




# AUBURN UNIVERSITY

Office of the President

## MEMORANDUM

**TO:** The Board of Trustees

**FROM:** Dr. Christopher B. Roberts, President 

**SUBJECT:** February 7, 2025 Board of Trustees Meeting

Enclosed, please find the materials for the February 7, 2025 Board of Trustees Meeting. The schedule of events is listed below.

### THURSDAY, FEBRUARY 6, 2025

|           |          |   |
|-----------|----------|---|
| 1:00 p.m. | Workshop | Tiger Walk Club 2,<br>Harbert Recruiting Center<br>251 S. Donahue Drive |
|-----------|----------|---|

### FRIDAY, FEBRUARY 7, 2025

*Please note that all events will be held in the Taylor Center on the AUM campus in Montgomery. The Taylor Center is located at 7400 E. Drive, Montgomery, AL 36117. Room locations are listed adjacent to the corresponding event. Parking spaces will be available in the lot in front of the Taylor Center. Students and staff will be stationed to direct you, should you have any questions.*

|                            |                                   |                          |
|----------------------------|-----------------------------------|--------------------------|
| 9:00 a.m.                  | Call to Order and Opening Remarks | Rooms 221-223            |
| 9:05 a.m.                  | Committee Meetings                | Rooms 221-223            |
| 9:50 a.m.                  | Regular Board Meeting             | Rooms 221-223            |
| 9:55 a.m.                  | Proposed Executive Session        | Chancellor's Dining Room |
| 11:15 a.m.                 | Reconvened Board Meeting          | Rooms 221-223            |
| 11:30 a.m.                 | Recess Meeting                    | Rooms 221-223            |
| Upon Conclusion of Meeting | Luncheon                          | Room 230                 |

CBR/ntm Enclosures

cc: Mr. Jon G. Waggoner, Secretary to the Board of Trustees (w/encl.)  
President's Cabinet (w/encl.)

**SCHEDULE AND AGENDA  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

- I. Call to Order and Opening Remarks | 9:00 a.m.
- II. Committee Meetings | 9:05 a.m.
  - A. Property and Facilities Committee | Chairperson DeMaioribus | 9:05 a.m.

Project Approvals:

- 1. Transformation Gardens – Phase I: Children’s Garden, Final Approval (Jim Carroll/Art Appel)
- 2. Neville Arena – Team Support Improvements, Final Approval (Jim Carroll/John Cohen)
- 3. Jordan-Hare Stadium North Endzone Multi-Use Facility, Architect and Construction Manager Approval (Jim Carroll/John Cohen)
- 4. Auburn University Regional Airport – New Corporate Hangar at East Ramp, Project Initiation and Project Engineer Selection (Jim Carroll/Bill Hutto)
- 5. Recreation and Wellness Sportsplex Complex – New Support Building, Project Initiation (Jim Carroll/Bobby Woodard)
- 6. Campus Store Refurbishment, Project Approval and Authority to Execute (Jim Carroll/Kelli Shomaker)

Informational Reports:

- 7. Status Updates – *For Information Only* (Jim Carroll)
  - a. Current Status of New Construction/Renovation/Infrastructure Projects with Budgets of \$1,000,000 and Greater
  - b. Quarterly Report for Projects Costing More than \$500,000 but Less than \$1,000,000 – 1<sup>st</sup> Quarter, Fiscal Year 2025
  - c. Project Status Report

- B. Academic Affairs Committee | Chairperson Huntley | 9:25 a.m.

- 1. Proposal to Establish the Auburn Bee Center (Vini Nathan)



2. Proposed Closure of Physical Education/Teacher Education Programs (Vini Nathan)
3. Agenda Item for the Board of Trustees – *For Information Only* (Vini Nathan)
- C. Finance Committee | Chairperson W. Smith | 9:30 a.m.
  1. Bond Resolution (Kelli Shomaker)
  2. Auburn University Student Well-Being Fee for 2025-2026 Academic Year (Kelli Shomaker)
- D. Audit and Compliance Committee | Chairperson Ainsworth | 9:35 a.m.
  1. Review of Audited Financial Report – *For Information Only* (Kelli Shomaker)
- E. Executive Committee | Chairperson Dumas | 9:40 a.m.
  1. Proposed 2025-2026 Meeting Dates (Bob Dumas)
  2. Proposed Awards and Namings (Bob Dumas)
- F. Trustee Reports | 9:45 a.m.
- III. Regular Meeting of the Board of Trustees | 9:50 a.m.
- IV. Proposed Executive Session | 9:55 a.m.
- V. Reconvened Meeting of the Board of Trustees | 11:15 a.m.
  1. Approval of the Minutes of the November 15, 2024 Board Meeting
  2. Awarding of Degrees for Spring 2025
  3. AUM Chancellor's Report
  4. President's Report
  5. Action Items and Committee Meeting Reports
    - A. Property and Facilities Committee
      1. Transformation Gardens – Phase I: Children's Garden, Final Approval
      2. Neville Arena – Team Support Improvements, Final Approval
      3. Jordan-Hare Stadium North Endzone Multi-Use Facility, Architect and Construction Manager Approval

4. Auburn University Regional Airport – New Corporate Hangar at East Ramp, Project Initiation and Project Engineer Selection
5. Recreation and Wellness Sportsplex Complex – New Support Building, Project Initiation
6. Campus Store Refurbishment, Project Approval and Authority to Execute

B. Academic Affairs Committee

1. Proposal to Establish the Auburn Bee Center
2. Proposed Closure of Physical Education/Teacher Education Programs

C. Finance Committee

1. Bond Resolution
2. Auburn University Student Well-Being Fee for 2025-2026 Academic Year

D. Executive Committee

1. Proposed 2025-2026 Meeting Dates
2. Proposed Awards and Namings

VI. Recess Meeting | 11:30 a.m.

**EXECUTIVE SUMMARY  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

**A. Property and Facilities Committee**

**1. Transformation Gardens – Phase I: Children’s Garden, Final Approval**

Project Summary: The College of Agriculture proposed the construction and development of the 16-acre Transformation Gardens. The initial phase of development is the Children’s Garden portion of the project. It is anticipated future development phases will be brought to the Board of Trustees at subsequent meetings. The Phase I Children’s Garden project will include approximately 1.5 acres providing a central gathering lawn, seating areas, extensive plantings, and natural play structures within a hands-on field laboratory environment.

The estimated total project cost of the Transformation Gardens – Phase I Children’s Garden project is \$2.2 million. The project will be financed by the College of Agriculture and gift funds.

Requested Action: It is requested that the Board of Trustees adopt a resolution providing final approval of the Transformation Gardens – Phase I Children’s Garden project.

Previous Approvals: At its meeting on September 10, 2021, the Board of Trustees adopted a resolution that approved the initiation of the Transformation Gardens project and authorized the commencement of the architect selection process. At its meeting on November 12, 2021, the Board of Trustees adopted a resolution that approved the selection of the project architect.

**2. Neville Arena – Team Support Improvements, Final Approval**

Project Summary: The Athletics Department proposed improvements to Neville Arena which is used as a competition venue for men’s and women’s basketball, and women’s volleyball and gymnastics while also housing the day-to-day team support spaces for both basketball programs. Due to the heavy use of the competition floor and existing practice gym, this project’s originally proposed scope of work included the construction of an additional practice gymnasium and expanded team support spaces. However, during the design process, the Athletics Department adjusted the scope to properly and reasonably address the original project goals without requiring the construction of an additional practice gym. The athletics director and coaches of all three teams are very supportive of, and excited for these changes to their team spaces.

To better align with the current scope, the project name is being requested to be updated to Neville Arena – Team Support Improvements. The project will renovate 22,500 square feet within the arena providing enhancements to the existing practice gym, scholarship

lobby upgrades, and relocated and enlarged team meeting and office spaces within the men's and women's basketball suites.

The estimated total project cost of the Neville Arena – Team Support Improvements project is \$9.0 million. The project will be financed by Athletics Department funds.

Requested Action: It is requested that the Board of Trustees adopt a resolution providing final approval of the Neville Arena – Team Support Improvements project.

Previous Approvals: At its meeting on February 4, 2022, the Board of Trustees adopted a resolution that approved the initiation of the Neville Arena – New Practice Gym project and authorized the commencement of the architect selection process. At its meeting on April 22, 2022, the Board of Trustees adopted a resolution that approved the selection of the project architect.

### **3. Jordan-Hare Stadium North Endzone Multi-Use Facility, Architect and Construction Manager Approval**

Project Summary: The Athletics Department and University Administration proposed the construction of the Jordan-Hare Stadium North End Zone Multi-Use Facility to enhance the overall Auburn fan experience by providing modernized amenities. The addition will combine premium seating, concessions, stadium support facilities, along with versatile conference event spaces, retail venues, student activity spaces, meeting rooms, as well as future shell space.

Requested Action: It is requested that the Board of Trustees adopt a resolution to approve the selection of HOK Architects of Kansas City, Missouri, as project architect and Robins & Morton of Birmingham, Alabama, as construction manager for the project.

Previous Approvals: At its previous meeting on September 6, 2024, the Board of Trustees adopted a resolution that approved the initiation of the project and authorized the commencement of the architect and construction manager selection processes.

### **4. Auburn University Regional Airport – New Corporate Hangar at East Ramp, Project Initiation and Engineer Selection**

Project Summary: Auburn University Regional Airport plans to construct a single-bay corporate hangar on its east ramp adjacent to Auburn University's Air Transportation Hangar. This facility is designed to accommodate large twin-engine and jet aircraft and will include office space. The project aims to meet the current and increasing demand for such facilities and is expected to generate sufficient revenue for the airport.

To facilitate a more timely and efficient design process, the University Architect recommends the approval of Barge Design Solutions of Dothan, Alabama, as the engineer for the project. Barge Design Solutions was previously approved as the Airport General Consultant at the Board of Trustees meeting on September 16, 2022.

This project is expected to be financed by a grant provided by the Alabama Department of Transportation Aeronautics Bureau and Auburn University Regional Airport funds.

Requested Action: It is requested that the Board of Trustees adopt a resolution to approve the initiation of the Auburn University Regional Airport New Corporate Hangar at East Ramp project and the selection of Barge Design Solutions of Dothan, Alabama, as project engineer.

Previous Approvals: None.

## **5. Recreation and Wellness Sportsplex Complex – New Support Building, Project Initiation**

Project Summary: Student Affairs has proposed the construction of an added support building at the SportsPlex Complex. The complex encompasses 30 acres off Lem Morrison Drive and contains three multi-purpose fields, sand volleyball courts and two softball fields. This project aims to provide supplementary restrooms and storage space, enhancing the overall functionality of the SportsPlex Complex. The project particularly addresses the needs of the more remote softball fields which are over a quarter mile walk from the current fieldhouse, therefore improving service and convenience for users.

It is anticipated that this project will be financed by funds from Recreation and Wellness, which were previously budgeted and encumbered for this project.

Requested Action: It is requested that the Board of Trustees adopt a resolution to approve the initiation of the Recreation and Wellness SportsPlex Complex – New Support Building project and to authorize the commencement of the architect selection process.

Previous Approvals: None.

## **6. Campus Store Refurbishment, Project Approval and Authority to Execute**

Project Summary: The Auburn University Campus Store proposes refurbishing their current space within Haley Center. The project will include a new floor, wall and ceiling finishes; new lighting throughout; new cash-wrap and associated point-of-sale infrastructure; a new retail fixturing package; and newly configured space for the existing Technology Area.

The overall project is estimated to cost \$2.2 million, to be financed by Auburn University Campus Store Reserves.

Requested Action: It is requested that the Board of Trustees adopt a resolution to approve the Campus Store Refurbishment project and authorization to execute the work.

Previous Approvals: None.

## **7. Status Updates – *For Information Only***

- a. Current Status of New Construction/Renovation/Infrastructure Projects with Budgets of \$1,000,000 and Greater**
- b. Quarterly Report for Projects Costing More than \$500,000 but Less than \$1,000,000 – 1<sup>st</sup> Quarter, Fiscal Year 2025**
- c. Project Status Report**

These items are provided *for information only* and do not require a vote.

## **B. Academic Affairs Committee**

### **1. Proposal to Establish the Auburn Bee Center**

The proposed Auburn University Bee Center will combine research, extension, and education to advance innovative solutions for bee conservation. Supporting the AU-BEES program, the center will advance the university's role as a leader in bee research and cultivate future leaders through impactful research and extension and increase collaborations among the colleges and the Alabama Cooperative Extension System.

### **2. Proposed Closure of the Physical Education/Teach Education Program**

The School of Kinesiology is recommending the immediate closure of the Bachelor of Science in Physical Education/Teacher Education, the Master of Science (Alternative Certification) in Physical Education/Teacher Education, and the Master of Science (Certification) in Physical Education/Teacher Education. These closures are due to consistently low enrollment across all programs. A teach-out plan has been developed to support all currently enrolled students in completing their studies.

### **3. Agenda Item for the Board of Trustees – *For Information Only***

*New Graduate Certificate in Healthcare Systems Engineering and Undergraduate Certificate in Healthcare Systems Engineering, Department of Industrial and Systems Engineering, Samuel Ginn College of Engineering*

The Samuel Ginn College of Engineering has established a new Graduate Certificate in Healthcare Systems Engineering to help address the increasing demand for Industrial and Systems Engineers in the healthcare sector. It is anticipated that, within the next decade, every hospital in the US will employ an Industrial Engineer to focus on process improvement, demonstrating the critical role Industrial and Systems Engineers will play in enhancing healthcare operations. The nine-hour Graduate Certificate and a 12-hour Undergraduate Certificate will allow the college to offer programs that provide students with the necessary skills and knowledge to excel in healthcare systems engineering,

thereby meeting the industry's growing demand and supporting students' professional aspirations.

*Graduate Certificate in Electronics Parts, Manufacturing, and Packaging Engineering,  
Department of Mechanical Engineering, Samuel Ginn College of Engineering*

The proposed 12-hour Graduate Certificate in Electronics Parts, Manufacturing, and Packaging Engineering is designed to support the next generation of engineers in the design of electronics systems for harsh environment applications, including military and civilian aerospace, automotive, and marine sectors, all of which face a shortage of qualified engineers within both government and industry.

This item is provided *for information only* and does not require a vote.

**C. Finance Committee**

**1. Bond Resolution**

Time will be allotted for discussion of the bond resolution.

**2. Auburn University Student Well-Being Fee for 2025-2026 Academic Year**

Time will be allotted for discussion of the Auburn University Student Well-Being Fee for 2025-2026 Academic Year.

**D. Audit and Compliance Committee**

**1. Review of Audited Financial Report – *For Information Only***

Time will be allotted for a review of the audited financial report for Auburn University. Representatives from PricewaterhouseCoopers will be present to address the Board and answer questions.

This item is provided *for information only* and does not require a vote.

**E. Executive Committee**

**1. Proposed 2025-2026 Meeting Dates**

Time will be allotted for discussion of the proposed board meeting dates listed below.

September 12, 2025  
November 21, 2025  
February 13, 2026 (AUM Campus)  
April 17, 2026  
June 5, 2026 (Annual Meeting)

## **2. Proposed Awards and Namings**

Time will be allotted for discussion of a list of proposed awards and namings.



**PROPERTY AND FACILITIES COMMITTEE AGENDA  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

Project Approvals:

1. Transformation Gardens – Phase I: Children’s Garden, Final Approval  
(Jim Carroll/Art Appel)
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Construction Manager Approval (Jim Carroll/John Cohen)
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Budgets of \$1,000,000 and Greater
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\$1,000,000 – 1<sup>st</sup> Quarter, Fiscal Year 2025
  - c. Project Status Report

Committee Chairperson: Mr. Michael DeMaioribus

Faculty Representative: Dr. Darren Olson, Auburn University (ex-officio, non-voting)

*Please Note: All trustees serve on all committees, with the exception of the Executive Committee.*

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

TRANSFORMATION GARDENS – PHASE I CHILDREN’S GARDEN

FINAL PROJECT APPROVAL

WHEREAS, the College of Agriculture has proposed the construction and development of a 16-acre Transformation Gardens to be approved and developed in numerous phases; and

WHEREAS, at its previous meeting on September 10, 2021, the Board of Trustees adopted a resolution that approved the initiation of the Transformation Gardens project, and at its meeting on November 11, 2022, the Board of Trustees adopted a resolution that approved ArchitectureWorks of Birmingham, Alabama, as the architect for the overall project; and

WHEREAS, the College of Agriculture is prepared to move forward with the initial phase of development – a Children’s Garden with future development phases of the Transformation Gardens being brought to the Board of Trustees at subsequent meetings; and

WHEREAS, the Children’s Garden project will encompass approximately 1.5 acres and provide space for hands-on and sensory experiences with a focus on engaging children with a central gathering lawn, seating areas, extensive plantings and natural play structures; and




WHEREAS, the estimated total project cost of the Transformation Gardens – Phase I Children’s Garden is \$2.2 million, to be financed by the College of Agriculture and gift funds; and

WHEREAS, pursuant to the Board of Trustees policy “D-3, Capital Projects Approval,” the final approval of the project must be submitted to the Auburn University Board of Trustees through the Property and Facilities Committee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Transformation Gardens – Phase I Children’s Garden project is approved and that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:

1. Establish a budget for the Transformation Gardens – Phase I Children’s Garden project in the amount of \$2.2 million, to be financed by the College of Agriculture and gift funds; and
2. Direct the consultants to complete the required plans for the project; and
3. Solicit bids and award a contract for construction conditioned upon the lowest responsible and responsive bid being consistent with the approved project budget.

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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE  
**TRANSFORMATION GARDENS – PHASE I CHILDREN’S GARDEN: FINAL PROJECT APPROVAL**  
**DATE:** JANUARY 16, 2025

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This memorandum requests the following proposal be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda at the meeting scheduled for February 7, 2025.

**Proposal:**

Consistent with standing policy, it is proposed that the Transformation Gardens – Phase I Children’s Garden project be presented to the Board of Trustees through the Property and Facilities Committee for consideration of a resolution that provides final approval of the project. If approved, the resolution would authorize the President to direct Auburn University Facilities Management to complete the project design, solicit bids, and award a construction contract.

**Review and Consultation:**

The College of Agriculture has proposed the construction and development of the Transformation Gardens, a 16-acre garden that will encompass every aspect of plant-based agriculture. The Transformation Gardens is intended to be a facility where students gain firsthand experience with the latest agricultural industry practices. This project will enhance the teaching and outreach efforts within the College of Agriculture, benefiting both students and the public.

At its previous meeting on September 10, 2021, the Board of Trustees adopted a resolution that approved the initiation of the Transformation Gardens project and authorized the commencement of the architect selection process. At its previous meeting on November 12, 2021, the Board of Trustees approved the recommendation of ArchitectureWorks of Birmingham, Alabama, as the architect for the overall project.

