, Allen Parrish, Kristen Roberts, Margaret Sullivan, Peter Susman, Drew Underwood and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 6**, Judge Windom called for consideration of a revised agenda, **Item 6.A**. On motion by Mr. Yance, seconded by Dr. Charlton, the Committee voted unanimously to adopt the revised agenda. Judge Windom then called for consideration of the minutes for a meeting held on December 3, 2025, **Item 7**. On motion by Mr. Yance, seconded by Capt. Jenkins, the committee voted unanimously to adopt the minutes.

Judge Windom called on Mr. Drew Underwood, Director of Treasury Management, to report on endowment and investment performance for the first quarter of fiscal year 2026, **Item 8**. Mr. Underwood shared insights on the investment return of approximately 2.7 percent; manager performance; a planned reduction in exposure to Gerber/Taylor’s International Fund; and continuing key initiatives, which Mr. Underwood noted would include a final refinement of fixed income, international stocks and hedge funds beginning the following quarter. He also commented on the economy.

Judge Windom recognized Ms. Roberts, who addressed **Item 9**, a resolution authorizing revisions to the University’s endowment fund investment policy statement. (To view resolutions, policies and other documents authorized, refer to the minutes for the Board of Trustees meeting held on March 6, 2026.) On motion by Mr. Yance, seconded by Capt. Jenkins, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

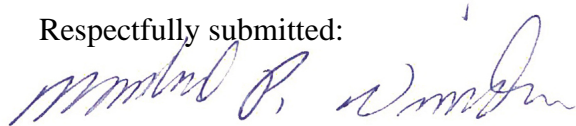
Judge Windom called on Ms. Sullivan, who provided a report on the activities of the Division of Development and Alumni Relations, **Item 11**. Ms. Sullivan reported that more than \$23 million in new gifts and commitments had been secured for fiscal year 2026, and she stated upwards of \$355 million had been raised over the quiet phase of the capital campaign during the period October 1, 2020, to February 27, 2026, to meet the \$400 million goal. She discussed plans for the public launch of the capital campaign on April 23, 2026, and outlined recent and upcoming fundraising and engagement activities, including the Distinguished Alumni and Service Awards Ceremony that was to take place later in the evening and the dedication of the Jaguar Marching Band Complex that would follow the Board of Trustees meeting on March 6, 2026.

Judge Windom asked Ms. Sullivan to present **Item 10**, a resolution commending Drs. John and Sally Steadman for making a transformative gift to establish the *Drs. John and Sally Steadman Deanship* for the College of Engineering. On motion by Mr. Yance, seconded by Dr. Stokes, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Judge Windom thanked Ms. Sullivan and her team for their hard work.

There being no further business, the meeting was adjourned at 1:31 p.m.

Respectfully submitted:

A handwritten signature in blue ink, appearing to read "Michael P. Windom", is written over the typed name below.

Michael P. Windom, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Health Affairs Committee

March 5, 2026

1:31 p.m.

A meeting of the Health Affairs Committee (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Mr. Jimmy Shumock, Chair, on Thursday, March 5, 2026, at 1:31 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Steve Furr, Ron Graham, Meredith Hamilton, Arlene Mitchell, Jimmy Shumock, Steve Stokes and Jim Yance were present.

Other Trustees: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Luis Gonzalez, Ron Jenkins, Lenus Perkins, Ronnie Stallworth and Mike Windom.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Mike Chang, Monica Ezell, Charlie Guest, Buck Kelley, Andi Kent, Spence Larche, Rick Metzger, Allen Parrish, Will Ricks, Kristen Roberts, Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

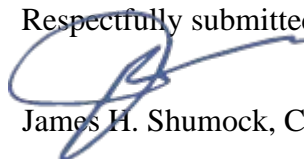
Following the attendance roll call, **Item 12**, Mr. Shumock called on Dr. Mike Chang, USA Health Chief Physician Executive/Chief Medical Officer, who presented **Item 14**, a resolution authorizing the USA Health Hospitals medical staff appointments and reappointments for November and December 2025 and January 2026. (To view resolutions, policies and other documents authorized, refer to the minutes for the Board of Trustees meeting held on March 6, 2026.) On motion by Dr. Stokes, seconded by Dr. Furr, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

