

MINUTES
OF THE
BOARD OF TRUSTEES
UNIVERSITY OF SOUTH ALABAMA

A conference call of the Board of Trustees of the University of South Alabama was held Saturday, March 19, 1988, in the President's Office on campus, commencing at 12:00 noon.

There were present: Messrs. Otha Lee Biggs, Hubert Bruister, John Counts, Aubrey D. Green, Arthur Tonsmeire, Jr., Plez Watson, Charles Woods, Mrs. Emma Hutcherson, and President Frederick P. Whiddon. Also present: Messrs. Wayne Davis, George Smith and Ms. Maxey Roberts.

Absent: Messrs. Phillip Forrester, Ullysses McBride, Mayer Mitchell, Sam Sawyer, Mrs. Earl Goodwin, Drs. John M. Bell, Jr., John Foster, Wayne Teague and Governor Guy Hunt.

Mr. Green called the meeting to order and requested that Dr. Whiddon present a summary of developments regarding the Locke Estate.

Dr. Whiddon gave background information on events leading to the present stating that a possible settlement has been discussed by attorneys representing the University of South Alabama and Mr. Clyde Lenoir, nephew of the late Louise Lenoir Locke. He explained details of the settlement noting that attorneys for the contestant have indicated that an amicable settlement can be reached outlined as follows: one million dollars would be paid, of which \$500,000.00 would be paid to Clyde O. Lenoir, Jr., the contestant, and \$500,000.00 in costs and attorneys fees to William Utsey and Lee McPhearson, as attorney for the contestant. The settlement would be approved by the Court, contemplating a final order dismissing the contest, affirming the will and disbursing the settlement amount as defined above. The National Cancer Institute, the other major beneficiary under the will, is anticipated to participate. Mr. Jeff Sessions, U.S. Attorney, representing the Institute, has been involved in the discussions relating to this matter.

It was discussed that the payment of the settlement would reduce the charitable deduction to the estate and produce significant additional estate taxes. Arthur Young and Company and estate tax experts in that firm and the estates and trusts section of King and Spalding are working actively on these issues to reduce the estate tax burden.

All discussions of settlement were made contingent upon Board approval. Potential settlement was analyzed from a number of aspects, including the forum, the expense of litigation and certain appeal by the party not prevailing in the extent of the Estate. Dr. Whiddon and Ms. Roberts responded to questions.

Lengthy discussion followed and upon the motion of Mr. Tonsmeire, seconded by Judge Woods, it was unanimously approved

to authorize the President to move toward settlement and to place in escrow one million dollars of University funds to be used to settle any dispute or claim with respect to the estate of Mrs. Louise Lenoir Locke.

Mr. Green then conveyed appreciation to Dr. Whiddon and Ms. Roberts for their efforts, noting that there is no question but that the pursuit of this splendid settlement is in the best interest of the University.

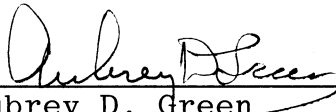
Upon motion duly made, seconded and unanimously approved, the meeting adjourned at 12:20 p.m.

Respectfully submitted:

ATTEST:



Otha Lee Biggs
Secretary



Aubrey D. Green
Vice President