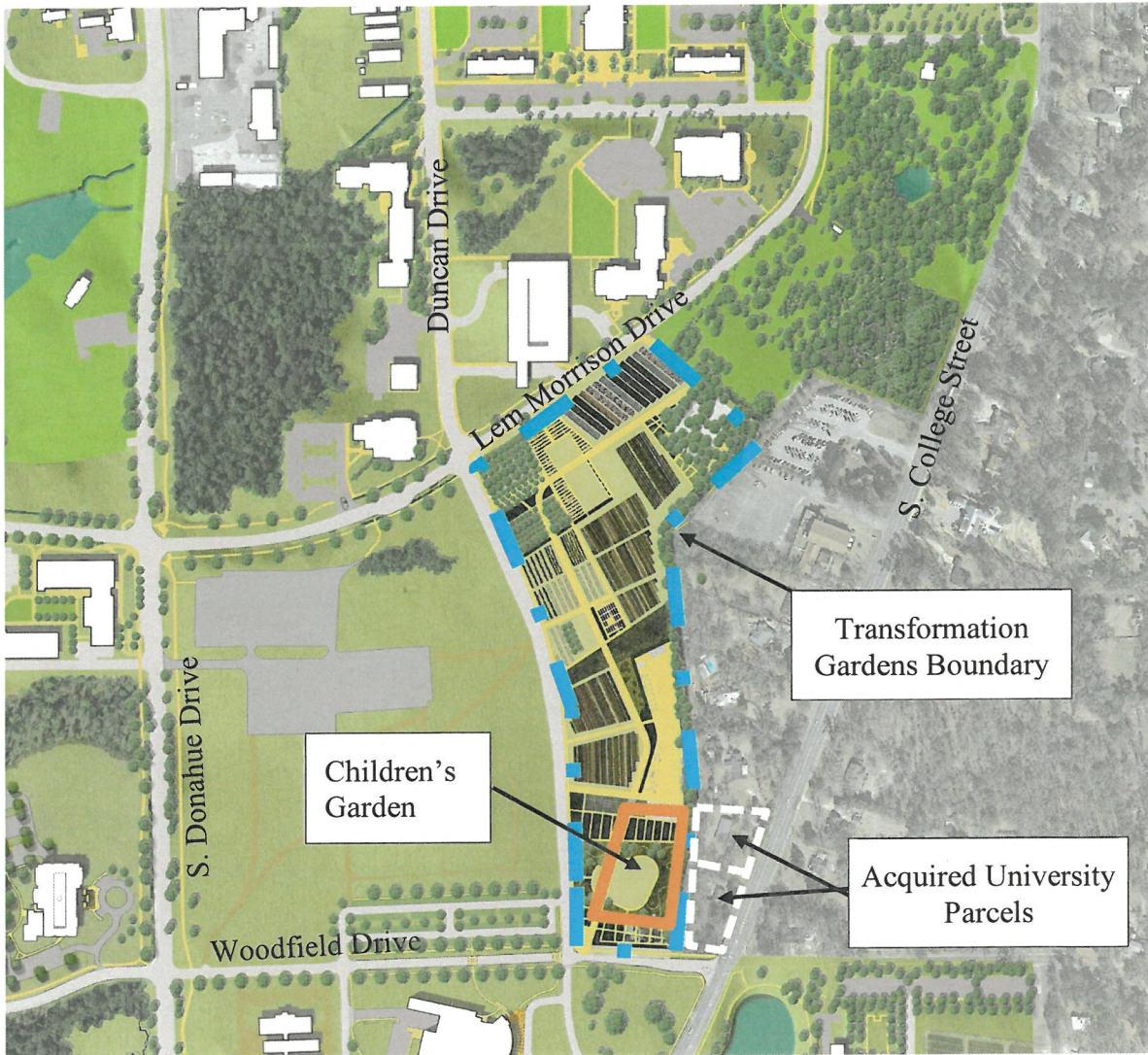
Since that time, the project team has worked to complete the design for the Children’s Garden portion of the project, and the College of Agriculture is prepared to move forward with the initial phase of development. It is anticipated future development phases of the Transformation Gardens will be brought to the Board of Trustees at subsequent meetings. The proposed project details are provided below:

- Project Location: The Transformation Gardens – Phase I Children’s Garden will be located at the southern end of the Transformation Gardens at the corner of Woodfield Drive and Duncan Drive. It is planned that the location of the Children’s Garden will function as a southern gateway into the Transformation Gardens and take advantage of the adjacency of the Gogue Performing Arts Center. See Attachment 1 for the site map of the project location.
- Program Requirements: The Transformation Gardens – Phase I Children’s Garden project will encompass approximately 1.5 acres and provide space for firsthand and sensory experiences with a focus on engaging children. Program requirements include a central gathering lawn, seating areas, extensive plantings, and natural play structures, within a hands-on field laboratory environment, teaching the next generation of Agriculture students. See Attachment 2 for the renderings of the Transformation Gardens – Phase I Children’s Garden project.
- Budget: The estimated total project cost of the Transformation Gardens – Phase I Children’s Garden project is \$2.2 million, to be financed by the College of Agriculture and gift funds.

If you concur, it is proposed that a resolution providing final approval of the Transformation Gardens – Phase I Children’s Garden project be presented to the Board of Trustees for consideration at its meeting scheduled for February 7, 2025.



**Attachment 1**  
**Transformation Gardens – Phase I Children’s Garden**  
**Site Map**





**Attachment 2**  
**Transformation Gardens – Phase I Children’s Garden**  
**Architectural Renderings**



*Children’s Garden Rendered Site Plan*

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

NEVILLE ARENA – TEAM SUPPORT IMPROVEMENTS

FINAL PROJECT APPROVAL

WHEREAS, the Athletics Department has proposed improvements to Neville Arena which is used as a competition venue and housing the team support spaces for both basketball programs; and

WHEREAS, at its previous meeting on February 4, 2022, the Board of Trustees adopted a resolution that approved the initiation of the Neville Arena – New Practice Gym project, and at its meeting on April 22, 2022, the Board of Trustees adopted a resolution that approved Goodwyn Mills Cawood of Auburn, Alabama, as the architect for the project; and

WHEREAS, during the design process, the Athletics Department adjusted the scope of the project to properly and reasonably address the original project goals without requiring the construction of the additional practice gym; and

WHEREAS, to better align with the current scope, the project name is being requested to be updated to Neville Arena – Team Support Improvements; and

WHEREAS, the new project will renovate 22,500 square feet within the arena to include enhancements to the existing practice gym, scholarship lobby upgrades, and relocated and enlarged team meeting and office space within the men's and women's basketball suites; and

WHEREAS, the estimated total project cost of the Neville Arena – Team Support Improvements project is \$9.0 million, to be financed by Athletics Department funds; and

WHEREAS, pursuant to the Board of Trustees policy "D-3, Capital Projects Approval," the final approval of the project must be submitted to the Auburn University Board of Trustees through the Property and Facilities Committee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Neville Arena – Team Support Improvements project is approved and that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:

1. Establish a budget for the Neville Arena – Team Support Improvements project for \$9.0 million, to be financed by the Athletics Department funds; and
2. Direct the consultants to complete the required plans for the project; and
3. Solicit bids and award a contract for construction conditioned upon the lowest responsible and responsive bid being consistent with the approved project budget.





FACILITIES MANAGEMENT  
M E M O R A N D U M

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**TO:** CHRISTOPHER B. ROBERTS, President *[Signature]*  
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer *[Signature]*  
**FROM:** JIM CARROLL, Vice President, Facilities Management *[Signature]*  
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE  
**NEVILLE ARENA – TEAM SUPPORT IMPROVEMENTS: FINAL PROJECT APPROVAL**  
**DATE:** JANUARY 16, 2025

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This memorandum requests the following proposal be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda at the meeting scheduled for February 7, 2025.

**Proposal:**

Consistent with standing policy, it is proposed that the Neville Arena – Team Support Improvements (formerly New Practice Gym) project be presented to the Board of Trustees through the Property and Facilities Committee for consideration of a resolution that provides final approval of the project. If approved, the resolution would authorize the President to direct Auburn University Facilities Management to complete the project design, solicit bids, and award construction contracts.

**Review and Consultation:**

The Athletics Department has proposed improvements to Neville Arena which is used as a competition venue for men's and women's basketball, women's volleyball, and women's gymnastics while also housing the day-to-day team support spaces for both basketball programs. At its previous meeting on February 4, 2022, the Board of Trustees adopted a resolution that approved initiating the Neville Arena-New Practice Gym project and authorized the commencement of the architect selection process. Subsequently, at its April 22, 2022, meeting, the Board of Trustees approved the recommendation of Goodwyn Mills Cawood of Auburn, Alabama, as the architect for the project.

Due to the heavy use of the Neville Arena competition floor and existing practice gym, this project's originally proposed scope of work included the construction of an additional practice gymnasium and expanded team support spaces. However, during the design process, the Athletics Department adjusted the project scope to properly and reasonably address the original project goals without requiring the construction of an additional practice gym. Under a separate project, the women's volleyball program is being relocated to an enhanced space within the Athletics Complex, from its existing space in the Neville Arena, thus lowering the demand for the existing



practice gym and allowing for an expansion of men's and women's basketball team support spaces as a renovation of the existing arena. The combined efforts of these relocation investments yield enhanced spaces for each of our sports teams, volleyball, women's and men's basketball. The athletics director and coaches of all three teams are very supportive of, and excited for these changes to their team spaces.

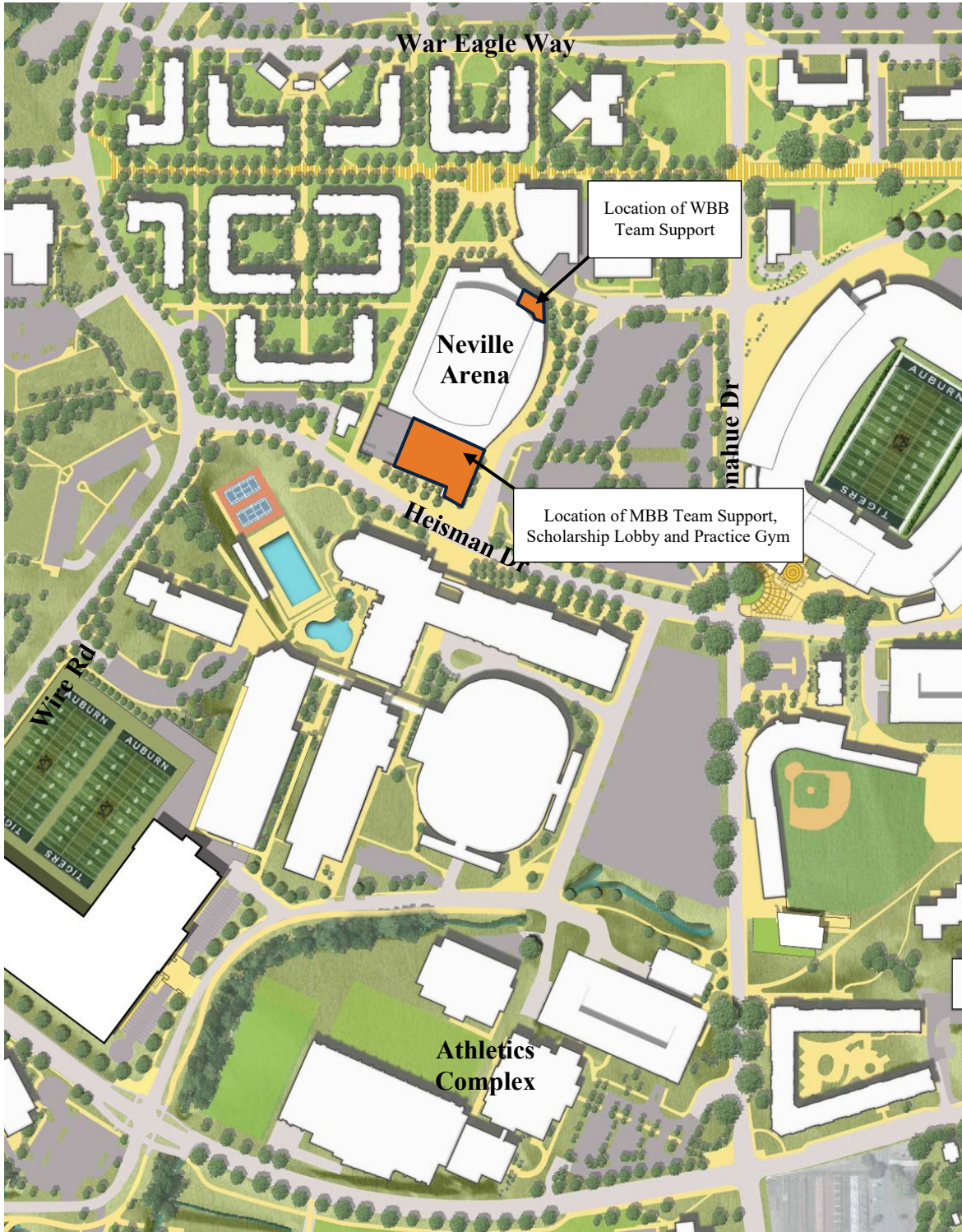
To better align with the current scope, the project name is being requested to be updated to Neville Arena – Team Support Improvements. This change in scope solves the original program challenges, while offering significant savings to the University.

The proposed project details are provided below:

- Project Location: Neville Arena is located on Heisman Drive near the intersection of Beard-Eaves Court. See Attachment 1 for the site map of the project location.
- Program Requirements: The Neville Arena – Team Support Improvements project will renovate 22,500 square feet within the arena. Program requirements include enhancements to the existing practice gym, scholarship lobby upgrades, and relocated and enlarged team meeting and office spaces within the men's and women's basketball suites. See Attachment 2 for the renderings of the Neville Arena – Team Support Improvements project.
- Budget: The estimated total project cost of the Neville Arena – Team Support Improvements project is \$9.0 million, to be financed by Athletics Department funds.

If you concur, it is proposed that a resolution providing final approval of the Neville Arena – Team Support Improvements project be presented to the Board of Trustees for consideration at its meeting scheduled for February 7, 2025.

**Attachment 1**  
**Neville Arena – Team Support Improvements**  
**Site Map**





**Attachment 2**  
**Neville Arena – Team Support Improvements**  
**Architectural Renderings**



*Rendering of Men's Basketball Team Support Space*



*Rendering of Women's Basketball Team Support Space*

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

JORDAN-HARE STADIUM NORTH END ZONE MULTI-USE FACILITY

APPROVAL OF PROJECT ARCHITECT  
AND CONSTRUCTION MANAGER SELECTIONS

WHEREAS, during its meeting of September 6, 2024, the Board of Trustees adopted a resolution that approved the initiation of the Jordan-Hare Stadium North End Zone Multi-Use Facility project, and authorized the commencement of the architect and construction manager processes; and

WHEREAS, the University Architect, after conducting interviews with four candidate firms, determined the architectural firm HOK Architects of Kansas City, Missouri, was best qualified to provide architectural services on this project; and

WHEREAS, the Associate Vice President of Planning, Design and Construction, after conducting interviews with five candidate firms, determined the firm Robins & Morton of Birmingham, Alabama, was best qualified to provide construction management services on this project.

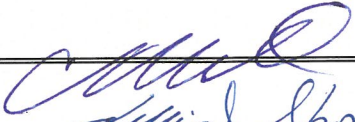


WHEREAS, pursuant to the Board of Trustees policy "D-3, Capital Projects Approval," the selection of the architect and construction manager must be submitted to the Auburn University Board of Trustees through the Property and Facilities Committee for approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:

1. Engage HOK Architects of Kansas City, Missouri, as project architect to consult in the development of the facility program and project design; and
2. Engage Robins & Morton of Birmingham, Alabama, as construction manager to consult in the development of the facility program and manage the construction of the facility; and
3. Limit the project planning and design development to the schematic design phase until the program requirements, budget, funding plan, and site are approved by the Board.



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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE  
**JORDAN-HARE STADIUM NORTH END ZONE MULTI-USE FACILITY:  
APPROVAL OF PROJECT ARCHITECT AND CONSTRUCTION MANAGER  
SELECTIONS**  
**DATE:** JANUARY 16, 2025

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This memorandum requests the following proposal be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda for the meeting scheduled for February 7, 2025.

**Proposal:**

Consistent with standing policy, it is proposed that the Jordan-Hare Stadium North End Zone Multi-Use Facility project be presented to the Board of Trustees through the Property and Facilities Committee for consideration of a resolution that approves the selections of the project architect and construction manager.

**Review and Consultation:**

During its meeting on September 6, 2024, the Board of Trustees passed a resolution to initiate the Jordan-Hare Stadium North End Zone Multi-Use Facility project and authorized the commencement of the architect and construction manager selection processes.

Since that time, Requests for Qualifications were issued for architectural and construction management services. Of the six architectural firms that submitted qualifications, four were interviewed by the Architect Selection Committee. The committee determined that the firm HOK Architects of Kansas City, Missouri, was the best qualified to provide architectural services for this project. This recommendation is supported by the University Architect.

Additionally, five firms were interviewed by the Construction Manager Selection Committee. The committee concluded that the firm Robins & Morton of Birmingham, Alabama, was the most qualified to provide construction management services for the project. This recommendation has been endorsed by the Associate Vice President of Planning, Design, and Construction.

It is, therefore, appropriate that a resolution be presented to the Board of Trustees for their consideration to approve the selections of HOK Architects of Kansas City, Missouri, as the project architect and Robins & Morton of Birmingham, Alabama, as the construction manager for the

Jordan-Hare Stadium North End Zone Multi-Use Facility project. If you concur, it is recommended the resolution be presented to the Board of Trustees, through the Property and Facilities Committee, for appropriate review and action at the meeting scheduled for February 7, 2025.

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

AUBURN UNIVERSITY REGIONAL AIRPORT  
NEW CORPORATE HANGAR AT EAST RAMP

APPROVAL OF PROJECT INITIATION AND  
PROJECT ENGINEER SELECTION

WHEREAS, the Auburn University Regional Airport has proposed the construction of a single-bay corporate hangar with office space on its east ramp adjacent to Auburn University's Air Transportation Hangar; and

WHEREAS, the project aims to meet the current and increasing demand for such facilities and is expected to generate sufficient revenue for the airport to cover the total cost of the project; and

WHEREAS, to facilitate a more timely design process, the University Architect recommends the use of the Airport's General Consultant, Barge Design Solutions of Dothan, Alabama, as the project engineer; and

WHEREAS, it is anticipated this project will be financed by a grant from the Alabama Department of Transportation Aeronautics Bureau and Auburn University Regional Airport funds; and

WHEREAS, pursuant to the Board of Trustees policy, "D-3, Capital Projects Approval," the initiation of this project and the engineer selection must be submitted to the Board, through the Property and Facilities Committee, for approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the initiation of the Auburn University Regional Airport Corporate Hangar at East Ramp project is approved and that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:




1. Engage Barge Design Solutions of Dothan, Alabama, as the project engineer to consult in the development of the facility program and project design; and
2. Limit the project planning and design development to the schematic design phase until such time as the program requirements, budget, funding plan, and site are approved by the Board.





FACILITIES MANAGEMENT  
M E M O R A N D U M

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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE  
**AUBURN UNIVERSITY REGIONAL AIRPORT NEW CORPORATE HANGAR AT  
EAST RAMP: APPROVAL OF PROJECT INITIATION AND PROJECT ENGINEER  
SELECTION**  
**DATE:** JANUARY 16, 2025

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This memorandum requests that the following proposal be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda at the meeting scheduled for February 7, 2025.

**Proposal:**

Consistent with standing policy, it is proposed that the Auburn University Regional Airport New Corporate Hangar at East Ramp project be presented to the Board of Trustees through the Property and Facilities Committee for appropriate action, which will approve the project's initiation and authorize the selection of the project engineer.

**Review and Consultation:**

Auburn University Regional Airport plans to construct a single-bay corporate hangar, which will include office space, on its east ramp adjacent to Auburn University's Air Transportation Hangar. This facility is designed to accommodate large twin-engine and jet aircraft. The project aims to meet the current and increasing demand for such facilities and is expected to generate sufficient revenue for the airport to cover the total cost of the project. See Attachment 1 for the site map of the project location.

To expedite the design process, the University Architect recommends approving Barge Design Solutions based in Dothan, Alabama, as the engineer for this project. Barge Design Solutions was previously approved as the Airport General Consultant at the Board of Trustees meeting on September 16, 2022.

The financing for this facility is expected to come from a grant provided by the Alabama Department of Transportation Aeronautics Bureau and Auburn University Regional Airport funds.

It is, therefore, appropriate that a resolution be presented to the Board of Trustees for their consideration to approve the initiation of the Auburn University Regional Airport New Corporate



Hangar at Main Ramp project and the selection of Barge Design Solutions of Dothan, Alabama, as the project engineer. If you concur, it is recommended the resolution be presented to the Board of Trustees, through the Property and Facilities Committee, for appropriate review and action at the meeting scheduled for February 7, 2025.

**Attachment 1**  
**Auburn University Regional Airport New Corporate Hangar at East Ramp**  
**Site Map**



PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

RECREATION AND WELLNESS SPORTSPLEX COMPLEX  
NEW SUPPORT BUILDING

APPROVAL OF PROJECT INITIATION AND AUTHORIZATION  
TO COMMENCE THE PROJECT ARCHITECT SELECTION PROCESS

WHEREAS, Student Affairs has proposed the construction of the Recreation and Wellness Sportsplex Complex – New Support Building to provide additional restrooms and storage at the SportsPlex Complex; and

WHEREAS, this project will enable Recreation and Wellness to better serve the SportsPlex fields, notably the softball fields that are most remote from the existing SportsPlex Fieldhouse; and

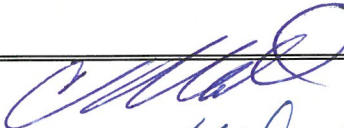


WHEREAS, it is anticipated that this project will be financed by funds from Recreation and Wellness, which were previously budgeted and encumbered for this project; and

WHEREAS, according to the Board of Trustees policy, “D-3, Capital Projects Approval,” the initiation of this project must be submitted to the Board, through the Property and Facilities Committee, for approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Recreation and Wellness Sportsplex Complex – New Support Building project is approved; and Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to commence the project architect selection process.



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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE

**RECREATION AND WELLNESS SPORTSPLEX COMPLEX – NEW SUPPORT  
BUILDING: APPROVAL OF PROJECT INITIATION AND AUTHORIZATION TO  
COMMENCE THE PROJECT ARCHITECT SELECTION PROCESS**

**DATE:** JANUARY 16, 2025

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This memorandum requests the following proposal be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda at the meeting scheduled for February 7, 2025.