With regard to **Item 15**, a report on the activities of USA Health, Dr. Chang, along with Mr. Rick Metzger, USA Health Providence Hospital Chief Executive Officer, and Dr. Will Ricks, cardiovascular surgeon and Director of USA Health’s ECMO (Extracorporeal Membrane Oxygenation) Program (the “Program”) at USA Health Providence Hospital, gave background on the ECMO device acquired that provides the most advanced form of temporary life support available for patients with severe heart or lung failure, the clinical expertise required to administer the Program and the implications for patients, who would otherwise have to travel hundreds of miles to receive ECMO treatment.

Mr. Shumock called for consideration of the minutes for a meeting held on December 3, 2025, **Item 13**. On motion by Dr. Furr, seconded by Mr. Graham, the Committee voted unanimously to adopt the minutes.

There being no further business, the meeting was adjourned at 1:50 p.m.

Respectfully submitted:



James H. Shumock, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Academic Excellence and Student Success Committee

**March 5, 2026
1:50 p.m.**

A meeting of the Academic Excellence and Student Success Committee (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Ms. Chandra Brown Stewart, Chair, on Thursday, March 5, 2026, at 1:50 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Chandra Brown Stewart, Scott Charlton, Steve Furr, Luis Gonzalez, Ron Jenkins, Ronnie Stallworth and Mike Windom were present.

Other Trustees: Alexis Atkins, Ron Graham, Meredith Hamilton, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Steve Stokes and Jim Yance.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Derek Boulware and Lydia Brown (Hope for All Gulf Coast), Nicole Carr, Monica Ezell, Drew Gossen, Charlie Guest, Nia Jackson (Hope for All Gulf Coast), Buck Kelley, Andi Kent, Spence Larche, Laura Moore, Ian Osbourn, Allen Parrish, Andrei Pavelescu, Kristen Roberts, Lisa Roddy, Eric Steward, Margaret Sullivan, Peter Susman, Christina Wassenaar (Faculty Senate), Andrzej Wierzbicki and Brionna Wilson.

Following the attendance roll call, **Item 16**, Ms. Brown Stewart called for consideration of the minutes for a meeting held on December 3, 2025, **Item 17**. On motion by Capt. Jenkins, seconded by Judge Windom, the Committee voted unanimously to adopt the minutes.

Ms. Brown Stewart called on Provost Kent to discuss the activities of the Division of Academic Affairs, **Item 18**. Provost Kent introduced Dr. Andrzej Wierzbicki, College of Arts and Sciences Dean, who provided context on the new Jaguar Marching Band (the “JMB”) Complex slated to be dedicated the following day. Dr. Wierzbicki introduced Dr. Laura Moore, Associate Professor and Chair of the Department of Music (the “Department”), who gave an overview on the Department’s academic components, performance groups and events, community involvement and high-achieving students, and discussed the JMB’s new home.

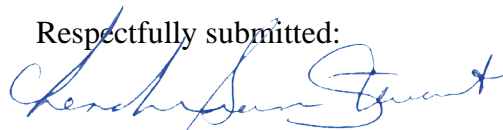
Concerning a report on the activities of the Division of Student Affairs, **Item 19**, Provost Kent shared background on USA’s Southerners and the University’s second-longest-standing tradition sponsored by the Southerners – Oozeball. She introduced Southerners Ms. Brionna Wilson and Mr. Ian Osbourn, who provided additional details on the signature philanthropic event and other promotions that raise money for the Spotting Excellence Scholarship. Ms. Wilson and Mr. Osbourn encouraged Trustees to form a team and join the upcoming Oozeball competition.

