

**USF FINANCING CORPORATION**

**MINUTES OF SPECIAL MEETING**

**BOARD OF DIRECTORS**

**SEPTEMBER 21, 2021**

A special meeting of the Board of Directors of the USF Financing Corporation was held as a Microsoft Teams virtual meeting on September 21, 2021 at the University of South Florida, 4202 E. Fowler Avenue, CGS 401, Tampa, Florida, pursuant to the Corporation's Bylaws, for the purpose of electing directors, approving meeting minutes, authorizing the conversion of two Series of Certificates of Participation, authorizing the cancellation and release of a Promissory Note, and for the transaction of any other business that may properly come before the Board.

The meeting was held pursuant to Notice duly provided on September 14, 2021. A copy of the meeting Notice is attached to these minutes.

The meeting was called to order by Chair Simmons at 1:30 p.m.

The following directors, who constitute a quorum of the Board of Directors, were present:

Ms. Linda O. Simmons  
Mr. Richard D. Smith  
Mr. Steven A. Williamson  
Ms. Erin Smith Aebel  
Mr. Nick Trivunovich

The following persons were also present:

Mr. Fell L. Stubbs, Executive Director  
Ms. Hilary Black, Senior Associate General Counsel  
Ms. Dawn M. Rodriguez, Assistant Treasurer

Call to Order  
and Roll Call

Chair Simmons asked Mr. Stubbs if, under the Procedure for Appearances before the Board of Directors, any party had requested to appear before the Board. Mr. Stubbs stated that no notices requesting appearance before the Board were received in advance of the meeting.

Chair Simmons asked Mr. Stubbs to introduce the new Board Members. Mr. Stubbs first stated that both Ms. Erin Aebel and Mr. Nick Trivunovich were appointed to the Board of Directors of the USF Financing Corporation and the USF Property Corporation by the USF Board of Trustees on August 24, 2021. Ms. Aebel is a Shareholder of the Trenam law firm and a board certified health law specialist by the Florida Bar. With more than 20 years of experience, Ms. Aebel successfully represented clients in a wide range of matters, including Stark law, fraud and abuse, acquisitions and changes of ownership, HIPAA, and licensure issues arising from joint ventures. She regularly prepares and negotiates hospital related agreements and licensure and scope of practice issues. Ms. Aebel frequently speaks throughout the country and writes on health care topics. Mr. Stubbs stated that her experience is a great fit with our Boards' responsibilities. He added that pursuant to the bylaws, Ms. Aebel will serve a term of 4 years on both Boards.

Chair Simmons asked for a motion to elect Ms. Erin Aebel to serve a 4-year term as a member of the Board of Directors of the Corporation, with immediate effect. The motion was duly made and seconded, and Ms. Erin Aebel was unanimously elected to serve a 4-year term on the Board of Directors of the Corporation with immediate effect.

Mr. Stubbs introduced Mr. Trivunovich. Mr. Nick Trivunovich is well known to the Board as the University's Vice President of Business & Finance and Chief

Financial Officer. Mr. Trivunovich will fill vacancies on both Boards from the July 1, 2021 resignation of Mr. David Lechner, former Senior Vice President and Chief Operating Officer. Pursuant to the Bylaws, Mr. Trivunovich will continue to serve so long as he is in the Chief Financial Officer position.

Chair Simmons asked for a motion to elect Mr. Nick Trivunovich to serve as a member of the Board of Directors of the Corporation while he is in the Chief Financial Officer position. The motion was duly made and seconded, and Mr. Nick Trivunovich was unanimously elected to serve on the Board of Directors of the Corporation while in the Chie

2006, as supplemented and amended by the Supplemental Trust Agreement dated September 1, 2013. The Series 2013A proceeds were used to refinance the medical clinics on the Tampa campus and on the Tampa General Hospital campus. The Financing Corporation determined it is in its best interest to convert the interest rate on the Series 2013A Certificates to a taxable rate due to the Affiliation Agreement the Board of Trustees entered into with

on September 20, 2021. Mr. Stubbs stated that the Series 2013B Certificates were issued pursuant to the Master Trust Agreement dated March 1, 2006, as supplemented and amended by the Supplemental Trust Agreement dated September 1, 2013. The Series 2013B proceeds were used to refinance the medical faculty office building on the Tampa campus. The Financing Corporation determined it is in its best interest to convert the interest rate on the Series 2013B Certificates to a taxable rate due to the Affiliation Agreement the Board of Trustees entered into with Tampa General Hospital with an effective date of October 1, 2021. Given the terms of the Affiliation Agreement, a Determination of Taxability will occur on the effective date which will automatically cause the interest rate on the Series 2013B Certificates to be converted to the taxable interest rate. SunTrust Bank, now Truist Bank, agreed that the new Series 2013B Certificates shall bear interest at a taxable rate equal to 4.29% per annum through the final maturity date of July 1, 2037. The new \$15.8 million Certificate will replace the previously outstanding Certificate of the same amount with a tax-exempt rate of 3.39%.

Chair Simmons asked if there were any questions from the Board. Hearing none, she requested a motion to authorize the conversion and reissuance of the Certificates of Participation, Series 2013B. The motion was duly made and seconded, and the following was unanimously approved:

**RESOLVED**, Resolution FC 09-21-21B, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of the meeting.

Chair Simmons asked Mr. Stubbs to introduce the resolution. Mr. Stubbs presented Resolution No. FC-09-21-21C. He stated that the Financing Corporation has been a 50% shareholder in INTO USF, Inc. (INTO USF) since 2010. At that time INTO USF issued promissory notes to Financing Corporation and INTO University Partnerships (INTO UP), the other 50% shareholder, each in an amount not to exceed \$2,250,000. INTO USF is an entity that recruits foreign students to USF into a

competition for foreign students. Ms. Black added that the programs were experiencing a downturn even before the pandemic, so we want to ensure we have the right strategy in place going forward. Ms. Aebel stated that this is consistent with her understanding of what she is hearing in the industry. She added that this context is very helpful.

Mr. Stubbs added that the Financing Corporation recognizes 50% of their losses on our financial statements, so this is an important consideration for us. We will be adding this authorization to our subsequent events disclosure.

Chair Simmons asked if the competition for students is relative to remote instruction or in person. Mr. Trivunovich stated that while the University did provide remote instruction to INTO USF students during the pandemic, students want to come to the U.S. and experience their education in person and on campus.

Chair Simmons asked if there were any other questions from the Board. Hearing none, she requested a motion to authorize the cancellation and release of the promissory note between USF Financing Corporation and INTO USF, Inc. The motion was duly made and seconded, and the following was unanimously approved:

**RESOLVED**, Resolution FC 09-21-21C, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of the meeting.

Chair Simmons asked if there were any other items for the Board's consideration. Mr. Stubbs stated that the Annual Meetings of both Corporations will be held on November 2 in person at the Patel Center. We will review our typical annual disclosures and also have a presentation of our audited financial statements

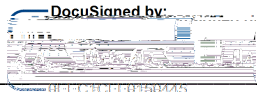
Other Business

by KPMG. Mr. Stubbs asked if the Board would like to move the scheduled meeting time of 3:00 pm to an earlier noon time for a lunch meeting. The Board agreed.

Hearing no further items, Chair Simmons thanked the Board for their support and participation at this special meeting.

Adjournment

There being no further business to come before the Board, the meeting was adjourned on motion duly made and carried at 2:15 p.m.



Linda O. Simmons, Chair



Richard D. Smith, Secretary/Treasurer