**Proposal:**

Consistent with standing policy, it is proposed that the Recreation and Wellness Sportsplex Complex – New Support Building project be presented to the Board of Trustees through the Property and Facilities Committee for appropriate action that will approve the initiation of the project and authorize the commencement of the project architect selection process.

**Review and Consultation:**

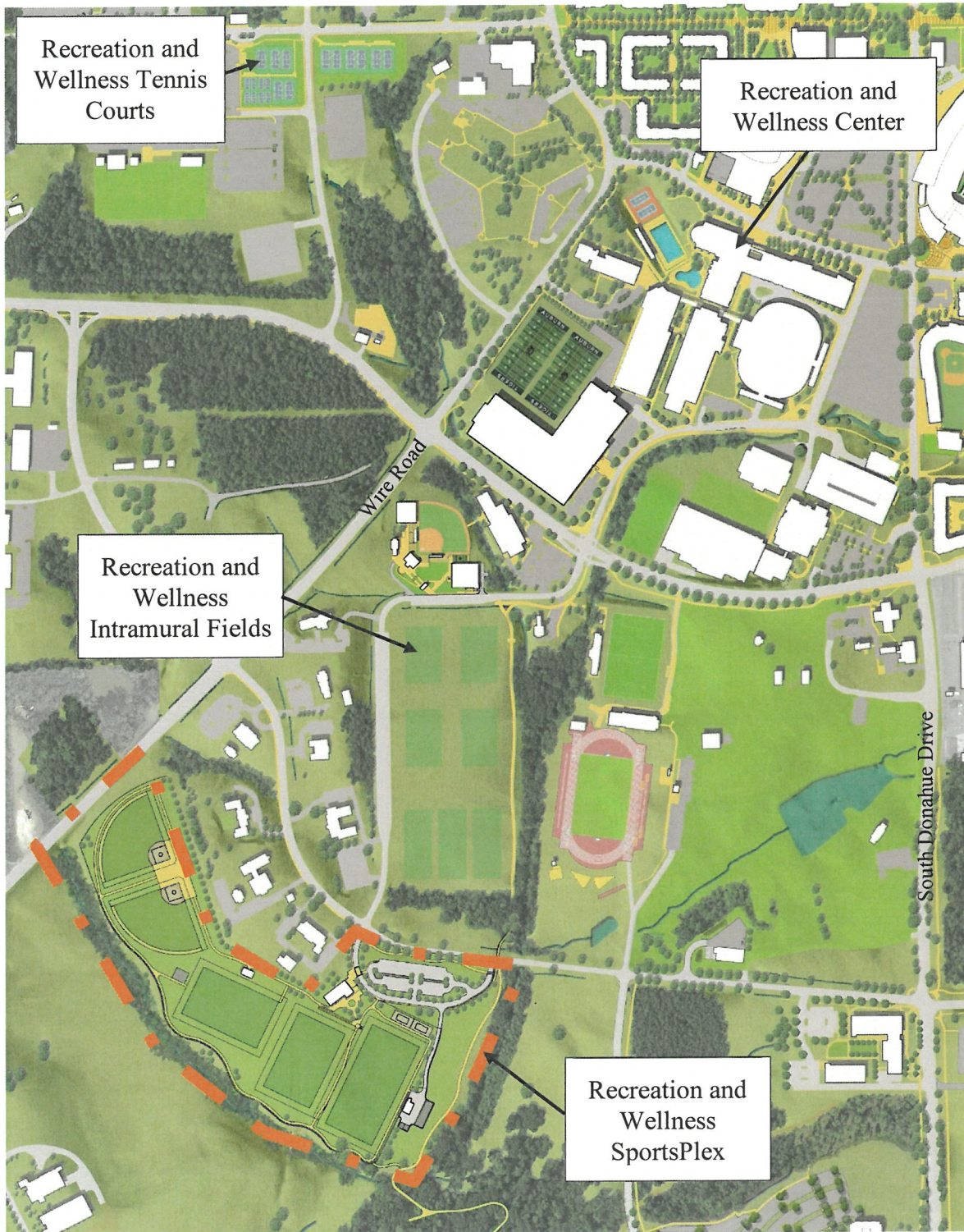
The Recreation and Wellness SportsPlex Complex, completed in 2020, encompasses 30 acres off Lem Morrison Drive and contains three multi-purpose fields, sand volleyball courts and two softball fields. The state-of-the-art complex is supported by a maintenance building and one fieldhouse that includes meeting spaces, restrooms and equipment storage and check-out. Due to the heavy use and expansive footprint of the complex, Student Affairs has proposed the construction of an added support building at the SportsPlex. This project aims to provide supplementary restrooms and storage space, enhancing the overall functionality of the SportsPlex Complex. The project particularly addresses the needs of the more remote softball fields which are over a quarter-mile walk from the current fieldhouse, thereby improving service and convenience for users. See Attachment 1 for the site map.

It is anticipated that this project will be financed by funds from Recreation and Wellness, which were previously budgeted and encumbered for this project.

If you concur, it is proposed that a resolution initiating the Recreation and Wellness Sportsplex Complex – New Support Building project and authorizing the commencement of the project architect selection process be presented to the Board of Trustees for approval at the meeting scheduled for February 7, 2025.



**Attachment 1**  
**Recreation and Wellness SportsPlex Complex – New Support Building**  
**Site Map**



PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

CAMPUS STORE REFURBISHMENT

PROJECT APPROVAL AND AUTHORIZATION TO EXECUTE THE WORK

WHEREAS, the Auburn University Campus Store proposes to refurbish their current space within Haley Center; and




WHEREAS, the Scope of Work includes new floor, wall and ceiling finishes; new lighting throughout; new cash-wrap and associated point-of-sale infrastructure; a new retail fixturing package; and newly configured space for the existing Technology Area; and

WHEREAS, the overall cost of the project is estimated to cost \$2.2 million, to be financed by Auburn University Campus Store reserve funds; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Campus Store Refurbishment project is approved; and that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to execute the project.



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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE  
**CAMPUS STORE REFURBISHMENT: PROJECT APPROVAL AND  
AUTHORIZATION TO EXECUTE THE WORK**  
**DATE:** JANUARY 16, 2025

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This memorandum requests the following item be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda at the meeting scheduled for February 7, 2024.

**Proposal:**

It is proposed that the Campus Store Refurbishment project be presented to the Board of Trustees through the Property and Facilities Committee for consideration of a resolution that would approve the proposed project and authorize its execution.

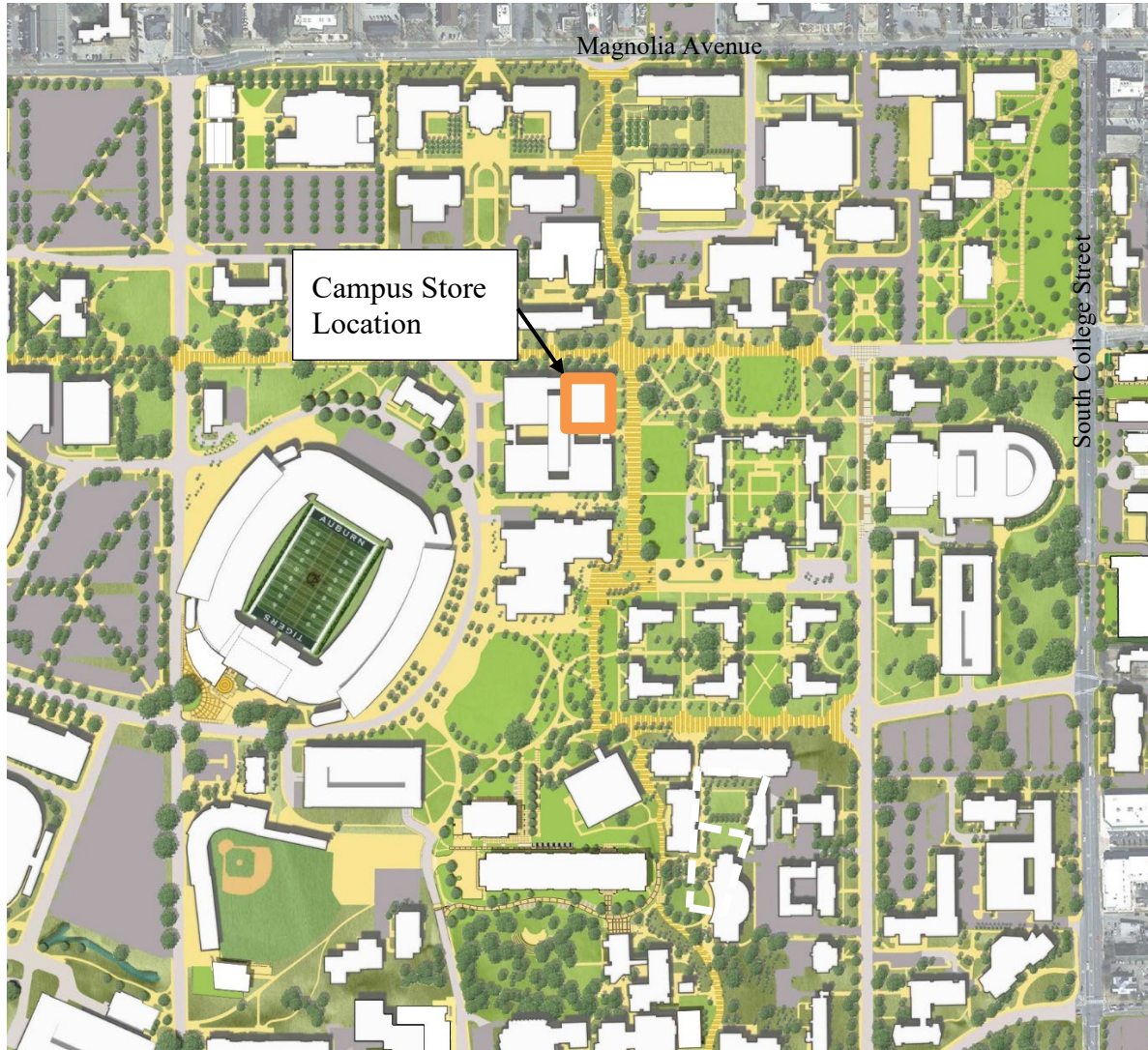
**Review and Consultation:**

The Auburn University Campus Store proposes to refurbish their current space within Haley Center. See Attachment 1 for the site map. The Scope of Work includes new floor, wall and ceiling finishes; new lighting throughout; new cash-wrap and associated point-of-sale infrastructure; a new retail fixturing package; and newly configured space for the existing Technology Area. See Attachment 2 for the renderings of the project.

The overall project is estimated to cost \$2.2 million, to be financed by Auburn University Campus Store Reserves.

If you concur, it is proposed that a resolution approving the Campus Store Refurbishment project and authorizing its execution be presented to the Board of Trustees for consideration at its meeting scheduled for February 7, 2025.

**Attachment 1**  
**Campus Store Refurbishment**  
**Site Map**





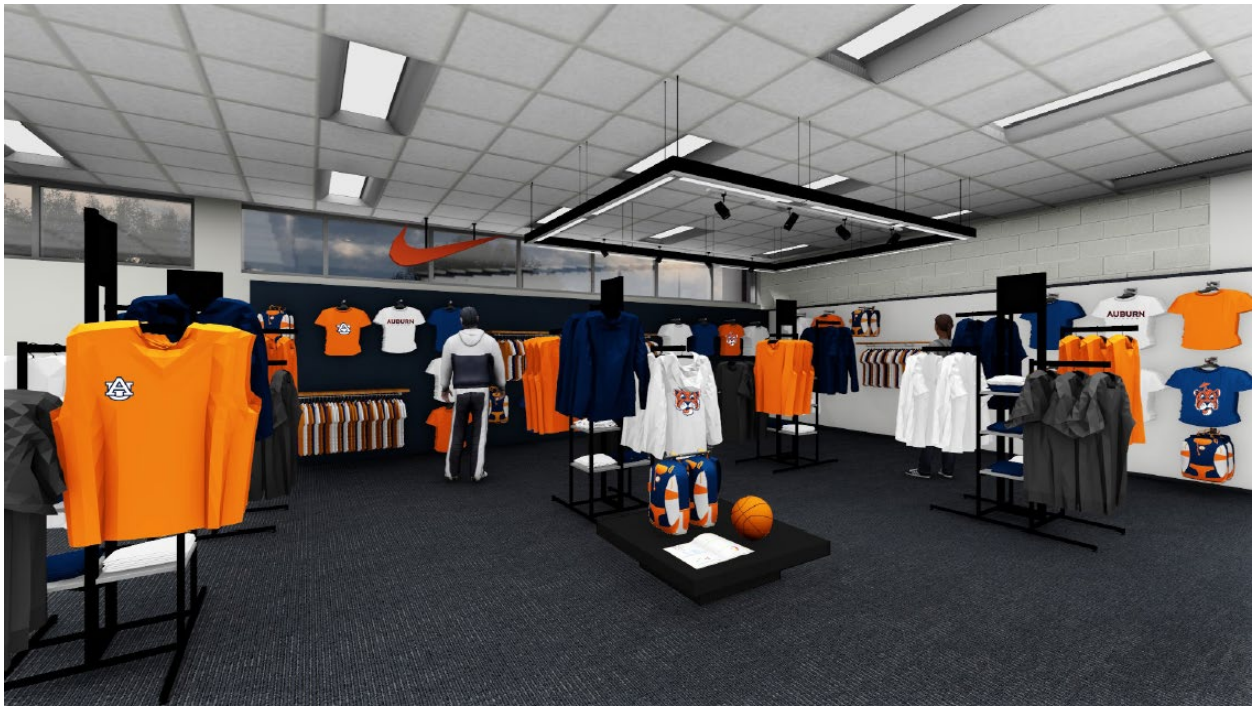
**Attachment 2**  
**Campus Store Refurbishment**  
**Architectural Renderings**



*View 1*



*View 2*



*View 3*



*View 4*

**STATUS UPDATES  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

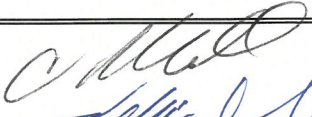

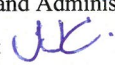
*FOR INFORMATION ONLY*

Time will be allotted for the following status updates:

- a. Current Status of New Construction/Renovation/Infrastructure Projects with Budgets of \$1,000,000 and Greater
- b. Quarterly Report for Projects Costing More than \$500,000 but Less than \$1,000,000 – 1<sup>st</sup> Quarter, Fiscal Year 2025
- c. Project Status Reports



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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE

**CURRENT STATUS OF NEW CONSTRUCTION/RENOVATION/  
INFRASTRUCTURE PROJECTS WITH BUDGETS OF \$1,000,000 AND GREATER  
(INFORMATION ONLY)**

**DATE:** JANUARY 8, 2025

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This is to request that the following proposal be submitted to the Property and Facilities Committee and included on the agenda of the Board of Trustees meeting scheduled for February 7, 2025.

**Proposal:**

Consistent with standing practice, it is proposed that the current status report of new construction/renovation/infrastructure projects with budgets greater than \$1,000,000 be submitted, *for information only*, to the Board of Trustees through the Property and Facilities Committee.

**Review and Consultation:**

The Board of Trustees at its meeting on June 4, 2001, requested that it receive a regular update on the financial status of Board approved projects. The attached list includes projects at Auburn University and outlying units.

**Rationale for Recommendation:**

Consistent with the request of the Board of Trustees for a current status report of new construction/renovation/infrastructure projects with budgets greater than \$1,000,000, the attached listing is provided, *for information only*, to the Board through the Property and Facilities Committee for inclusion on the agenda of the meeting scheduled for February 7, 2025.

**Auburn University Facilities Management**  
**Current Capital Projects**  
 (Spending across Multiple Years)  
**Summary of Cash Flow by Project Phase**

| <i>Project Phase</i>   | <i>Previous<br/>Approved<br/>Budget<br/>Amount</i> | <i>Current<br/>Approved<br/>Budget<br/>Amount</i> | <i>Actual<br/>Spending<br/>to Date<br/>(across<br/>multiple<br/>years)</i> | <i>Estimated<br/>Spending<br/>Assuming<br/>Remainder<br/>of Budget<br/>for<br/>FY2025</i> | <i>Estimated<br/>Spending<br/>Assuming<br/>Remainder<br/>of Budget<br/>for<br/>FY2026 &amp;<br/>Forward</i> |
|------------------------|--|---|--|---|---|
| Substantial Completion | 180,850,000  | 168,250,000                                       | 164,886,925  | 1,859,461   | 0 *   |
| Construction           | 576,800,000  | 597,600,000                                       | 290,827,448  | 208,054,377   | 71,460,543 *  |
| Design                 | 28,633,648   | 17,072,500  | 1,588,549  | 7,489,805   | 7,994,146   |
| Planning               | 1,557,400  | 9,685,900   | 854,540  | 2,799,946   | 6,031,414   |
| Totals                 | 787,841,048  | 792,608,400                                       | 458,157,462  | 220,203,589   | 85,486,103 *  |
| Other Open Projects    | 88,820,513   | 90,060,596  | 47,974,484   | 11,690,587  | 30,395,525  |
| Grand Totals           | 876,661,561  | 882,668,996                                       | 506,131,946  | 231,894,176   | 115,881,628 *   |

\* On the lines with asterisks, the sum of the spending columns does not equal the current approved budget figure due to projects being executed under budget. See individual project lines on following pages for details.

Auburn University Facilities Management  
Current Capital Projects

**ESTIMATED CASHFLOW MATRIX and ACTUAL SPENDING and ENCUMBRANCE ACTIVITY**

| <i>Project Name</i>   | <i>Project Phase</i>   | <i>Original Approved Budget Amount</i> | <i>(A)</i>  | <i>AU Funding (includes gifts/grants)</i> | <i>AU Bond Funding</i> | <i>Federal/ State or Local Funding</i> | <i>(B ) Actual Spending to Date (across multiple years)</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2025</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2026 &amp; Forward</i> | <i>(C) Current Encumbrances Against Project</i> | <i>(A)-(B)-(C) Current Open Balance (Budget less Actuals and Encumbrances)</i> |
|---|------------------------|--|-------------|---|------------------------|--|---|---|---|---|--|
| <b>SUBSTANTIAL COMPLETION PHASE</b>   |                        |  |             |   |                        |  |   |   |   |   |  |
| Tony & Libba Rane Culinary Science Center - Summary                                     | Substantial Completion | 95,400,000                             | 110,000,000 | 20,000,000                                | 90,000,000             |  | 108,990,149   | 18,428  | 0   | 56,420  | 953,431 * See note below   |
| Chilled Water System Expansion - New CW Plant At South Campus 18-444                    | Substantial completion | 24,000,000                             | 19,050,000  |   | 19,050,000             |  | 18,899,144  | 150,856   | 0   | 59,630  | 91,226   |
| Hood-McPherson Building (Bham) - Comprehensive Renovation 20-554                        | Substantial Completion | 21,800,000                             | 21,800,000  | 21,800,000                                |                        |  | 21,394,026  | 30,000  | 0   | 27,939  | 378,035 * See note below   |
| McWhorter Center - Gymnastics & Softball Team Area Renovations 21-380                   | Substantial Completion | 4,900,000                              | 4,900,000   | 1,300,000                                 | 3,600,000              |  | 4,628,676   | 241,324   | 0   | 190,824   | 80,500 * See note below  |
| Student Activities Center & Kinesiology Bldg - Renovations For New DPT Program 22-028   | Substantial Completion | 2,500,000                              | 2,500,000   | 2,500,000                                 |                        | 0                                      | 2,350,909   | 124,091   | 0   | 115,922   | 33,169 * See note below  |
| Research and Innovation AU Regional Airport - New Corporate Hangar At South Ramp 22-402 | Substantial Completion | 3,000,000                              | 4,000,000   | 3,500,000                                 |                        | 500,000                                | 3,489,564   | 480,436   | 0   | 101,528   | 408,908 * See note below   |
| Parkerson Mill Creek - Greenway Phase III (Lem Morrison Drive To VCOM Pond) 21-514      | Substantial Completion | 1,500,000                              | 2,100,000   | 881,217                                   |                        | 1,218,783                              | 1,648,288   | 400,495   | 0   | 167,703   | 284,009 * See note below   |
| Kreher Preserve & Nature Center - Environmental Education Building 20-429               | Substantial Completion | 1,950,000                              | 3,900,000   | 3,900,000                                 |                        |  | 3,486,169   | 413,831   | 0   | 235,258   | 178,573  |
| <b>Total Substantial Completion</b>   |                        |  | 168,250,000 | 53,881,217                                | 112,650,000            | 1,718,783                              | 164,886,925   | 1,859,461   | 0   | 955,224   | 2,407,851  |