Provost Kent turned to Dr. Parrish for a report on the activities of the Division of Research and Economic Development, **Item 20**. Dr. Parrish touched briefly on USA's journey of attaining the R1 research designation, advising of one criterion – to meet a threshold for annual research expenditures – achieved over several years. He also spoke on externally- and enterprise-driven University research and the channeling of knowledge into education through research discovery, curriculum integration and student learning. He introduced Dr. Eric Steward, Associate Dean of the College of Engineering, who, along with Dr. Andrei Pavelescu, Professor of Mathematics, and Dr. Drew Gossen, Assistant Professor of Science Education, discussed the STEM STARS scholarship program, funded through a \$5 million National Science Foundation award, that supports the retention and graduation of high-achieving, low-income students at USA and area community colleges, thereby addressing the national demand for qualified professionals in the STEM fields. Also recognized for her involvement was Dr. Nicole Carr, Associate Vice President for Student Success.

With regard to a report on the activities of the Office of Community Engagement, **Item 21**, Dr. Billingsley advised of a partnership with Hope for All Gulf Coast (the “Agency”) that sponsors the annual Project Homeless Connect outreach event to assist displaced citizens. She introduced Ms. Lisa Roddy, Department of English Senior Instructor, who discussed designing a composition course around service-learning with Project Homeless Connect designated as the service opportunity. Mr. Derek Boulware, Ms. Lydia Brown and USA alumna Ms. Nia Jackson, the Agency's Chief Executive Director, Director of Information and Analysis and Case Manager, respectively, each spoke on the Agency's mission and use of the South Serves portal to connect with University volunteers.

There being no further business, the meeting was adjourned at 2:29 p.m.

Respectfully submitted:

A handwritten signature in blue ink, appearing to read "Chandra Brown Stewart".

Chandra Brown Stewart, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Budget and Finance Committee

March 5, 2026

2:29 p.m.

A meeting of the Budget and Finance Committee (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Mr. Lenus Perkins, Chair, on Thursday, March 5, 2026, at 2:29 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Chandra Brown Stewart, Ron Graham, Meredith Hamilton, Lenus Perkins, Jimmy Shumock, Steve Stokes and Mike Windom were present.

Other Trustees: Alexis Atkins, Scott Charlton, Steve Furr, Luis Gonzalez, Ron Jenkins, Arlene Mitchell, Ronnie Stallworth and Jim Yance.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Monica Ezell, Charlie Guest, Buck Kelley, Andi Kent, Spence Larche, Allen Parrish, Kristen Roberts, Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 22**, Mr. Perkins called for consideration of the minutes for a meeting held on December 3, 2025, **Item 23**. On motion by Mr. Graham, seconded by Mr. Shumock, the Committee voted unanimously to adopt the minutes.

Mr. Perkins called on Ms. Roberts to discuss the quarterly financial statements for the three months ended December 31, 2025, **Item 24**. Ms. Roberts advised of assets totaling more than \$2.7 billion, a total net position of more than \$800 million and an increase in net position of more than \$18 million to end the quarter.

Ms. Roberts explained **Item 25**, a resolution authorizing the issuance of up to \$260 million in Series 2026 revenue bonds and, if needed, up to \$60 million in temporary bridge loan obligations to fund various Housing projects and partially fund the Whiddon College of Medicine project, refund the University’s Series 2016 bonds and redeem the 2026 Ambulatory Surgery Center note that is outstanding. (To view resolutions, policies and other documents authorized, refer to the minutes of the Board of Trustees meeting held on March 6, 2026.) On motion by Judge Windom, seconded by Ms. Hamilton, the Committee voted unanimously to recommend approval of the resolution by the Board of Trustees.

Mr. Perkins called on Mr. Kelley for a report on University facilities, **Item 26**. As aerial footage was shown, Mr. Kelley provided perspective on the Whiddon College of Medicine project and the Jaguar Marching Band Complex.

There being no further business, the meeting was adjourned at 2:35 p.m.

Respectfully submitted:



Lenus Perkins, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Long-Range Planning Committee

March 5, 2026

2:35 p.m.

A meeting of the Long-Range Planning Committee (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Mr. Ron Graham, Chair, on Thursday, March 5, 2026, at 2:35 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Scott Charlton, Ron Graham, Meredith Hamilton, Ron Jenkins, Ronnie Stallworth and Jim Yance were present.