Auburn University Facilities Management  
Current Capital Projects

**ESTIMATED CASHFLOW MATRIX and ACTUAL SPENDING and ENCUMBRANCE ACTIVITY**

| <i>Project Name</i>   | <i>Project Phase</i>               | <i>Original Approved Budget Amount</i> | <i>(A)</i>  | <i>AU Funding (includes gifts/grants)</i> | <i>AU Bond Funding</i> | <i>Federal/ State or Local Funding</i> | <i>(B ) Actual Spending to Date (across multiple years)</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2025</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2026 &amp; Forward</i> | <i>(C) Current Encumbrances Against Project</i> | <i>(A)-(B)-(C) Current Open Balance (Budget less Actuals and Encumbrances)</i> |
|---|------------------------------------|--|-------------|---|------------------------|--|---|---|---|---|--|
| <b>CONSTRUCTION PHASE</b>   |                                    |  |             |   |                        |  |   |   |   |   |  |
| Academic Classroom & Laboratory Complex - Summary   | Substantial Completion/Programming | 83,000,000                             | 83,000,000  |   | 82,071,760             | 928,240                                | 70,763,287  | 0   | 0   | 2,000   | 12,234,713 * See note below  |
| College of Education Building - New Facility 18-538                                       | Construction                       | 77,000,000                             | 77,000,000  | 10,000,000                                | 30,585,165             | 36,414,835                             | 60,087,039  | 14,612,961  | 1,500,000   | 11,981,061                                      | 4,931,900 * See note below   |
| STEM & Agricultural Sciences Complex - New Facility 20-378                                | Construction                       | 200,000,000                            | 224,000,000 | 36,000,000                                | 138,000,000            | 50,000,000                             | 93,851,325  | 80,000,000  | 50,148,675  | 115,498,793                                     | 14,649,882   |
| Plainsman Park Improvements 21-378  | Construction                       | 30,000,000                             | 30,000,000  | 3,653,506                                 | 26,346,494             |  | 21,646,494  | 8,353,506   | 0   | 6,269,383                                       | 2,084,123  |
| North AU Equine Facility - New Office Building 21-108                                     | Construction                       | 7,000,000                              | 7,000,000   | 7,000,000                                 |                        |  | 5,189,336   | 880,418   | 0   | 1,075,197                                       | 735,467 * See note below   |
| University Student Housing Phase I 19-442   | Construction                       | 80,000,000                             | 80,000,000  | 2,866,298                                 | 72,833,702             |  | 18,386,057  | 40,938,531  | 16,375,412  | 51,870,873                                      | 9,743,070 * See note below   |
| Lowder Hall - Academic Advising Suite Renovation 22-007                                   | Construction                       | 5,500,000                              | 5,500,000   | 5,500,000                                 |                        | 0                                      | 1,798,327   | 3,500,000   | 0   | 1,222,647                                       | 2,479,026 * See note below   |
| Recreation and Wellness Center Renovation for Health Promotion & Wellness Services 23-072 | Construction                       | 3,200,000                              | 3,200,000   | 3,200,000                                 |                        |  | 1,408,115   | 991,885   | 0   | 777,926   | 1,013,959 * See note below   |
| Jordan-Hare Stadium - Provide A New Score & Video Board System 24-015                     | Construction                       | 25,700,000                             | 25,700,000  | 25,700,000                                | 0                      |  | 5,312,639   | 14,262,361  | 0   | 11,086,295                                      | 9,301,066 * See note below   |
| Quad Residence Halls Renovation Phase 2: Teague & Little Halls 21-358                     | Construction                       | 22,500,000                             | 22,500,000  | 22,500,000                                |                        |  | 7,964,465   | 14,535,535  | 0   | 12,864,417                                      | 1,671,118  |

Auburn University Facilities Management  
Current Capital Projects

**ESTIMATED CASHFLOW MATRIX and ACTUAL SPENDING and ENCUMBRANCE ACTIVITY**

| <i>Project Name</i>  | <i>Project Phase</i> | <i>Original Approved Budget Amount</i> | <i>(A)</i>  | <i>AU Funding (includes gifts/grants)</i> | <i>AU Bond Funding</i> | <i>Federal/ State or Local Funding</i> | <i>(B ) Actual Spending to Date (across multiple years)</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2025</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2026 &amp; Forward</i> | <i>(C) Current Encumbrances Against Project</i> | <i>(A)-(B)-(C) Current Open Balance (Budget less Actuals and Encumbrances)</i> |                  |
|--|----------------------|--|-------------|---|------------------------|--|---|---|---|---|--|------------------|
| Gogue Performing Arts Center - Outdoor Pavilion & Exterior Improvements 22-213 | Construction         | 15,000,000                             | 15,000,000  | 15,000,000                                |                        | 0                                      | 2,888,002   | 8,889,598   | 2,222,400   | 9,633,553                                       | 2,478,445  | * See note below |
| President's Garden Pavilion - University Events Center 23-466                  | Construction         | 14,000,000                             | 14,000,000  | 14,000,000                                |                        | 0                                      | 995,439   | 10,926,505  | 1,214,056   | 11,349,804                                      | 1,654,757  | * See note below |
| Draughon Village Laundry - Convert Laundry Facility into Restrooms 23-158      | Construction         | 1,700,000                              | 1,700,000   | 1,700,000                                 |                        |  | 128,339   | 1,571,661   | 0   | 1,401,511                                       | 170,150  |                  |
| Athletics Complex Renovations for Sports Medicine - Summary                    | Design               | 9,000,000                              | 9,000,000   | 6,000,000                                 | 3,000,000              |  | 408,584   | 8,591,416   | 0   | 2,031,475                                       | 6,559,941  |                  |
| <b>Total Construction</b>  |                      |  | 597,600,000 | 153,119,804                               | 352,837,121            | 87,343,075                             | 290,827,448   | 208,054,377   | 71,460,543  | 237,064,935                                     | 69,707,617   |                  |



Auburn University Facilities Management  
Current Capital Projects

**ESTIMATED CASHFLOW MATRIX and ACTUAL SPENDING and ENCUMBRANCE ACTIVITY**

| <i>Project Name</i>  | <i>Project Phase</i> | <i>Original Approved Budget Amount</i> | <i>(A)</i><br><i>Current Approved Budget Amount</i> | <i>AU Funding (includes gifts/grants)</i> | <i>AU Bond Funding</i> | <i>Federal/ State or Local Funding</i> | <i>(B )</i><br><i>Actual Spending to Date (across multiple years)</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2025</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2026 &amp; Forward</i> | <i>(C)</i><br><i>Current Encumbrances Against Project</i> | <i>(A)-(B)- (C)</i><br><i>Current Open Balance (Budget less Actuals and Encumbrances)</i> |
|--|----------------------|--|---|---|------------------------|--|---|---|---|---|---|
| <b>DESIGN PHASE</b>  |                      |  |   |   |                        |  |   |   |   |   |   |
| Transformation Gardens - Garden Implementation (Phase I) 21-445              | Design               | 347,000                                | 347,000   | 347,000                                   |                        |  | 217,112   | 129,888   | 0   | 76,447  | 53,441  |
| Gulf Coast Engineering Research Station - New Building 22-258                | Design               | 14,000,000                             | 14,000,000  |   |                        | 14,000,000                             | 676,424   | 5,329,430   | 7,994,146   | 767,147   | 12,556,429  |
| Foy Hall - Relocate Campus Dining Kitchen To Existing Service Kitchen 23-264 | Hold (design)        | 222,500                                | 222,500   | 222,500                                   |                        |  | 61,967  | 160,533   | 0   | 155,030   | 5,503   |
| Quad Residence Halls Renovation Phase 3: Keller & Owen Halls 24-237          | Design               | 1,838,000                              | 1,838,000   | 1,838,000                                 |                        |  | 633,046   | 1,204,954   | 0   | 705,929   | 499,025   |
| Comer Hall - Comprehensive Renovation 24-477                                 | Design               | 665,000                                | 665,000   |   | 665,000                |  | 0   | 665,000   | 0   | 0   | 665,000   |
| <b>Total Design</b>  |                      |  | 17,072,500  | 2,407,500                                 | 665,000                | 14,000,000                             | 1,588,549   | 7,489,805   | 7,994,146   | 1,704,553   | 13,779,398  |

Auburn University Facilities Management  
Current Capital Projects

**ESTIMATED CASHFLOW MATRIX and ACTUAL SPENDING and ENCUMBRANCE ACTIVITY**

| <i>Project Name</i>  | <i>Project Phase</i> | <i>Original Approved Budget Amount</i> | <i>(A)</i> | <i>AU Funding (includes gifts/grants)</i> | <i>AU Bond Funding</i> | <i>Federal/ State or Local Funding</i> | <i>(B ) Actual Spending to Date (across multiple years)</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2025</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2026 &amp; Forward</i> | <i>(C) Current Encumbrances Against Project</i> | <i>(A)-(B)-(C) Current Open Balance (Budget less Actuals and Encumbrances)</i> |
|--|----------------------|--|------------|---|------------------------|--|---|---|---|---|--|
| <b>PLANNING PHASE</b>  |                      |  |            |   |                        |  |   |   |   |   |  |
| Auburn University Regional Airport Maintenance Hangar Expansion 21-017 | HOLD (Programming)   | 96,900                                 | 96,900     | 96,900                                    |                        |  | 6,193   | 90,707  | 0   | 0   | 90,707   |
| Neville Arena - Team Support Improvements 22-041                       | Design               | 9,000,000                              | 9,000,000  | 8,896,494                                 | 103,506                |  | 383,695   | 2,584,891   | 6,031,414   | 175,263   | 8,441,042  |
| Vehicle Research and Innovation Lab, New Building 23-178               | Hold/Program ming    | 527,000                                | 527,000    |   |                        | 527,000                                | 454,652   | 72,348  | 0   | 65,919  | 6,429  |
| Solon Dixon Education Ctr - Dorm A & B Replacement 23-168              | Hold/Program ming    | 62,000                                 | 62,000     |   |                        |  | 10,000  | 52,000  | 0   | 42,750  | 9,250  |
| <b>Total Planning</b>  |                      |  | 9,685,900  | 8,993,394                                 | 103,506                | 527,000                                | 854,540   | 2,799,946   | 6,031,414   | 283,932   | 8,547,428  |

Auburn University Facilities Management  
Current Capital Projects

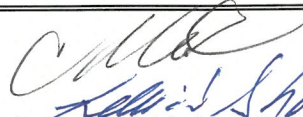
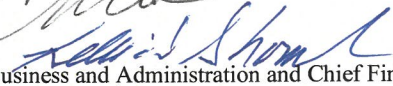

**ESTIMATED CASHFLOW MATRIX and ACTUAL SPENDING and ENCUMBRANCE ACTIVITY**

| <i>Project Name</i> | <i>Project Phase</i> | <i>Original Approved Budget Amount</i> | <i>Current Approved Budget Amount</i> | <i>AU Funding (includes gifts/grants)</i> | <i>AU Bond Funding</i> | <i>Federal/ State or Local Funding</i> | <i>(B)<br/>Actual Spending to Date (across multiple years)</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2025</i> | <i>Estimated Spending Assuming Remainder of Budget for FY2026 &amp; Forward</i> | <i>(C)<br/>Current Encumbrances Against Project</i> | <i>(A)-(B)-(C)<br/>Current Open Balance (Budget less Actuals and Encumbrances)</i> |
|---------------------|----------------------|--|---------------------------------------|---|------------------------|--|--|---|---|---|--|
| Other Open Projects | Various Stages       |  | 90,060,596                            | 78,401,650                                | 5,700,000              | 5,958,946                              | 47,974,484   | 11,690,587  | 30,395,525  | 16,336,259  | 25,749,853   |

|                    |  |  |             |             |             |             |             |             |             |             |             |
|--------------------|--|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>GRAND TOTAL</b> |  |  | 882,668,996 | 296,803,565 | 471,955,627 | 109,547,804 | 506,131,946 | 231,894,176 | 115,881,628 | 256,344,903 | 120,192,147 |
|--------------------|--|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|

\* On the lines with asterisks, the sum of the spending columns does not equal the current approved budget figure due to projects being executed under budget.

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**TO:** CHRISTOPHER B. ROBERTS, President   
**THROUGH:** KELLI SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer   
**FROM:** JIM CARROLL, Vice President, Facilities Management   
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE

**QUARTERLY REPORT FOR PROJECTS COSTING MORE THAN \$500,000  
BUT LESS THAN \$1,000,000 – 1<sup>st</sup> QTR FISCAL YEAR 2025 (For Information Only)**

**DATE:** JANUARY 8, 2025

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This memorandum requests the following proposal be presented to the Board of Trustees through the Property & Facilities Committee and included on the agenda of the meeting scheduled for February 7, 2025.

**Proposal:**

The Board of Trustees, at its meeting on April 11, 2014, adopted a resolution stipulating that all projects with a total cost in the range of \$500,000 to \$1,000,000 be reported quarterly. The intent of this report is to keep the Property and Facilities Committee informed of those projects as they are occurring on campus. Consistent with standing policy, it is proposed that this report be submitted for information only.

**Review and Consultation:**

Projects initiated in the 1<sup>st</sup> Quarter of Fiscal Year 2025 and costing more than \$500,000 but less than \$1,000,000 are listed in the following table.

| 1 <sup>st</sup> Quarter FY 2025 Projects<br>\$500,000 - \$1,000,000 | Project<br>Number | Account Number     | Cost      |
|---|-------------------|--------------------|-----------|
| Horton-Hardgrave Hall - Room 2046, Other Use<br>Options             | 23-680            | 924495-102048-P100 | \$972,110 |

**Rationale for Recommendation:**

Consistent with standing policy, this report is submitted to the Board of Trustees through the Property & Facilities Committee for information at the meeting scheduled for February 7, 2025.



FACILITIES MANAGEMENT  
M E M O R A N D U M

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**TO:** CHRISTOPHER B. ROBERTS, PRESIDENT *[Signature]*  
**THROUGH:** KELLI D. SHOMAKER, Senior Vice President, Business and Administration and Chief Financial Officer  
**FROM:** JIM CARROLL, Vice President, Facilities Management *JJC.*  
**SUBJECT:** PROPERTY AND FACILITIES COMMITTEE

**PROJECT STATUS REPORT**

**DATE:** JANUARY 8, 2025

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This memorandum requests the following information be presented to the Board of Trustees through the Property and Facilities Committee and included on the agenda at the meeting scheduled for February 7, 2025.

**Proposal:**

It is proposed that a brief report regarding the status of Board of Trustees-approved capital projects be submitted, *for information only*, to the Board of Trustees through the Property and Facilities Committee.

**Review and Consultation:**

The responsibility of the Board of Trustees extends to the oversight of funding, planning, design, construction, maintenance, and operation of University buildings and facilities. Since a project can often take several years to execute, as it progresses through the planning, initiation, design, and construction phases of the project, this report is intended to continually inform the Board of Trustees of the status of previously approved projects.



## CAPITAL PROJECT STATUS

### PROJECT/PHASE

### STATUS

#### Projects in the Planning Stage:

- Jordan-Hare Stadium North Endzone Multi-Use Addition

#### Initiation Approved

Initiated September 2024

#### Projects in the Design Stage:

- AU Airport Maintenance Hangar Addition (on hold)
- Ag Transformation Gardens - Phase 1: Children's Garden
- Ag Transformation Gardens – Phase 2:  
Aquaculture Barn & Greenhouse
- Neville Arena – Team Support Improvements<sup>1</sup>
- Vehicle Research and Innovation Laboratory (on hold)
- Foy Hall Renovation – New Campus Dining Catering  
Kitchen (on hold)
- Auburn University Airport Air Traffic Control Tower
- Solon Dixon Dorm Replacement
- Brown-Kopel Engineering Student Achievement Center  
Analytical, Innovation, and Manufacturing Laboratory
- Melton Student Center Patio Renovation
- Rural Studio Red Barn, Newbern, Alabama  
Renovation and Repairs
- College of Human Sciences Academic & Research Facility
- Comer Hall Comprehensive Renovation,

#### Initiation Approved

Initiated June 2021

Initiated September 2021

Initiated September 2021

Initiated February 2022

Initiated June 2023

Initiated August 2023

Initiated November 2023

Initiated February 2024

Initiated June 2024

Initiated June 2024

Initiated June 2024

Initiated September 2024

Initiated September 2024

#### Projects with Final Approval:

- Parker Hall Demolition (ACLC Phase 3)
- University Events Center Addition
- Village Residence Halls Renovation, Phase IV - Plainsman Hall
- Gulf Coast Engineering Research Station – New Building

#### Final Approval.

Approved February 2019

Approved June 2024

Approved September 2024

Approved November 2024

#### Projects in Construction Stage:

- College of Education Building
- STEM+AG Sciences Complex
- Quad Residence Halls Renovation – Phase 2:  
Teague Hall and Little Hall
- New University Student Housing
- Lowder Hall Advising Suite Renovation
- Recreation and Wellness Center Renovation for  
Health Promotion & Wellness Services
- Jordan-Hare Stadium North Endzone Videoboard
- Auburn University Regional Airport Terminal Ramp Expansion

#### Final Approval

Approved November 2022

Approved February 2023

Approved August 2023

Approved August 2023

Approved November 2023

Approved April 2024

Approved June 2024

Approved April 2024

<sup>1</sup> Formerly referred to as Neville Arena – New Practice Gym, when approved by BOT in February 2022.

- |  |                         |
|--|-------------------------|
| • Gogue Performing Arts Center – Studio Theatre and Amphitheatre Build-Out | Approved June 2024      |
| • Renovation of Space in the Athletics Complex for Sports Medicine         | Approved September 2024 |
| • Caroline Draughon Village (CDV) Laundry Facility                         | Approved September 2024 |

**Projects Recently Completed:**

- Kreher Preserve & Nature Center - New Environmental Education Building
- Parkerson Mill Greenway-Phase III
- Plainsman Park Improvements
- AUM Science Laboratory Facility Renovation
- North Auburn Equine Research Facility – Addition

**Final Approval**

- Approved April 2023
- Approved November 2022
- Approved February 2023
- Approved April 2023
- Approved June 2023

**ACADEMIC AFFAIRS COMMITTEE AGENDA  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

1. Proposal to Establish the Auburn Bee Center (Vini Nathan)
2. Proposed Closure of Physical Education/Teacher Education Programs (Vini Nathan)
3. Agenda Item for the Board of Trustees – *For Information Only* (Vini Nathan)

Committee Chairperson: Ms. Elizabeth Huntley

Faculty Representative: Dr. Lori Eckhardt, Auburn University (ex-officio, non-voting)

*Please Note: All trustees serve on all committees, with the exception of the Executive Committee.*

## ACADEMIC AFFAIRS COMMITTEE

### RESOLUTION

#### PROPOSAL TO ESTABLISH THE AUBURN UNIVERSITY BEE CENTER

WHEREAS, the College of Agriculture established the AU-BEES program in 2016 to investigate causes and advance solutions for bee colony mortality and train undergraduate and graduate students in bee biology and beekeeping;

WHEREAS, the program also established the AU-BEES lab, a research initiative focused on apiculture, pollinators, and pollination ecology; and

WHEREAS, the AU-BEES program has experienced considerable growth, resulting in the addition of new faculty and collaborations across multiple colleges and the Alabama Cooperative Extension System (ACES); and

WHEREAS, the AU-BEES program has become known for its active, public-facing extension and outreach efforts that continue to benefit Alabama stakeholders and the broader university community; and

WHEREAS, the growing demand for research and engagement in the study of honeybees remains a critical component of crop pollination and ecosystem health, both of which are essential for food production and biodiversity; and

WHEREAS, the proposed Auburn University Bee Center will leverage the college's role as a leader in bee research and will cultivate future leaders through impactful research and outreach and impact its broader applications in fields like biology, agriculture, and environmental science; and

WHEREAS, the proposed Auburn University Bee Center will also advance research opportunities for Auburn students and provide shared resources for faculty projects; and

WHEREAS, in alignment with the Board of Trustees' Policy on Establishing Centers and Institutes (C-4), the proposed Auburn University Bee Center will contribute to the university's strategic goals of advancing research, providing exceptional student experiences, and promoting catalytic engagement across various stakeholder groups.

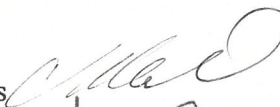
NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to work within the Auburn Administration to establish, organize and advance the Auburn University Bee Center with leadership from the Department of Entomology and Plant Pathology.

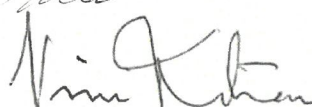




AUBURN UNIVERSITY

OFFICE OF THE PROVOST

MEMORANDUM TO: Christopher B. Roberts   
President

FROM: Vini Nathan   
Provost and Senior Vice President for Academic Affairs

SUBJECT: Agenda Item for the Board of Trustees – Proposal to  
Establish the Auburn University Bee Center

DATE: January 6, 2025

I am writing to request that the following item be added to the Board of Trustees' agenda for the February 7, 2025, meeting.

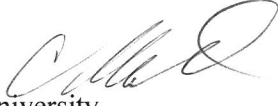
**Proposal:** It is recommended that the Board approve the proposed creation of the Auburn University Bee Center within the College of Agriculture.

**Review and Consultation:** The proposed Auburn University Bee Center offers a unique opportunity to advance a highly regarded initiative that aligns with the university's land-grant mission. By combining research, extension, and education on bees and pollination, the Center aims to develop innovative solutions for bee conservation. Under the leadership of Dr. Geoffrey R. Williams and other faculty from the Department of Entomology and Plant Pathology, the AU-BEES program seeks to elevate the university's role as a leader in bee research and cultivate future leaders through impactful research and outreach. Since its inception, the AU-BEES program has advanced numerous research initiatives, gaining national and international recognition in apiculture, pollinators, and pollination ecology. This has led to significant growth in faculty and collaborations across multiple colleges and the Alabama Cooperative Extension System (ACES).


As a center, the program would be unique in the southeastern United States, focusing on both native and honeybees. By leveraging the expertise and popularity of the existing AU-BEES outreach efforts, the program is expected to attract funding and support from both within and outside the university. Additionally, the Center would establish a Research Experience for Undergraduate students (SEBees program) and manage shared resources for faculty projects. These initiatives contribute to the university's strategic goals of advancing research, providing exceptional student experiences, and promoting catalytic engagement across various stakeholder groups. The Center's collaborations are anticipated to enhance Auburn's bee research infrastructure and provide students with opportunities to work with USDA-Agricultural Research Service scientists.

**Recommendation:** The proposed creation of the Auburn University Bee Center within the College of Agriculture would allow for enhanced visibility, increased external funding, and provide greater support for bee research both nationally and internationally. I therefore recommend the Board of Trustees approve the proposed Auburn University Bee Center.

10 December 2024

To: Dr. Chris Roberts   
President, Auburn University

Through: Dr. Paul Patterson  
Dean, College of Agriculture and AAES Director

Dr. Vini Nathan   
Provost, Auburn University

From: Dr. David Held  
Chair, Dept. of Entomology and Plant Pathology

Subject: Bee Center Proposal

The AU-BEES program in the College of Agriculture at Auburn University is a nationally and internationally-recognized research program with an active, public-facing outreach program. Dr. Williams used his passion and strengths as an international leader in apiculture, pollinators, and pollination ecology to found and build the AU-BEES lab reputation and level of productivity. With the recent addition of two new faculty, faculty collaborations in three Colleges and ACES, sustained support from federal cooperative agreements, this program transcends College boundaries and the traditional faculty 'lab' concept.

Based on this, it is proposed that the AU-BEES program be developed into a new *Auburn University Bee Center*. This Center will be unique nationally and internationally and build upon the core strengths of Auburn faculty. There are relatively few university-based Bee or Pollinator centers in the United States, and many have a primarily outreach focus with honey bees. This Center will be the first in the southeastern United States with a mission unlike most other centers to conduct research and outreach with native bees and honey bees. A Center would leverage both Dr. Williams expertise as the inaugural Director, and the popularity of the AU-BEES outreach programs among Alabama stakeholders and the AU family. The new Center will attract advancement support and competitive funds as well as utilize investments from the Experiment Station to establish a Research Experience for Undergraduate students (SEBees program) focused on bees and pollination. A Center would have the capacity to acquire and oversee equipment and resources shared by faculty collaborating on projects through the Center.

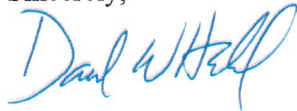
The Center's collaborations will strengthen and grow our investments and infrastructure for bee research at Auburn University. The impacts of the Center are primarily

expected in research. However, the Auburn Center would host students from the southeast region, and Auburn students would have opportunities to work in an USDA-Agricultural Research Service (ARS) laboratory with ARS scientists. This program would be a uniquely Auburn experience creating professional development and experiences for students to explore careers in research with an important federal research agency.

The *Auburn University Bee Center* vision is to leverage the diverse ecological and economic benefits of bees to provide nationally-recognized leadership in bee research and, through outreach, translate scientific discovery into inspiring future academic and community leaders. The Center's mission is to promote the conservation and welfare of bees through impactful, solutions-based research and outreach in Alabama and the southeastern states. A document submitted with this memo expands upon the rationale for the Center, demonstrates alignment with the AU Strategic Plan 2035, and outlines the primary programs and core members. The proposed Center will be funded through a variety of sources including base support from the Alabama Agricultural Experiment Station (AAES) and the Alabama Cooperative Extension System (ACES), along with extramural funding from the USDA-ARS and other agencies. Letters of support have been obtained from AAES, ACES, and USDA-ARS and are attached. Please see the additional documents provided for a detailed budget including funding sources and programs for each annual budget as well as a 5 year summary. The total commitments of support will require the approval of the Board of Trustees.

This *Auburn University Bee Center* will increase the visibility of programs operating through the Center and expand the positive public relations and visibility for Auburn University through outreach. Given this, I am seeking your recommendation to move this proposal forward for the Board of Trustees approval at the February 2025 meeting. Dr. Williams and I are available at your request to answer questions or expand upon the ideas outlined in this proposal.

Sincerely,



Dr. David Held  
Professor and Chair

CC: Dr. Geoff Williams  
Dr. Mike Phillips



## ***Our Vision***

To be a nationally recognized leader in bee research and outreach, by demonstrating scientific discovery and its translation into practice in a way that prioritizes developing and inspiring future academic and community leaders, and by appreciating and leveraging the diverse ecological, economic, and recreational benefits that bees provide.

## ***Our Mission***

To promote the conservation and welfare of bees and other insect pollinators by delivering and facilitating impactful, solution-based research and outreach by the Auburn University community and its key partners across the U.S. Southeast.

### **Importance of Bees**

- Bees and other insect pollinators are critical to the production of many U.S. agricultural crops, especially specialty crops like cucumbers, melons, blueberries, and apples.
- Insect pollination services, especially provided by bees, are valued at more than \$30 billion per year; the value of U.S. honey-production is \$350 million per year.
- Alabama has growing specialty crop and honey production industries.
- Bees face significant threats, especially from introduced pests and poor habitat.

### **Center Rationale**

- Auburn University has established itself as an emerging leader in bee health, demonstrated by work that garners national and international attention (e.g. U.S. Beekeeping Survey – [aub.ie/colonysurvey](http://aub.ie/colonysurvey), U.S. Winter Capped Honey Bee Brood Monitoring Program – [aub.ie/winterbrood](http://aub.ie/winterbrood), At Home Beekeeping Webinar – [aub.ie/beekeepingwebinar](http://aub.ie/beekeepingwebinar)).



## AUBURN UNIVERSITY BEE CENTER

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- Creation of a Center focused on bees and other insect pollinators would:
  - Streamline solution-based bee research and outreach goals at Auburn University, among Bee Center faculty housed across multiple academic units (i.e. COA, COSAM, VETMED, ACES) and with external collaborators (i.e. USDA ARS).
  - Enhancement of collaborative, coordinated nationwide multi-disciplinary projects (e.g. U.S. Beekeeping Survey, U.S. Winter Capped Honey Bee Brood Monitoring Program, At Home Beekeeping Webinar).
  - Co-supervision of Bee Center faculty's graduate and undergraduate students.
- Coordinate use and stewardship of specialized resources at Auburn University by Bee Center faculty.
  - Staff (e.g. pollinator outreach educator, beekeeping technicians).
  - Equipment (e.g. flatbed colony lift, honey extractor, growth chambers).
  - Facilities (e.g. Bee Laboratory building, North Auburn Fisheries pole barn, Mary Olive Thomas Demonstration Forest apiary).
- Elevate the profile of Auburn University's promotion of bees and beekeepers by leveraging existing university and community interests in pollinators.
  - Coordination of Auburn University's Bee Campus USA designation.
  - Improved development opportunities through enhanced community awareness and engagement.

### **Expected Outcomes Over 5 years**

- Aligned to Auburn University's Strategic Plan 2035.
  - *Goal 1 – Exceptional Student Experience*
    - Deliver pollinator-related student experiences that address Auburn's tripartite mission of instruction, research, and Extension due to recent recruitment of faculty (i.e. Assistant Research and Extension professors).
    - Outcome: Administer an undergraduate research & Extension pollinator experience program (SEBees) for >15 individuals.
    - Outcome: Contribute to pollinator-, science-, sustainability-, and Extension- based instruction in >3 colleges.

## AUBURN UNIVERSITY BEE CENTER

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- *Goal 2 – Impactful Research and Creative Scholarship*
  - Perform collaborative bee research and Extension, especially focused on stakeholder-driven needs as identified by the USDA ARS Stoneville Pollinator Health Unit's new 5-year CRIS Project and associated cooperative agreement with Auburn University.
    - Outcome: Double Bee Center faculty joint funding proposals, scientific publications, and graduate student trainings.
- *Goal 3 – Commitment to Excellence and Innovation*
  - Enhance Auburn University's specialized pollinator resources.
    - Outcome: Retain and recruit Bee Center faculty and staff by providing competitive salaries and access to top-notch current (e.g. fleet of vehicles, honey extractor, growth chambers, professional development opportunities) and expanded (e.g. Graduate Assistantship, beekeeping facility) resources.
      - Recruit 1 outreach educator and 2 technicians.
      - Double square footage of new construction, or newly renovated, pollinator-related facilities.
- *Goal 4 – Catalytic Engagement*
  - Provide impactful solutions to important pollinator-related challenges, especially locally.
    - Outcome: Administer Auburn University's Bee Campus USA designation.
    - Outcome: Facilitate discussions between Bee Center faculty and key stakeholders annually through an Alabama Bee Leadership meeting.
- *Goal 5 – Distinctively Auburn*
  - Actively engage the Auburn University community and pollinator stakeholders through improved branding and expanded visibility of Auburn University's pollinator programs.
    - Outcome: +25% income generation through the increased organization of educational events and community fundraisers.
    - Outcome: Doubling of development funds, especially earmarked for the construction or renovation of pollinator-related facilities.

# AUBURN UNIVERSITY BEE CENTER



## Primary Programs

### *Bee health research*

- Perform research collaborations with the USDA ARS, focused on stakeholder-driven pollinator needs as identified by the USDA ARS Stoneville Pollinator Health Unit's 5-year CRIS Project and associated cooperative agreement with Auburn University.
- Coordinate shared research resources, such as personnel (e.g. technicians), equipment (e.g. vehicles, growth chambers, honey extractors), and facilities (e.g. Bee Lab Building, North Auburn Fisheries Pole Barn, Mary Olive Thomas Demonstration Forest Bee Yard).

### *Beekeeping and habitat management outreach*

- Deliver community-driven bee education and awareness (e.g. pollinator education for secondary school students, community honey fundraisers).
- Coordinate and be a trusted resource for campus-wide pollinator education and sustainability efforts (e.g. Auburn University's Bee Campus USA designation).

### *Undergraduate research & Extension pollinator experiences*

- Administer the SEBees Program to provide undergraduates with high-impact training and experiences in:
  - bee research at a land-grant university (i.e. Auburn University) or a federal research facility (i.e. USDA ARS Stoneville Pollinator Health Unit).
  - beekeeping extension at a state-wide Extension system (i.e. Alabama Extension).

## Members

### *Core faculty*

- Dr. Anthony Abbate, Assistant Research Professor, ENPP.
  - Newly recruited; 100% research; native bee ecology.
- Dr. Selina Bruckner, Assistant Extension Professor, ACES & ENPP.
  - Newly recruited; 75% extension | 25% research; honey bee management.



## AUBURN UNIVERSITY BEE CENTER

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- Dr. Geoff Williams, Associate Professor, ENPP (Proposed Director).
  - 70% research | 30% instruction; honey bee ecology and management.

### *Key support faculty & staff*

- Dr. Josh Campbell, Affiliate Faculty, ENPP & Research Ecologist, USDA-ARS.
- Ms. Kristen De La Fuente, Manager of Laboratory Research, ENPP.
- Dr. Laura Huber, Assistant Professor, VETMED.
- Dr. Pierre Lau, Affiliate Faculty, ENPP & Research Ecologist, USDA-ARS.
- Dr. Stephanie Rogers, Assistant Professor, COSAM.
- Mr. Jack Rowe, Regional Extension Agent, ACES (Auburn).
- Ms. Allyson Shabel, Urban Regional Extension Agent, ACES (Alabama A&M).
- TBD, Manager of Outreach Programs, ENPP.

### *Proposed administrative board*

- Dr. Arthur Appel, Interim Dean, COA (Board Chair).
- Dr. Skip Bartol, Associate Dean of Research and Graduate Studies, VETMED.
- Dr. Eve Brantley, Associate Director, ACES (Auburn).
- Dr. David Held, Chair, ENPP.
- Dr. Mark Liles, Associate Dean of Research and Graduate Studies, COSAM.
- Dr. Arathi Seshadri, Research Leader, USDA ARS Stoneville Pollinator Health Unit.

## **Budget Narrative**

### *5-yr budget & commitments*

- 5-year budget of ~\$2.95 million (Table 1), supported by:
  - Alabama Agricultural Experiment Station (AAES) (~27% annual contribution).
  - Alabama Cooperative Extension System (ACES) (~20%).
  - USDA ARS (USDA) (~40%).
  - Other extramural sources of support are anticipated from federal, state, and commodity group grants, from development opportunities, and from income generated by the Bee Center (e.g. Outreach programming, honey fundraisers).



## AUBURN UNIVERSITY BEE CENTER

- Letters of support from AAES, ACES, and the USDA provided in a supplementary document (Supplementary Document 1).

Table 1. Summary of sources of support for the Auburn University Bee Center during its initial 5-year cycle.

| Description | AAES    | ACES    | Extramural<br>(USDA) | Extramural<br>(Other) | Totals    |
|-------------|---------|---------|----------------------|-----------------------|-----------|
| Funds (\$)  | 781,589 | 600,091 | 1,172,525            | 394,701               | 2,948,906 |
| Proportion  | 0.27    | 0.20    | 0.40                 | 0.13                  | 1.00      |

### *5-yr budget breakdown*

- Salaries and associated fringe rates of core faculty and undergraduate students (Table 2).
  - Director: 15% salary supplement and 3-months summer costs annually.
  - Assistant Research and Extension professors: 100% costs annually.
  - Managers of research and outreach programs: 100% costs annually.
  - Graduate Assistantship: 100% costs annually.
  - Undergraduate research & extension pollinator experiences: 100% summer salary for 4 individuals enrolled in the SEBees Program.
  - Expected merit increases and promotions for the core faculty included.
- Other expenses:
  - Re-location expenses: Summer housing, when needed, for undergraduates enrolled in SEBees Program.
  - Maintenance expenses (Other): Costs to maintain key shared resources like equipment (e.g. vehicles, growth chambers, honey extractors) and facilities (e.g. Bee Lab Building, North Auburn Fisheries Pole Barn, Mary Olive Thomas Demonstration Forest Bee Yard).

## AUBURN UNIVERSITY BEE CENTER



Table 2. Annual budget breakdown by major expenses for the Auburn University Bee Center during its initial 5-year cycle.

| Description        | Year 1         | Year 2         | Year 3         | Year 4         | Year 5         | Totals (\$)      |
|--------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Salaries           | 424,820        | 436,725        | 458,241        | 471,149        | 484,443        | 2,275,378        |
| Fringe             | 107,562        | 117,304        | 123,479        | 127,184        | 130,999        | 606,528          |
| Other              | 13,100         | 13,100         | 14,600         | 13,100         | 13,100         | 67,000           |
| <b>Totals (\$)</b> | <b>545,482</b> | <b>567,129</b> | <b>596,321</b> | <b>611,432</b> | <b>628,542</b> | <b>2,948,906</b> |

Note: Detailed annual budgets are available upon request.



# AUBURN UNIVERSITY

College of Agriculture

*Office of the Dean*

December 11, 2024

Dr. Geoff Williams, Associate Professor  
Entomology and Plant Pathology

RE: Bee Center Commitment

Dear Dr. Williams:

We have reviewed your request to establish a new Bee Center at Auburn University. Given the success of the AU-BEES program, the Alabama Agricultural Experiment Station (AAES) is committed to the establishment of the Auburn University Bee Center under your direction. To affirm that commitment, the AAES will provide funding to the center the first 5 years of operations to coincide with FY 2025 through FY 2029.

In year one of operations, the AAES will provide \$150,000. These funds will be used to pay a 15% supplement of your base salary and one month's summer salary. It will also fund a portion of the salary for a lab research manager and an outreach program manager. The remaining funds will be used to support an experiential undergraduate program.

In subsequent years, the AAES will continue to provide \$150,000 but will provide an additional amount to cover increases in your supplement and summer salary due to pay raises and / or promotions that increase your base salary. During the 4<sup>th</sup> year of center operations, we will discuss funding of the center after the 5<sup>th</sup> year.

The AAES is pleased to offer this base level support. We look forward to seeing how your program and funding grows. Should the center face transitory budget shortfalls, the AAES is prepared to assist with these transitions.

We fully support the establishment of the Auburn University Bee Center and are excited about the opportunities and potential for growth.

Sincerely,

Paul M. Patterson, Ph.D.  
Dean, College of Agriculture  
Director, AAES

cc: Misty Glazier  
Art Appel  
David Held



J. Mike Phillips, Ph.D.  
Extension Director  
145-D Duncan Hall  
322 Mell Street  
Auburn University, AL 36849

December 2, 2024

Dr. Geoff Williams, Associate Professor  
Entomology and Plant Pathology  
301 Funchess Hall  
Auburn University, AL 36849

RE: Bee Center Commitment

Dear Dr. Williams:

I am writing to express my enthusiastic support for establishing a new AU Bee Center, a project that promises to significantly advance our understanding and support of bee populations, which are crucial to our ecosystem and agriculture.

The Alabama Cooperative Extension is committed to providing financial support totaling \$600,091 over the next five years to ensure the successful launch and operation of the AU Bee Center. Our funding commitment will begin with an allocation of \$107,896 in the first year, with subsequent annual increases to account for merit-based adjustments and inflationary considerations.

This funding will be allocated as follows:

- **\$471,185 for salary**
- **\$128,905 for fringe benefits**

This investment reflects our belief in the critical importance of the AU Bee Center's mission to promote bee health, enhance pollination services, and support sustainable agricultural practices. We are confident that this center will become a hub for innovative research, education, and outreach, benefiting both the local community and the broader agricultural sector.

We look forward to collaborating closely with the AU Bee Center team, AAES, and USDA ARS to achieve these goals. Please feel free to contact me if you require further information or have any questions regarding our support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Mike Phillips'.

J. Mike Phillips

Director, Alabama Cooperative Extension System



United States Department of Agriculture

Research, Education, and Economics  
Agricultural Research Service

November 26, 2024

Dr. Geoffrey Williams  
Entomology and Plant Pathology  
Auburn University

RE: Auburn University Bee Center

Dear Dr. Williams,

Myself and the rest of the USDA ARS Southeast Area (SEA) leadership are excited about the creation of a new Bee Center at Auburn University. Our SEA scientists have successfully worked alongside Auburn University faculty for many years, and your collaboration with our Pollinator Health in Southern Crop Ecosystems Research Unit is no exception.

Since 2019, we have developed a Non-Assistance Cooperative Agreement between our Pollinator Health unit and your laboratory. More recently, you have been written into the Pollinator Health unit's 5-year CRIS Project Plan. This will ensure we work together to the mutual benefit of our regional stakeholders. To date, our joint efforts have resulted in multiple valuable publications, presentations, and other outputs.

Given that the new Bee Center will prioritize addressing our collaborative research efforts, we are fully supportive of you incorporating a portion of the funds you annually receive from our Agreement to support the Bee Center's efforts to execute our collaborative work outlined in our current CRIS Project Plan.

We fully support the creation of a Bee Center at Auburn University, especially since it leverages the support of the Alabama Agricultural Experiment Station and Alabama Extension.

We look forward to our collaboration.

Sincerely,

A handwritten signature in black ink, appearing to read "Prasanna Gowda", is located below the "Sincerely," text. The signature is written in a cursive, flowing style.