Other Trustees: Alexis Atkins, Chandra Brown Stewart, Steve Furr, Luis Gonzalez, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Mike Windom and Steve Stokes.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Julie Estis, Monica Ezell, Charlie Guest, Buck Kelley, Andi Kent, Spence Larche, Allen Parrish, Kristen Roberts, Christian Rodriguez (EDR), Steven Scyphers, Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 27**, Mr. Graham called for consideration of the minutes for a meeting held on December 3, 2025, **Item 28**. On motion by Capt. Jenkins, seconded by Dr. Charlton, the Committee voted unanimously to adopt the minutes.

Mr. Graham called on Dr. Estis for a report on institutional planning and assessment, **Item 29**. Dr. Estis, Associate Vice President for Institutional Effectiveness, introduced Mr. Christian Rodriguez, principal architect representing ERD (EskewDumezRipple), the consulting firm engaged to assist with development of the University’s next master plan for the period 2027 to 2037. Mr. Rodriguez shared that a comprehensive assessment conducted over recent months demonstrated opportunities for improving such things as campus circulation, space utilization, graduate student amenities, collaboration and study space, and event space for colleges. Additionally, feedback pertaining to the University’s identity was considered.

There being no further business, the meeting was adjourned at 2:45 p.m.

Respectfully submitted:



William Ronald Graham, Chair

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Committee of the Whole

March 5, 2026

2:45 p.m.

A meeting of the Committee of the Whole (the “Committee”) of the University of South Alabama (the “University,” “USA”) Board of Trustees (the “Board”) was duly convened by Ms. Alexis Atkins, Chair *pro tempore*, on Thursday, March 5, 2026, at 2:45 p.m. in the Board Room of the Frederick P. Whiddon Administration Building. Meeting attendance was open to the public.

Members: Alexis Atkins, Chandra Brown Stewart, Scott Charlton, Steve Furr, Luis Gonzalez, Ron Graham, Meredith Hamilton, Ron Jenkins, Arlene Mitchell, Lenus Perkins, Jimmy Shumock, Ronnie Stallworth, Steve Stokes, Mike Windom and Jim Yance were present.

Member Absent: Kay Ivey.

Administration & Guests: Jim Berscheidt, Joél Billingsley, Jo Bonner, Monica Ezell, Charlie Guest, Buck Kelley, Andi Kent, Spence Larche, Allen Parrish, Kristen Roberts, Margaret Sullivan, Peter Susman and Christina Wassenaar (Faculty Senate).

Following the attendance roll call, **Item 30**, Chair Atkins called for consideration of the minutes for a meeting held on December 3, 2025, **Item 31**. On motion by Mr. Shumock, seconded by Mr. Gonzalez, the Committee voted unanimously to adopt the minutes.

In accordance with the provisions of the Alabama Open Meetings Act, Chair Atkins made a motion to convene an executive session for an anticipated duration of 20 minutes for the purpose of discussing pending or threatened litigation, **Item 32**. She stated Mr. Larche had submitted the required written declaration for the minutes and that adjournment of the meeting would be in effect immediately upon the conclusion of the executive session. Ms. Hamilton seconded, and the Committee voted unanimously to convene an executive session at approximately 2:47 p.m., as recorded herein:

AYES:

- Chair Atkins
- Ms. Brown Stewart
- Dr. Charlton
- Dr. Furr
- Mr. Gonzalez
- Mr. Graham
- Ms. Hamilton
- Capt. Jenkins
- Ms. Mitchell
- Mr. Perkins

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- Mr. Shumock
- Mr. Stallworth
- Dr. Stokes
- Judge Windom
- Mr. Yance

There being no further business, the meeting was adjourned at approximately 4:35 p.m.

Respectfully submitted:



Katherine Alexis Atkins, Chair *pro tempore*

APPENDIX A

Executive Session

University of South Alabama Board of Trustees Committee of the Whole meeting on March 5, 2026.

The purpose of the executive session for the above-referenced meeting is to discuss pending or threatened litigation.

This declaration is submitted pursuant to the requirements of the Alabama Open Meetings Act by Spencer Larche, ASB number 1011-E64L.

A handwritten signature in black ink, appearing to read "S. Larche", is centered on the page. The signature is fluid and cursive, with a long horizontal flourish extending to the right.