Dr. Prasanna Gowda  
SEA Associate Area Director

Southeast Area Office  
Jamie Whitten Delta States Research Center  
141 Experiment Station Road, P. O. Box 225  
Stoneville, MS 38776-0225  
USDA is an Equal Opportunity Provider and Employer



## ACADEMIC AFFAIRS COMMITTEE

### RESOLUTION

#### PROPOSED CLOSURE OF PHYSICAL EDUCATION/TEACHER EDUCATION PROGRAMS

WHEREAS, the College of Education established the Bachelor of Science in Physical Education/Teacher Education, the Master of Science (Alternative Certification) Physical Education/Teacher Education, and the Master of Science (Certification) Physical Education/Teacher Education to train students and graduates to become physical education teachers in K-12 schools; and

WHEREAS, in spring 2024, faculty in the School of Kinesiology elected to close these programs due to their inability to meet post-implementation conditions, specifically student enrollment; and

WHEREAS, faculty in the School of Kinesiology have developed appropriate teach-out plans to support all currently enrolled students in completing their studies; and

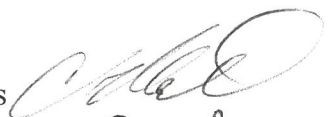
WHEREAS, the proposal to close these academic programs, effective immediately, has been approved by the Dean of the College of Education, the University Curriculum Committee, the Graduate Council, the Provost, and the President.


NOW, THEREFORE, BE IT RESOLVED by Auburn University's Board of Trustees that the proposed closure of the Bachelor of Science in Physical Education/Teacher Education, the Master of Science (Alternative Certification) Physical Education/Teacher Education, and the Master of Science (Certification) Physical Education/Teacher Education be approved and reported to the Alabama Commission on Higher Education for review and approval and that the closure be submitted to the Southern Association of Colleges and Schools Commission on Colleges as a proposed substantive change requiring the approval of that body.



AUBURN UNIVERSITY

OFFICE OF THE PROVOST

MEMORANDUM TO: Christopher B. Roberts   
President

FROM: Vini Nathan   
Provost and Senior Vice President for Academic Affairs

SUBJECT: Agenda Item for the Board of Trustees – Proposed Closure of  
Physical Education/Teacher Education Programs

DATE: January 6, 2025

I request that the following item be added to the Board of Trustees' agenda for the February 7, 2025, meeting.

**Proposal:** Following a careful review, faculty in the School of Kinesiology recommend the closure of the Bachelor of Science in Physical Education/Teacher Education, the Master of Science (Alternative Certification) Physical Education/Teacher Education, and the Master of Science (Certification) Physical Education/Teacher Education, effective immediately.

**Review and Consultation:** The undergraduate and graduate programs in Physical Education/Teacher Education were established to train students and graduates to become physical education teachers in K-12 schools. However, due to consistently low enrollment across all programs, they are no longer viable options for students. After an extensive program review, the unit has developed a teach-out plan to support all currently enrolled students in completing their studies. The final cohort of Pre-Physical Education Teacher Education students, consisting of seven students, began in Fall 2024. Delaying the program deletion would result in accommodating cohorts of only 1-2 undergraduate students, which does not meet enrollment requirements and fails to provide the desired educational experience. At the graduate level, the combined Alternative and Traditional programs in Physical Education Teacher Education have averaged only four students per year, which does not meet the college's low enrollment requirements.

**Recommendation:** I recommend that the Board of Trustees approve the proposal to close the Bachelor of Science in Physical Education/Teacher Education, the Master of Science (Alternative Certification) Physical Education/Teacher Education, and the Master of Science (Certification) Physical Education/Teacher Education immediately. Following Board approval, I recommend this action be submitted to the Alabama Commission on Higher Education for review and approval and submitted to the Southern Association of Colleges and Schools Commission on Colleges as a proposed substantive change requiring that body's approval.



AUBURN UNIVERSITY

OFFICE OF THE PROVOST

MEMORANDUM TO: Christopher B. Roberts  
President

FROM: Vini Nathan  
Provost and Senior Vice President for Academic Affairs

SUBJECT: Information Items for the Board of Trustees

DATE: January 6, 2025

I request that the following information items be added to the Board of Trustees' agenda for the February 7, 2025, meeting.

The following academic items have been approved for implementation by the Provost's Office. While they do not require formal approval by the Board of Trustees, they have received the support of the appropriate colleges, the University Curriculum Committee, the Graduate Council, and the Provost's Office. Following the Board of Trustees meeting, they will be forwarded to the Alabama Commission on Higher Education for appropriate notifications.

**New Certificates (3)**

1. ***Graduate Certificate in Healthcare Systems Engineering (9 hours) and Undergraduate Certificate in Healthcare Systems Engineering (12 hours), Department of Industrial and Systems Engineering, Samuel Ginn College of Engineering***

The Samuel Ginn College of Engineering has established a new Graduate Certificate in Healthcare Systems Engineering to help address the increasing demand for Industrial and Systems Engineers in the healthcare sector. It is anticipated that, within the next decade, every hospital in the US will employ an Industrial Engineer to focus on process improvement, demonstrating the critical role Industrial and Systems Engineers will play in enhancing healthcare operations. The nine-hour Graduate Certificate and a 12-hour Undergraduate Certificate will allow the college to offer programs that provide students with the necessary skills and knowledge to excel in healthcare systems engineering, thereby meeting the industry's growing demand and supporting students' professional aspirations.

2. ***Graduate Certificate in Electronics Parts, Manufacturing, and Packaging Engineering (12 hours), Department of Mechanical Engineering, Samuel Ginn College of Engineering***

The proposed Graduate Certificate in Electronics Parts, Manufacturing, and Packaging Engineering is designed to support the next generation of engineers in the design of electronics systems for harsh environment applications, including military and civilian aerospace, automotive, and marine sectors, all of which face a shortage of qualified engineers within both government and industry. These programs are not offered by other institutions in Alabama or Georgia.

**Graduate Certificate in Healthcare Systems Engineering**  
**Department of Industrial & Systems Engineering**  
**Curriculum Guide**

**Program Requirements**

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| Code             | Title                                   | Hours |
|------------------|---|-------|
| <u>INSY 6650</u> | Healthcare Systems, Culture, and Policy | 3     |
| <u>INSY 6660</u> | Healthcare Operations                   | 3     |
| <u>INSY 6670</u> | Human Factors in Healthcare             | 3     |
| Total Hours      |   | 9     |

Courses will be offered both fully online and fully on-campus.

**Undergraduate Certificate in Healthcare Systems Engineering**  
**Department of Industrial & Systems Engineering**  
**Curriculum Guide**

**Program Requirements**

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| Code                | Title  | Hours |
|---------------------|--|-------|
| <u>INSY 5650</u>    | Healthcare Systems, Culture, and Policy      | 3     |
| <u>INSY 5660</u>    | Healthcare Operations                        | 3     |
| <u>INSY 5670</u>    | Human Factors in Healthcare                  | 3     |
| <u>INSY 5250</u>    | Project Management                           | 3     |
| or <u>INSY 5330</u> | Six Sigma                                    |       |
| or <u>INSY 5500</u> | Modern Tools for Data Analytics and Modeling |       |
| or <u>INSY 5550</u> | Decision Support Systems for Operations      |       |
| or <u>INSY 5800</u> | Lean Systems                                 |       |
| Total Hours         |  | 12    |

Courses will be offered both fully on-campus.



**Graduate Certificate in Electronics Parts, Manufacturing, and Packaging Engineering**  
**Department of Mechanical Engineering**  
**Curriculum Guide**

The *Graduate Certificate Program in Electronics Parts, Manufacturing, and Packaging Engineering* (GCRT-EPMPE) entails a total of 12 graduate credit hours. All the courses in the certificate program are taken for a grade. The Samuel Ginn College of Engineering offers this program, with the lead departments being Industrial and Systems Engineering and Mechanical Engineering. To earn the certificate credential, each student will take two core courses and two elective courses. The required core courses are:

- INSY 6850 ELECTRONICS MANUFACTURING SYSTEMS
- MECH 6310 MECHANICS OF ELECTRONIC PACKAGING

Electives will be selected based upon consultation with the student's academic advisor and may be any course deemed appropriate by the advisor. Sample elective courses include:

- ELEC 6200 COMPUTER ARCHITECTURE AND DESIGN
- ELEC 6260 EMBEDDED COMPUTING SYSTEMS
- ELEC 6730 MICROELECTRONIC FABRICATION
- MECH 7300 FRACTURE MECHANICS
- ELEC 7750 LOW TEMPERATURE ELECTRONICS
- INSY 7740 PRODUCT LAUNCH, MANUFACTURING, AND DELIVERY
- INSY 7380 RELIABILITY ENGINEERING
- INSY 7730 PRODUCT DESIGN, DEVELOPMENT, AND TEST
- MECH 6210 ELECTRONICS THERMAL MANAGEMENT
- MECH 6610 MECHANICAL VIBRATION
- MECH 7220 CONVECTION HEAT TRANSFER
- MECH 7240 NUMERICAL METHODS IN HEAT TRANSFER
- MECH 7630 MECHANICAL IMPACT

Courses will be offered both fully online and fully on-campus.



**FINANCE COMMITTEE AGENDA  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

1. Bond Resolution (Kelli Shomaker)
2. Auburn University Student Well-Being Fee for 2025-2026 Academic Year  
(Kelli Shomaker)

Committee Chairperson: Mr. Wayne Smith

Faculty Representatives: Dr. Elizabeth Davis-Sramek, Auburn Univ. (ex-officio, non-voting)

Dr. Tewhan Hahn, AUM (ex-officio, non-voting)

*Please Note: All trustees serve on all committees, with the exception of the Executive Committee.*

**RESOLUTION AUTHORIZING THE ISSUANCE  
OF REVENUE BONDS OF AUBURN UNIVERSITY TO FINANCE CAPITAL  
IMPROVEMENTS OF THE UNIVERSITY**

**BE IT RESOLVED** by the Board of Trustees (herein called the “Board”) of **AUBURN UNIVERSITY** (herein called the “University”) as follows:

**Section 1. Findings.** The Board has determined and hereby finds and declares that the following facts are true and correct:

(a) it is necessary, advisable, in the interest of the University and the public that the University design, acquire, construct, install, furnish, and equip various public capital improvements, equipment and assets on the campus of the University including, without limitation, those more particularly described in Section 3(g) below and defined as the “Improvements”;

(b) it is necessary, desirable, and in the interest of the University to authorize the issuance of the Bonds hereinafter described to pay the costs of the Improvements and the costs of issuing the Bonds; and

(c) the Board has determined to authorize the sale of the Bonds following approval of this resolution, subject to satisfaction of certain parameters set forth in Section 11 hereof, to enable the University to sell the Bonds at such time as the University determines will achieve the lowest cost of finance for the University.

**Section 2. Authorization of the Bonds.** (a) For the purpose of financing the cost of the Improvements, the Board does hereby authorize the issuance by the University of its up to \$150,000,000 aggregate initial principal amount of revenue bonds hereinafter defined as the “Bonds”. The said bonds shall be issued under the terms, conditions, and provisions set out in the General Fee Revenue Trust Indenture dated as of June 1, 1985 between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (herein called the “Trustee”), as heretofore supplemented and amended (herein called the “Base Indenture”), and as shall be further supplemented and amended by the Supplemental General Fee Indenture hereinafter defined and authorized in Section 6 of this resolution (the said Supplemental General Fee Indenture, together with the Base Indenture, herein referred to collectively from time to time as the “Indenture”).

(b) The bonds herein authorized (herein called the “Bonds”) may be issued in one or more series or sub-series as shall be determined by the Senior Vice President for Business and Finance/CFO of the University as being in the best interest of the University including, without limitation (i) to distinguish between Bonds the interest on which is excludable from gross income for purposes of federal income taxation, and Bonds the interest on which is not excludable from gross income for purposes of federal income taxation, and (ii) Bonds issued in one or more subseries to distinguish among different types of capital improvements financed thereby.

(c) All the provisions of the Indenture, as applicable to the Bonds, are hereby adopted as a part of this resolution as if set out herein.

**Section 3. The Bonds to be Issued under the Indenture as Additional Parity Bonds; Special Findings.** The 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:

(a) the University is not now in default under the Indenture and no such default is imminent;

(b) the Bonds issued under the authority of this resolution shall be designated “General Fee Revenue Bonds, Series 2025”; provided further (i) the University may include a letter designation (e.g., “A”) after “Series 2025” to distinguish between Bonds for which interest thereon shall be excludable from federal income taxation (e.g., “Series 2025-A”), and for which interest thereon shall not be excludable from federal income taxation (e.g., “Series 2025-B”), or to distinguish the Bonds issued under this resolution from any 2025 Refinancing Bonds (hereinafter defined) issued under the Refinancing Resolution (hereinafter defined), and (ii) there may be included an additional numerical designation (e.g. “1”) to identify Bonds issued within one or more subseries (e.g., “Series 2025-A1” and “Series 2025-A2”);

(c) the persons to whom the Bonds are to be sold and delivered are set forth in Section 7 and Section 9, respectively, hereof;

(d) all of the Bonds are to be issued by sale in accordance with Section 7 hereof;

(e) the sale price of the Bonds is and shall be calculated as set forth in Section 7 hereof;

(f) the only Additional Parity Bonds that have previously been issued by the University under Article VIII of the Base Indenture and that are currently outstanding are:

(i) General Fee Revenue Refunding Bonds, Series 2014-A, issued under the Seventeenth Supplemental General Fee Revenue Indenture dated as of July 1, 2014;

(ii) General Fee Revenue Refunding Bonds, Series 2015-A, issued under the Eighteenth Supplemental General Fee Revenue Indenture dated as of March 1, 2015;

(iii) General Fee Revenue Refunding Bonds, Series 2015-B, issued under the Nineteenth Supplemental

General Fee Revenue Indenture dated as of September 1, 2015;

(iv) General Fee Revenue Refunding Bonds, Series 2016-A, issued under the Twentieth Supplemental General Fee Revenue Indenture dated as of August 1, 2016;

(v) General Fee Revenue Refunding Bonds, Series 2018-A, issued under the Twenty-First Supplemental General Fee Revenue Indenture dated as of June 1, 2018;

(vi) General Fee Revenue Refunding Bonds, Series 2020-A and Taxable General Fee Revenue Refunding Bonds, Series 2020-B, issued under the Twenty-Second Supplemental General Fee Revenue Indenture, dated as of March 1, 2020;

(vii) Taxable General Fee Revenue Bonds, Series 2020-C, issued under the Twenty-Third Supplemental General Fee Revenue Indenture, dated as of July 1, 2020;

(viii) General Fee Revenue Bond, Series 2021-A, issued under the Twenty-Fourth Supplemental General Fee Revenue Indenture, dated May 5, 2021; and

(ix) General Fee Revenue Refunding Bond, Series 2024-A, issued under the Twenty-Sixth Supplemental General Fee Revenue Indenture, dated March 1, 2024.

(g) the Capital Improvements (as such term is defined in the Indenture) to be financed with proceeds of the Bonds shall include design, renovations, and improvements to Comer Hall and other facilities of the University, and design, construction, and development of a new facility for the College of Human Sciences and other new facilities of the University, together with any and all infrastructure improvements, equipment, furnishings and other real and personal property and facilities necessary or desirable in connection with any of the foregoing, all located or to be located on the campus of the University (herein collectively called the “Improvements”).

The Trustee is hereby requested to authenticate and deliver the Bonds to the purchasers specified and as further provided in Section 7 and Section 9 hereof.

**Section 4. Source of Payment of the Bonds.** (a) The principal of and the interest on the Bonds shall be payable from (i) the gross revenues from those general tuition fees levied against students at the Auburn, Alabama campus and the Montgomery, Alabama campus of the University that are more particularly described and referred to as “General Fees” in the Indenture; (ii) the gross revenues derived by the University from the operation



of its housing and dining facilities located on the Auburn campus and on the Montgomery campus that are more particularly described and referred to as “Housing and Dining Revenues” in the Indenture; (iii) the gross revenues derived by the University from the operation of its athletics programs that are more particularly described and referred to as “Athletic Fee Revenues” in the Indenture; and (iv) the several student fees levied against students at the Auburn campus and the Montgomery campus that are more particularly described and referred to as the “Pledged Student Fees” in the Indenture. The said General Fees, the said Housing and Dining Revenues, the said Athletic Fee Revenues, and the said Pledged Student Fees are collectively referred to herein and in the Indenture as the “Pledged Revenues.”

(b) Nothing contained in this resolution, in the Bonds, in the Base Indenture, or in the Supplemental General Fee Indenture herein authorized shall be deemed to impose any obligations on the University to pay the principal of or the interest on the Bonds except from the Pledged Revenues. Neither the Bonds, nor the pledge or any agreement contained in the Base Indenture, in the said Supplemental General Fee Indenture or in this resolution shall be or constitute an obligation of any nature whatsoever of the State of Alabama, and neither the Bonds nor any obligation arising from the aforesaid pledge or agreements shall be payable out of any moneys appropriated to the University by the State of Alabama. The agreements, covenants, and representations contained in this resolution, in the Bonds, in the Base Indenture, and in the said Supplemental General Fee 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. 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.

**Section 5. Bonds Payable at Par.** All remittances of principal of and interest on the Bonds to the holders thereof shall be made at par without any deduction for exchange or other costs, fees or expenses. The bank or banks at which the Bonds shall at any time be payable shall be considered by acceptance of their duties hereunder to have agreed that they will make or cause to be made remittances of principal of and interest on the 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 or banks all reasonable charges made and expenses incurred by them in making such remittances in bankable funds at par.

**Section 6. Authorization of Supplemental General Fee Indenture.** (a) The Board does hereby approve, and does hereby authorize and direct the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, a Twenty-Seventh Supplemental General Fee Revenue Indenture in substantially the form presented to the meeting at which this resolution is adopted and to be 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), with such changes, deletions, and additions as may be approved by the President or the Senior Vice President for Business and Finance/CFO of the University, as

the case may be, consistent with the terms of this resolution (herein called the “Supplemental General Fee Indenture”), and does hereby authorize and direct the Secretary of the Board to affix to the Supplemental General Fee Indenture the official seal of the University and to attest the same.

(b) In order to manage the University's opportunities to refinance its outstanding General Fee Revenue Bonds and thereby reduce the University's overall debt service obligations as and when possible, the Board heretofore adopted a resolution on September 6, 2024, under which it authorized the issuance of additional parity bonds under Article VIII of the Base Indenture to refinance, pay the tender price of, and undertake other forms of restructuring of certain outstanding bonds of the University (herein called the “Refinancing Resolution”), and at the time of issuance of the Bonds the University intends to issue additional parity bonds in accordance with the Refinancing Resolution (such bonds herein called the “2025 Refinancing Bonds”). The President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, may determine and are hereby authorized to elect to cause all Indenture-related terms and provisions for the 2025 Refinancing Bonds to be memorialized and set forth within the Supplemental General Fee Indenture.

**Section 7. Sale of the Bonds.** Subject to the conditions, approvals and adjustments contained or described in Section 11 of this resolution, the Bonds shall be sold to Jefferies LLC, Wells Fargo Bank, National Association, The Frazer Lanier Company Incorporated, Truist Securities, Inc., and RBC Capital Markets, LLC (herein collectively called the “Underwriters”). The Bonds shall be sold to the Underwriters at and for a purchase price at least equal to 100% of the principal amount thereof, plus any original issue premium and less any original issue discount, and less an underwriting discount, as may be approved under Section 11 hereof (plus accrued interest, if any, on such Bonds, from their date to their date of delivery). Any Bonds sold to the Underwriters shall be sold pursuant to the terms of a Bond Purchase Contract (herein called the “Bond Purchase Contract”) to be entered into between the Underwriters and the University in form and substance acceptable to the President and the Senior Vice President for Business and Finance/CFO of the University. The Board does hereby authorize and direct the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, to execute and deliver to the Underwriters the Bond Purchase Contract, for and on behalf of the University, and the execution of any such Bond Purchase Contract by either of them shall conclusively evidence the approval of the form and substance of such Bond Purchase Contract by both the President and the Senior Vice President for Business and Finance/CFO of the University

**Section 8. Authorization of Preliminary Official Statement; Authorization of Official Statement; Authorization of Continuing Disclosure Agreement.** (a) The Board does hereby authorize and direct the Underwriters to distribute, for and in the name and on behalf of the University, a Preliminary Official Statement with respect to the Bonds in the form set forth on Exhibit II hereto and with such changes as shall be acceptable to and approved by the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, acting by and on behalf of the University (herein called the “Preliminary Official Statement”). The Board does hereby authorize and direct the

President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, to cause the 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 (herein called the “Rule”).

(b) The Board does hereby authorize and direct the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, to execute, for and in the name and behalf of the University, an Official Statement with respect to the Bonds dated the date of sale of the Bonds, in the form of the Preliminary Official Statement with such changes as shall be necessary to reflect the results of the sale of the Bonds to the Underwriters under the Bond Purchase Contract and such other changes as shall be approved by the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them (herein called the “Official Statement”). The President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, are herein authorized to execute the Official Statement by and on behalf of the University.

(c) The Board does hereby authorize and direct the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, to execute, for and in the name and behalf of the University, a Continuing Disclosure Agreement for the benefit of the beneficial owners of the Bonds, in substantially the form presented to the meeting at which this resolution is adopted (which form is shown as Appendix E in the Preliminary Official Statement and which form is hereby adopted in all respects as if set out in full in this resolution), with such changes, deletions, and additions as may be approved by the President or the Senior Vice President for Business and Finance/CFO, as the case may be. The said Continuing Disclosure Agreement is to be entered into contemporaneously with the issuance of the Bonds in order to assist the Underwriters of the 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.

(d) The President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, may determine and are hereby authorized to elect to cause (i) the Preliminary Official Statement and the Official Statement to include the 2025 Refinancing Bonds, and (ii) the Continuing Disclosure Agreement to include terms required under the Rule respecting the 2025 Refinancing Bonds.

**Section 9. Execution and Delivery of the Bonds.** The Board does hereby authorize and direct the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them, to execute the Bonds for and in the name and behalf of the University by causing his or her signature, as the case may be, to be imprinted thereon, and does hereby authorize and direct the Secretary of the Board to cause the official seal of the University to be imprinted on the Bonds and to attest the same by causing his signature to be imprinted thereon, all in the manner provided in the Indenture, and the President and the Senior Vice President for Business and Finance/CFO of the University, or either of them are hereby further authorized and directed to deliver the Bonds, subsequent to their execution as provided herein, to the Trustee, and to direct the

Trustee to authenticate the Bonds and to deliver them to or as directed by the Underwriters in exchange for the payment to the University of the purchase price thereof.

**Section 10. Application of Proceeds.** The entire proceeds derived by the University from the sale of the Bonds shall be paid to the Trustee under the Indenture. The Trustee is thereupon authorized and directed to apply and disburse such moneys for payment of the costs of the Improvements and for payment of the costs of issuing the Bonds, all as may be further specified and set forth in the Supplemental General Fee Indenture.

**Section 11. Authorization to Approve Certain Matters.** The Board has determined that in view of the favorable interest rates currently available in the market for bonds such as the Bonds, it is in the best interest of the University to authorize the issuance of the Bonds at this meeting. The Board acknowledges, however, that as of the date of this meeting, the Bonds have not yet been sold and the documents approved by the Board in this resolution have not yet been finalized. Therefore, in order to permit the Bonds to be issued, sold and delivered promptly and efficiently without the need for a subsequent meeting of the Board, and to permit the University to achieve the benefit of the favorable interest rates currently prevailing in the market and otherwise obtainable by enabling the University, acting by and upon the advice of PFM Financial Advisors LLC, financial advisor to the University, to sell the Bonds on a date that is most advantageous to the University, the Board does hereby jointly authorize the Chair of the Finance Committee and the Senior Vice President for Business and Finance/CFO of the University:

(a) to approve the issuance of the Bonds pursuant to the authorization in this resolution so long as the Bonds are issued not later than December 31, 2025;

(b) to approve the final principal amount of the Bonds to be issued, and the designation of the Bonds as tax-exempt or taxable (or a combination thereof); provided, the aggregate principal amount of the Bonds issued under this resolution shall not exceed the principal amount authorized in Section 2 above;

(c) to approve the sale or pricing details of the Bonds, including the purchase price of the Bonds, the interest rates to be borne by the Bonds, the principal maturities thereof, the redemption and prepayment provisions thereof (if any), and any original issue discount or premium with respect to the Bonds; provided, the true interest cost of the Bonds shall not exceed 5.50%, the final maturity date of the Bonds shall be a date which is not later than June 1, 2055, and the weighted average maturity of the Bonds shall be not longer than 25 years;

(d) to approve the underwriting discount to be paid to the Underwriters for the Bonds, such compensation not to exceed 0.25% of the aggregate principal amount of the Bonds;



- (e) to approve the expenses of issuing the Bonds; and
- (f) to take such other steps and to execute and approve such other documents as may be necessary or appropriate to cause the Bonds to be issued, sold and delivered consistent with the provisions of this resolution and the Indenture.

The final approval by the Chair of the Finance Committee and the Senior Vice President for Business and Finance/CFO of the University, or either of them, of the items listed above, and any other approvals required by them under this resolution, shall be conclusively evidenced by a certificate signed and delivered at the time of issuance of the Bonds.

**Section 12. Reimbursement of Prior Expenditures.** The Board hereby expresses its official intent within the meaning of United States Treasury Regulation Section 1.150-2 to expend funds of the University from the University General Funds (the main operating fund of the University) to pay the costs of the Improvements and to reimburse the University for the costs of the same from the proceeds of the Bonds once issued. The Board does hereby authorize the Senior Vice President for Business and Finance/CFO of the University, in consultation with bond counsel to the University, to determine those costs of the Improvements incurred prior to the date of this resolution that are eligible to be reimbursed to the University from proceeds of the Bonds, and to determine what portion of the proceeds of the Bonds shall be applied to reimburse such costs.

**Section 13. Resolution Constitutes Contract.** The provisions of this resolution shall constitute a contract between the University and each holder of the Bonds.

**Section 14. Severability.** The various provisions of this resolution are hereby declared to be severable. If any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

**Section 15. Designation of Bond Counsel to the University.** The Board hereby approves and confirms the retention of Bradley Arant Boult Cummings LLP as bond counsel to the University respecting the Bonds.

**Section 16. General Authorization.** The President, the Senior Vice President for Business and Finance/CFO of the University, the Secretary of the Board and the Chair of the Finance Committee, or any of them, are hereby authorized to execute such further certifications or other documents and to take such other action as any of them may deem appropriate or necessary, by and on behalf of the University, for the consummation of the transactions and matters covered by this resolution or in any of the instruments, documents or agreements herein authorized.

**Exhibit I**  
**Form of Supplemental General Fee Indenture**

**Exhibit II**  
**Form of Preliminary Official Statement**

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TWENTY-SEVENTH SUPPLEMENTAL GENERAL FEE INDENTURE

between

AUBURN UNIVERSITY

and

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

Dated \_\_\_\_\_, 2025

Relating to

Auburn University

\$ \_\_\_\_\_

General Fee Revenue Bonds, Series 2025-A

and

\$ \_\_\_\_\_

General Fee Revenue Bonds, Series 2025-B

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TWENTY-SEVENTH SUPPLEMENTAL GENERAL FEE INDENTURE (this "Twenty-Seventh Supplemental Indenture") between AUBURN UNIVERSITY, a public corporation and instrumentality of the State of Alabama (herein called the "University"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, in its capacity as successor trustee to Compass Bank and JPMorgan Chase Bank, as trustee under that certain General Fee Revenue Trust Indenture of the University dated as of June 1, 1985, as heretofore amended and supplemented (the said bank in said capacity being herein called the "Trustee"):

### **RECITALS:**

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

(a) The University has heretofore executed and delivered to the Trustee a General Fee Revenue Trust Indenture dated as of June 1, 1985 (the "Original General Fee Indenture"), as heretofore amended and supplemented (the Original General Fee Indenture, as heretofore supplemented and amended, and as further supplemented hereby, being herein called the "Indenture"). Under and pursuant to the Indenture, the University has heretofore issued its:

(i) General Fee Revenue Bonds, Series 1985, dated June 1, 1985 (herein called the "Series 1985 Bonds");

(ii) General Fee Revenue Bonds, Series 1986, dated February 1, 1986 (herein called the "Series 1986 Bonds");

(iii) General Fee Revenue Bonds, Series 1987, dated December 1, 1986 (herein called the "Series 1987 Bonds");

(iv) General Fee Revenue Bonds, Series 1987B, dated October 1, 1987 (herein called the "Series 1987B Bonds");

(v) General Fee Revenue Bonds, Series 1989, dated October 1, 1989 (herein called the "Series 1989 Bonds");

(vi) General Fee Revenue Bonds, Series 1991, dated June 1, 1991 (herein called the "Series 1991 Bonds");

(vii) General Fee Revenue Bonds, Series 1993, dated June 1, 1993 (herein called the "Series 1993 Bonds");

(viii) General Fee Revenue Refunding Bonds, Series 2001, dated May 1, 2001 (herein called the "Series 2001 Bonds");

(ix) General Fee Revenue Bonds, Series 2001-A dated December 1, 2001 (herein called the "Series 2001-A Bonds");

(x) General Fee Revenue Bonds, Series 2003, dated March 1, 2003 (herein called the "Series 2003 Bonds");

(xi) General Fee Revenue Bonds, Series 2004, dated August 1, 2004 (herein called the "Series 2004 Bonds");

(xii) General Fee Revenue Bonds, Series 2006-A, dated November 1, 2006 (herein called the "Series 2006-A Bonds");

(xiii) General Fee Revenue Bonds, Series 2007-A and Series 2007-B (Taxable), dated November 1, 2007 (herein called the "Series 2007 Bonds");

(xiv) General Fee Revenue Bonds, Series 2008, dated September 1, 2008 (herein called the "Series 2008 Bonds");

(xv) General Fee Revenue Refunding Bonds, Series 2009, dated December 29, 2009 (herein called the "Series 2009 Bonds");

(xvi) General Fee Revenue Bonds, Series 2011-A, dated May 1, 2011 (herein called the "Series 2011-A Bonds");

(xvii) General Fee Revenue Bonds, Series 2012-A and Series 2012-B (Taxable), dated March 27, 2012 (herein called the "Series 2012-A Bonds" and "Series 2012-B Bonds" and collectively the "Series 2012 Bonds");

(xviii) General Fee Revenue Refunding Bonds, Series 2014-A, dated July 1, 2014 (herein called the "Series 2014-A Bonds");

(xix) General Fee Revenue Refunding Bonds, Series 2015-A, dated March 18, 2015 (herein called the "Series 2015-A Bonds");

(xx) General Fee Revenue Refunding Bonds, Series 2015-B, dated September 10, 2015 (herein called the "Series 2015-B Bonds");

(xxi) General Fee Revenue Refunding Bonds, Series 2016-A, dated August 17, 2016 (herein called the "Series 2016-A Bonds");

(xxii) General Fee Revenue Bonds, Series 2018-A, dated July 10, 2018 (herein called the "Series 2018-A Bonds");

(xxiii) General Fee Revenue Refunding Bonds, Series 2020-A, dated March 18, 2020 (herein called the "Series 2020-A Bonds");

(xxiv) Taxable General Fee Revenue Refunding Bonds, Series 2020-B, dated March 18, 2020 (herein called the Series 2020-B Bonds");

(xxv) Taxable General Fee Revenue Bonds, Series 2020-C, dated July 29, 2020 (herein called the "Series 2020-C Bonds");

(xxvi) General Fee Revenue Bond Series 2021-A, dated May 5, 2021 (herein called the "Series 2021-A Bond");

(xxvii) Taxable General Fee Revenue Refunding Bond, Series 2022-A, dated April 29, 2022 (herein called the "Series 2022-A Bond"); and

(xxviii) General Fee Revenue Refunding Bond, Series 2024-A, dated March 5, 2024 (herein called the "Series 2024-A Bond").

The [Series 2012-B Bonds, the Series 2014-A Bonds, the Series 2015-A Bonds, the Series 2015-B Bonds, the Series 2016-A Bonds, the Series 2018-A Bonds, the Series 2020-A Bonds, the Series 2020-B Bonds, the Series 2020-C Bonds, the Series 2021-A Bond and the Series 2024-A Bond] are the only bonds presently outstanding under the Indenture.

(b) Under the provisions of Article VIII of the Original Indenture, the University reserved the right to issue additional bonds to be secured by the Indenture on a parity, with respect to the pledges of revenues set forth in the Indenture, with all other bonds issued and outstanding under the Indenture, upon compliance with the conditions set out in said Article VIII.

(c) The University has ascertained and declared that it is necessary and desirable to (i) acquire, construct and install certain capital improvements hereinafter identified as the "2025-A Improvements," and (ii) refund [\_\_\_\_\_]. For such purposes the University has by proper corporate action of its Board of Trustees and pursuant to the provisions of the Indenture duly authorized the issuance of its General Fee Revenue Bonds, Series 2025-A (the "Series 2025-A Bonds") and its General Fee Revenue Bonds, Series 2025-B (the "Series 2025-B Bonds" and, together with the Series 2025-A Bonds, the "Series 2025 Bonds"), to be secured by the Indenture on a parity with all bonds heretofore issued and now outstanding thereunder and any additional bonds that may hereafter be issued pursuant to the provisions of said Article VIII of the Original Indenture. In order to specify the details with respect to the Series 2025 Bonds, to comply with the provisions of the Indenture and to confirm unto the Trustee the pledges contained in the Indenture, this Twenty-Seventh Supplemental Indenture is being executed and delivered.

NOW, THEREFORE, THIS TWENTY-SEVENTH SUPPLEMENTAL INDENTURE

WITNESSETH:

It is hereby agreed among the University, the Trustee, the holders of all bonds outstanding under the Indenture and the holders of any Additional Bonds that may be hereafter issued under the Indenture (the holders of said Bonds evidencing their consent hereto by their acceptance of said Bonds, and the parties signatory hereto evidencing their consent hereto by their execution hereof), as follows:

## **ARTICLE I**

### **DEFINITIONS AND USE OF PHRASES**

**Section 1.1 Additional Definitions.** Except as otherwise defined in this Section 1.1, all capitalized terms used herein shall have the respective meanings assigned those terms in the Original Indenture, as previously supplemented and amended.

The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations wherever used herein:

**"Beneficial Owner"** means the purchaser of a beneficial interest in the Series 2025 Bonds when the Series 2025 Bonds are held by the Securities Depository in the Book-Entry System, and otherwise means a Bondholder.

**"Book-Entry System"** means the system maintained by the Securities Depository with respect to the Series 2025 Bonds described in Section 2.7 of this Twenty-Seventh Supplemental Indenture.

**"Business Day"** means any day other than a Saturday, a Sunday, or a day on which the Trustee is authorized to be closed under general law or regulation applicable in the place where the Trustee performs its business with respect to the Indenture or a day on which the New York Stock Exchange is closed.

**"Closing Date"** means the date of execution, issuance and delivery of the Series 2025 Bonds.

**"Code"** means the Internal Revenue Code of 1986, as amended.

**"Participant"** means one of the entities which deposits securities, directly or indirectly, in the Book-Entry System.

**"Securities Depository"** means The Depository Trust Company, New York, New York, or its nominee, and its successors and assigns, or any successor appointed under Section 2.7 of this Twenty-Seventh Supplemental Indenture.

**"Series 2025 Bonds"** means the Series 2025-A Bonds and the Series 2025-B Bonds, collectively.

**"Series 2025-A Bonds"** means the Series 2025-A Bonds authorized to be issued under Article II hereof.

**"Series 2025-B Bonds"** means the Series 2025-B Bonds authorized to be issued under Article II hereof.

**"Series 2025-B Escrow Trust Agreement"** means that certain Escrow Trust Agreement dated \_\_\_\_\_, 2025, between the University and the Trustee that is funded in part with proceeds of the Series 2025-B Bonds.

**"Series 2025-A Term Bonds"** means the Series 2025-A Bonds maturing in 20\_\_.

**"Series 2025-B Term Bonds"** means the Series 2025-B Bonds maturing in 20\_\_.

**"Tax Certificate"** means the Tax Certificate and Agreement dated the Closing Date, executed and delivered by the University in connection with the issuance of the Series 2025 Bonds.

**"2025-A Improvements"** means the acquisition and construction of Capital Improvements at the Auburn Campus of the University including [\_\_\_\_\_], together with all equipment, furnishings, infrastructure and other real and personal property and facilities necessary or desirable in connection therewith. The specific facilities to be financed from proceeds of the Series 2025-A Bonds shall be identified in the requisitions for disbursements from the Series 2025-A Construction Fund as provided in Section 3.1 hereof.

**Section 1.2 Use of Phrases.** "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Twenty-Seventh Supplemental Indenture as an entirety and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.1 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

## ARTICLE II

### THE SERIES 2025 BONDS

**Section 2.1 Authorization and Description of Series 2025 Bonds.** There is hereby authorized to be issued, as Additional Bonds under the provisions of Article VIII of the Original Indenture, two issues or series of bonds designated General Fee Revenue Bonds, Series 2025-A, in the aggregate principal amount of \$\_\_\_\_\_, and General Fee Revenue Bonds, Series 2025-B, in the aggregate principal amount of \$\_\_\_\_\_. The Series 2025 Bonds shall be dated the date of their issuance and authentication, shall mature and become payable on June 1 in the following years and in the following amounts and shall bear interest from their date at the following per annum rates (payable on June 1 and December 1 of each year, beginning [June 1, 2025]):

#### Series 2025-A Bonds

Serial Bonds:

| <u>Year of Maturity</u> | <u>Principal Amount<br/>Maturing</u> | <u>Interest Rate</u> |
|-------------------------|--------------------------------------|----------------------|
|-------------------------|--------------------------------------|----------------------|



Term Bonds:

| <u>Year of Maturity</u> | <u>Principal Amount<br/>Maturing</u> | <u>Interest Rate</u> |
|-------------------------|--------------------------------------|----------------------|
|-------------------------|--------------------------------------|----------------------|

Series 2025-B Bonds

Serial Bonds:

| <u>Year of Maturity</u> | <u>Principal Amount<br/>Maturing</u> | <u>Interest Rate</u> |
|-------------------------|--------------------------------------|----------------------|
|-------------------------|--------------------------------------|----------------------|

Term Bonds:

| <u>Year of Maturity</u> | <u>Principal Amount<br/>Maturing</u> | <u>Interest Rate</u> |
|-------------------------|--------------------------------------|----------------------|
|-------------------------|--------------------------------------|----------------------|

The Series 2025 Bonds shall be initially issued in denominations of \$5,000 or any multiple thereof (the "Authorized Denominations"), pursuant to the provisions of Section 5.8 of the Original Indenture and shall be delivered by the University to the purchasers of the Series 2025 Bonds. All installments of principal of and interest (and premium, if any) on each Series 2025 Bond shall bear interest after the respective maturities of such principal and interest (and premium, if any) 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 2025 Bond. The Series 2025 Bonds shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, at the applicable rate per annum set forth in this Section. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

**Section 2.2 Redemption Provisions.** (a) The Series 2025-A Bonds are subject to redemption and payment prior to maturity as follows:

(1) Optional Redemption. The Series 2025-A Bonds maturing on or after June 1, 20\_\_, shall be subject to redemption prior to maturity, at the option of the University, as a whole or in part (and if in part, the maturities of those to be redeemed to be selected by

the University, and if less than all the Series 2025-A Bonds of a single 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 a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

(2) Scheduled Mandatory Redemption of Series 2025-A Term Bonds. The Series 2025-A Term Bonds shall be subject to mandatory redemption and payment, and the University shall redeem and pay such Series 2025-A Term Bonds at and for a redemption price equal to 100% of the principal amount thereof, on the dates and in the principal amounts (after credit as provided below) as follows (those Series 2025-A Term Bonds to be redeemed to be selected by the Trustee by lot):

| <u>Series 2025-A Term<br/>Bond Maturity Date</u> | <u>Sinking Fund<br/>Redemption Dates</u> | <u>Principal<br/>Amount</u> |
|--|--|-----------------------------|
|--|--|-----------------------------|

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(1) Final Maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to the Series 2025-A Term Bonds, the Trustee shall proceed to select for redemption, by lot, Series 2025-A Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2025-A Term Bonds or portions thereof for redemption on such scheduled mandatory redemption date. The University may, not less than 60 days prior to any such scheduled mandatory redemption date, direct in writing that any or all of the following amounts be credited against the principal amount of Series 2025-A Term Bonds scheduled for redemption on such date: (A) the principal amount of Series 2025-A Term Bonds delivered by the University to the Trustee for cancellation and not previously claimed as a credit; and (B) the principal amount of Series 2025-A Term Bonds previously redeemed pursuant to the provisions of Section 2.2(a) hereof and not previously claimed as a credit.

(b) The Series 2025-B Bonds are subject to redemption and payment prior to maturity as follows:

(1) Optional Redemption. The Series 2025-B Bonds maturing on or after June 1, 20\_\_\_\_, shall be subject to redemption prior to maturity, at the option of the University, as a whole or in part (and if in part, the maturities of those to be redeemed to be selected by the University, and if less than all the Series 2025-B Bonds of a single 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 a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

(2) Scheduled Mandatory Redemption of Series 2025-B Term Bonds. The Series 2025-B Term Bonds shall be subject to mandatory redemption and payment, and the University shall redeem and pay such Series 2025-B Term Bonds at and for a redemption price equal to 100% of the principal amount thereof, on the dates and in the principal amounts (after credit as provided below) as follows (those Series 2025-B Term Bonds to be redeemed to be selected by the Trustee by lot):

| <u>Series 2025-B Term<br/>Bond Maturity Date</u> | <u>Sinking Fund<br/>Redemption Dates</u> | <u>Principal<br/>Amount</u> |
|--|--|-----------------------------|
|--|--|-----------------------------|

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(1) Final Maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to the Series 2025-B Term Bonds, the Trustee shall proceed to select for redemption, by lot, Series 2025-B Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2025-B Term Bonds or portions thereof for redemption on such scheduled mandatory redemption date. The University may, not less than 60 days prior to any such scheduled mandatory redemption date, direct in writing that any or all of the following amounts be credited against the principal amount of Series 2025-B Term Bonds scheduled for redemption on such date: (A) the principal amount of Series 2025-B Term Bonds delivered by the University to the Trustee for cancellation and not previously claimed as a credit; and (B) the principal amount of Series 2025-B Term Bonds previously redeemed pursuant to the provisions of Section 2.2(b) hereof and not previously claimed as a credit.

**Section 2.3 Forms of Series 2025 Bonds.** (a) The Series 2025-A Bonds and the Certificate of Registration and the Trustee's Authentication Certificate applicable thereto shall be in substantially the following form, respectively, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof:

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the University or its agent for registration of transfer, exchange, or payment, and for so long as any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. 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, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

AUBURN UNIVERSITY  
GENERAL FEE REVENUE BOND  
SERIES 2025-A

No. \_\_\_\_ [insert interest rate] % Due [insert maturity date] CUSIP \_\_\_\_\_

Subject to prior payment and other provisions as herein stated

For value received, AUBURN UNIVERSITY, a public corporation and instrumentality of the State of Alabama (herein called the "University"), will pay, solely out of the revenues 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 [June 1, 2025], and semiannually thereafter on each June 1 and December 1 until and at the maturity hereof. The principal of and premium (if any) on this bond are payable only upon presentation and surrender of this bond at a designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. 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 to the then registered holder hereof as of the record date which is the fifteenth (15<sup>th</sup>) day of the month next preceding the Interest Payment Date at the address shown on the registry books of the Trustee pertaining to the Bonds. Both the principal of and the interest (and premium, if any) 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 "Bonds") issuable in series without express limit as to principal amount under a General Fee Revenue Trust Indenture dated as of June 1, 1985, as previously supplemented, and as further supplemented by a Twenty-Seventh Supplemental General Fee Indenture dated \_\_\_\_\_, 2025 (collectively, the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A. (as successor trustee to Compass Bank and JP Morgan Chase Bank, herein called the "Trustee").

The principal of and the interest (and premium, if any) on the Bonds are payable solely out of the gross revenues derived by the University from certain general tuition fees levied against students enrolled at the Auburn, Alabama campus or the Montgomery, Alabama campus of the University, the revenues derived by the University from the operation of its student housing and dining facilities, the revenues (including, without limitation, certain student fees) derived by the University from its intercollegiate athletic program, and the revenues derived by the University from certain additional pledged student fees (herein collectively called the "Pledged Revenues"), and shall not be payable from any other funds or revenues. In the Indenture, the University has reserved the right to issue obligations secured by pledges of the revenues from the University's athletic program, the operation of its student housing and dining facilities, and the general tuition fees and pledged student fees derived from the University's Montgomery, Alabama campus that are prior to the pledges of such revenues for the benefit of the Bonds and any other bonds issued under the Indenture, upon compliance with the terms set forth in the Indenture. Payment of the principal of and the interest (and premium, if any) on the Bonds is secured, pro rata and without preference or priority of one Bond over another or of the Bonds of any one series over the Bonds of any other, by a valid pledge of the revenues out of which they are payable.

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 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 thereupon 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 therefor, 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 66-2/3% in 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, the rate of interest on, or the premium (if any) payable on redemption of, 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 Series 2025-A and is authorized to be issued in the aggregate principal amount of \$\_\_\_\_\_.

The Bonds maturing on or after June 1, 20\_\_, are subject to redemption prior to maturity, at the option of the University, as a whole or in part (and if in part, the maturities of those to be redeemed to be selected by the University, and if less than all the Bonds of a single maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot), on \_\_\_\_\_ 1, 20\_\_, and on any date thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

Those of the Bonds maturing in the year 20\_\_ (the "Term Bonds") shall be subject to mandatory redemption and payment, and the University shall redeem and pay such Term Bonds at and for a redemption price equal to 100% of the principal amount thereof, on the dates and in the principal amounts (after credit as provided below) as follows (those Term Bonds to be redeemed to be selected by the Trustee by lot):

| <u>Term Bonds</u><br><u>Maturity Date</u> | <u>Sinking Fund</u><br><u>Redemption Dates</u> | <u>Principal</u><br><u>Amount</u> |
|---|--|-----------------------------------|
|---|--|-----------------------------------|

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(1) Final Maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to the Term Bonds, the Trustee shall proceed to select for redemption, by lot, Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Term Bonds or portions thereof for redemption on such scheduled mandatory redemption date. The University may, not less than 60 days prior to any such scheduled mandatory redemption date, direct in writing that any or all of the following amounts be credited against the principal amount of Term Bonds scheduled for redemption on such date: (A) the principal amount of Term Bonds delivered by the University to the Trustee for cancellation and not previously claimed as a credit; and (B) the principal amount of Term Bonds previously redeemed pursuant to the provisions of Section 2.2(a) of the Twenty-Seventh Supplemental Indenture and not previously claimed as a credit.

If less than all the outstanding principal of a Bond is to be redeemed, there shall be issued to the registered holder thereof, upon the surrender of such Bond to the Trustee, a new Bond of even tenor therewith except in a principal amount equal to the unredeemed portion of the Bond so surrendered, all as shall be requested by the registered holder of the Bond to be partially redeemed.

THE INDENTURE UNDER WHICH THE BONDS ARE ISSUED CONTAINS NO PROVISIONS REQUIRING PUBLICATION OF NOTICE OF REDEMPTION OF ANY BOND, AND HOLDERS OF THE BONDS MUST MAINTAIN A CURRENT ADDRESS ON FILE WITH THE TRUSTEE IN ORDER TO RECEIVE NOTICE OF ANY SUCH REDEMPTION.

FROM AND AFTER THE REDEMPTION DATE (PROVIDED THE TRUSTEE HAS SUFFICIENT FUNDS ON HAND TO EFFECT SUCH REDEMPTION), INTEREST SHALL CEASE TO ACCRUE ON ANY BOND CALLED FOR REDEMPTION.

The University is a public corporation and instrumentality of the State of Alabama existing under Amendment 670 to the Constitution of Alabama of 1901 and Chapter 48 of Title 16 of the Code of Alabama of 1975 and the Bonds are authorized to be issued for purposes for which bonds are authorized to be issued under the provisions of Section 16-3-28, as amended, of said Code. The 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 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 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 series, 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 therefor, 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.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the University has caused this bond to be executed in its name and behalf with the manual or facsimile signature of its President, has caused a manual imprint or facsimile of its corporate seal to be hereunto imprinted, has caused this bond to be attested by a manual or facsimile signature of the Secretary of its Board of Trustees, and has caused this bond to be dated \_\_\_\_\_, 2025.

**AUBURN UNIVERSITY**

By \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary of the Board of Trustees

[S E A L]

**Form of Trustee's Authentication Certificate**

Date of Authentication and Registration:

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

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

By \_\_\_\_\_  
Authorized Signatory

### 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:

\_\_\_\_\_  
(Member of Signature Medallion Program)

By \_\_\_\_\_  
(Authorized Signatory)



(b) The Series 2025-B Bonds and the Certificate of Registration and the Trustee's Authentication Certificate applicable thereto shall be in substantially the following form, respectively, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof:

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the University or its agent for registration of transfer, exchange, or payment, and for so long as any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. 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, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

AUBURN UNIVERSITY  
GENERAL FEE REVENUE BOND  
SERIES 2025-B

No. \_\_\_\_ [insert interest rate] % Due [insert maturity date] CUSIP \_\_\_\_\_

Subject to prior payment and other provisions as herein stated

For value received, AUBURN UNIVERSITY, a public corporation and instrumentality of the State of Alabama (herein called the "University"), will pay, solely out of the revenues 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 [June 1, 2025], and semiannually thereafter on each June 1 and December 1 until and at the maturity hereof. The principal of and premium (if any) on this bond are payable only upon presentation and surrender of this bond at a designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. 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 to the then registered holder hereof as of the record date which is the fifteenth (15<sup>th</sup>) day of the month next preceding the Interest Payment Date at the address shown on the registry books of the Trustee pertaining to the Bonds. Both the principal of and the interest (and premium, if any) 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 "Bonds") issuable in series without express limit as to principal amount under a General Fee Revenue Trust Indenture dated as of June 1, 1985, as previously supplemented, and as further supplemented by a Twenty-Seventh Supplemental General Fee Indenture dated \_\_\_\_\_, 2025 (collectively, the "Indenture"), between the University and The Bank of New York Mellon Trust Company, N.A. (as successor trustee to Compass Bank and JP Morgan Chase Bank, herein called the "Trustee"). The principal of and the interest (and premium, if any) on the Bonds are payable solely out of the gross revenues derived by the University from certain general tuition fees levied against students enrolled at the Auburn, Alabama campus or the Montgomery, Alabama campus of the University, the revenues derived by the University from the operation of its student housing and dining facilities, the revenues (including, without limitation, certain student fees) derived by the University from its intercollegiate athletic program, and the revenues derived by the University from certain additional pledged student fees (herein collectively called the "Pledged Revenues"), and shall not be payable from any other funds or revenues. In the Indenture, the University has reserved the right to issue obligations secured by pledges of the revenues from the University's athletic program, the operation of its student housing and dining facilities, and the general tuition fees and pledged student fees derived from the University's Montgomery, Alabama campus that are prior to the pledges of such revenues for the benefit of the Bonds and any other bonds issued under the Indenture, upon compliance with the terms set forth in the Indenture. Payment of the principal of and the interest (and premium, if any) on the Bonds is secured, pro rata and without preference or priority of one Bond over another or of the Bonds of any one series over the Bonds of any other, by a valid pledge of the revenues out of which they are payable.

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 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 thereupon 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 therefor, 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 66-2/3% in 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, the rate of interest on, or the premium (if any) payable on redemption of, 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 Series 2025-B and is authorized to be issued in the aggregate principal amount of \$\_\_\_\_\_.

The Bonds maturing on or after June 1, 20\_\_, are subject to redemption prior to maturity, at the option of the University, as a whole or in part (and if in part, the maturities of those to be redeemed to be selected by the University, and if less than all the Bonds of a single maturity are to be redeemed, those to be redeemed to be selected by the Trustee by lot), on \_\_\_\_\_ 1, 20\_\_, and on any date thereafter, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

Those of the Bonds maturing in the year 20\_\_ (the "Term Bonds") shall be subject to mandatory redemption and payment, and the University shall redeem and pay such Term Bonds at and for a redemption price equal to 100% of the principal amount thereof, on the dates and in the principal amounts (after credit as provided below) as follows (those Term Bonds to be redeemed to be selected by the Trustee by lot):

| <u>Term Bonds</u><br><u>Maturity Date</u> | <u>Sinking Fund</u><br><u>Redemption Dates</u> | <u>Principal</u><br><u>Amount</u> |
|---|--|-----------------------------------|
|---|--|-----------------------------------|

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(1) Final Maturity

Not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date with respect to the Term Bonds, the Trustee shall proceed to select for redemption, by lot, Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Term Bonds or portions thereof for redemption on such scheduled mandatory redemption date. The University may, not less than 60 days prior to any such scheduled mandatory redemption date, direct in writing that any or all of the following amounts be credited against the principal amount of Term Bonds scheduled for redemption on such date: (A) the principal amount of Term Bonds delivered by the University to the Trustee for cancellation and not previously claimed as a credit; and (B) the principal amount of Term Bonds previously redeemed pursuant to the provisions of Section 2.2(b) of the Twenty-Seventh Supplemental Indenture and not previously claimed as a credit.

If less than all the outstanding principal of a Bond is to be redeemed, there shall be issued to the registered holder thereof, upon the surrender of such Bond to the Trustee, a new Bond of

even tenor therewith except in a principal amount equal to the unredeemed portion of the Bond so surrendered, all as shall be requested by the registered holder of the Bond to be partially redeemed.

THE INDENTURE UNDER WHICH THE BONDS ARE ISSUED CONTAINS NO PROVISIONS REQUIRING PUBLICATION OF NOTICE OF REDEMPTION OF ANY BOND, AND HOLDERS OF THE BONDS MUST MAINTAIN A CURRENT ADDRESS ON FILE WITH THE TRUSTEE IN ORDER TO RECEIVE NOTICE OF ANY SUCH REDEMPTION. FROM AND AFTER THE REDEMPTION DATE (PROVIDED THE TRUSTEE HAS SUFFICIENT FUNDS ON HAND TO EFFECT SUCH REDEMPTION), INTEREST SHALL CEASE TO ACCRUE ON ANY BOND CALLED FOR REDEMPTION.

The University is a public corporation and instrumentality of the State of Alabama existing under Amendment 670 to the Constitution of Alabama of 1901 and Chapter 48 of Title 16 of the Code of Alabama of 1975 and the Bonds are authorized to be issued for purposes for which bonds are authorized to be issued under the provisions of Section 16-3-28, as amended, of said Code. The 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 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 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 series, 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 therefor, 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.

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IN WITNESS WHEREOF, the University has caused this bond to be executed in its name and behalf with the manual or facsimile signature of its President, has caused a manual imprint or facsimile of its corporate seal to be hereunto imprinted, has caused this bond to be attested by a manual or facsimile signature of the Secretary of its Board of Trustees, and has caused this bond to be dated \_\_\_\_\_, 2025.

**AUBURN UNIVERSITY**

By \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary of the Board of Trustees

[S E A L]

### **Form of Trustee's Authentication Certificate**

Date of Authentication and Registration:

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

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

By \_\_\_\_\_  
Authorized Signatory



### 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:

\_\_\_\_\_  
(Member of Signature Medallion Program)

By \_\_\_\_\_  
(Authorized Signatory)

**Section 2.4 Execution and Delivery of the Series 2025 Bonds.** The Series 2025 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 or Senior Vice President for Business and Finance/CFO, requesting such authentication and delivery and designating the person or persons to receive the same or any part thereof.

**Section 2.5 Application of Proceeds from Sale of Series 2025 Bonds.** (a) The Series 2025-A Bonds are being issued to provide funds to finance the 2025-A Improvements. The entire proceeds derived by the University from the sale of the Series 2025-A Bonds shall be paid to the Trustee and promptly thereafter applied by the Trustee for the following purposes and in the following order:

(1) payment of \$\_\_\_\_\_ to the University for deposit into a special account of the University (the "Series 2025-A Construction Fund" as described in Section 3.1 hereof), to be applied to payment of the costs of the 2025-A Improvements, and, if necessary, costs of issuing the Series 2025-A Bonds to the extent not provided for by the deposit in (2) below; and

(2) payment of the balance of the proceeds of the Series 2025-A Bonds (viz., \$\_\_\_\_\_) into a special account to be held by the Trustee and to be applied solely to the costs of issuing the Series 2025-A Bonds upon written requisition submitted by the University; provided, that pending disbursement, such proceeds may be invested by the Trustee at the written direction of the University (upon which the Trustee may conclusively rely) in Federal Securities or Eligible Certificates; and provided further, that any monies remaining in this special account six months after the Closing Date shall be transferred to the Series 2025-A Construction Fund.

(b) The Series 2025-B Bonds are being issued to refund the outstanding Series [\_\_\_\_\_] Bonds. The entire proceeds derived by the University from the sale of the Series 2025-B Bonds shall be paid to the Trustee and promptly thereafter applied by the Trustee for the following purposes and in the following order:

(1) payment of \$\_\_\_\_\_ into the escrow fund established under the Series 2025-B Escrow Trust Agreement; and

(2) payment of the balance of the proceeds of the Series 2025-B Bonds (viz., \$\_\_\_\_\_) into a special account to be held by the Trustee and to be applied solely to the costs of issuing the Series 2025-B Bonds upon written requisition submitted by the University; provided, that pending disbursement, such proceeds may be invested by the Trustee at the written direction of the University (upon which the Trustee may conclusively rely) in Federal Securities or Eligible Certificates; and provided further, that any monies remaining in this special account six months after the Closing Date shall be transferred to the Bond Fund.

**Section 2.6 Special Provisions Respecting Notice of Redemption and Transfer of Series 2025 Bonds.** Any notice of redemption of Series 2025 Bonds shall be mailed not more than

sixty (60) nor less than thirty (30) days prior to the Redemption Date but otherwise in accordance with Section 6.1 of the Original Indenture; provided however, such notice may be conditioned upon the receipt by the Trustee of the Redemption Price on or prior to the Redemption Date. The provisions of Section 5.6 of the Original Indenture to the contrary notwithstanding, the Trustee shall not be required to transfer a Series 2025 Bond called for redemption during the period of thirty (30) days next preceding the Redemption Date.

**Section 2.7 Book-Entry System.** The Series 2025 Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company, the initial Securities Depository of the Series 2025 Bonds, and held in the custody of the Securities Depository. A single certificate will be issued and delivered to the Securities Depository for each serial and term maturity of the Series 2025 Bonds of each series. The Beneficial Owners will not receive physical delivery of Series 2025 Bond certificates except as provided herein. For so long as the Securities Depository shall continue to serve as securities depository for such Series 2025 Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of such Series 2025 Bonds is to receive, hold or deliver any Bond certificate. The University and the Trustee will recognize the Securities Depository or its nominee as the Bondholder of such Series 2025 Bonds for all purposes, including payment of principal, premium and interest with respect to such Series 2025 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2025 Bond, for the purpose of registering transfers with respect to such Series 2025 Bond and for all other purposes whatsoever.

The University and the Trustee covenant and agree, so long as The Depository Trust Company shall continue to serve as Securities Depository for the Series 2025 Bonds, to meet the requirements of The Depository Trust Company with respect to required notices and other provisions of the Blanket Issuer Letter of Representations dated November 15, 2001, executed by the University (the "Blanket Letter"), a copy of which is attached hereto as Exhibit A. To the extent the provisions of this Indenture and the Blanket Letter are inconsistent, the provisions of the Blanket Letter shall control. The Blanket Letter shall not in any way limit the provisions of the preceding paragraph or in any way impose upon the University any obligation whatsoever with respect to persons having interests in the Bonds other than the Holders, as shown on the registration books kept by the Trustee. The Trustee shall take all action necessary for all representations in the Blanket Letter with respect to the paying agents and the bond registrar, respectively, to at all times be complied with.

The University and the Trustee may conclusively rely upon (i) a certificate of the Securities Depository as to the identity of the Participants in the Book-Entry System and (ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Series 2025 Bonds beneficially owned by, the Beneficial Owners.

Whenever, during the term of the Series 2025 Bonds, the beneficial ownership thereof is determined by a book-entry at the Securities Depository, the requirements in this Indenture of holding, delivering or transferring Series 2025 Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry to produce the same effect. Any provision hereof permitting or requiring delivery of Series 2025 Bonds shall, while the Series 2025 Bonds are in a Book-Entry

System, be satisfied by the notation in the records of the Securities Depository in accordance with applicable law.

The Trustee and the University may from time to time appoint a successor Securities Depository for the Series 2025 Bonds and enter into an agreement with such successor Securities Depository to establish procedures with respect to the Series 2025 Bonds not inconsistent with the provisions of this Twenty-Seventh Supplemental Indenture. Any successor Securities Depository shall be a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended.

Neither the University nor the Trustee will have any responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount of, premium (if any) or interest on any Series 2025 Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2025 Bonds; or (v) any other action taken by the Securities Depository or any Participant.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner, under the following circumstances:

(a) The Securities Depository determines to discontinue providing its service with respect to the Series 2025 Bonds and no successor Securities Depository is appointed as described above. Such a determination may be made at any time by giving 30 days' notice to the University and the Trustee and discharging its responsibilities with respect thereto under applicable law; or

(b) The University determines not to continue the Book-Entry System through a Securities Depository.

The Trustee is hereby authorized to make such changes to the form of bond contained in Section 2.3 hereof which are not inconsistent with this Indenture and which are necessary or appropriate to reflect that the Book-Entry System is not in effect, that a successor Securities Depository has been appointed or that an additional or co-trustee or paying agent has been designated pursuant to the terms of this Indenture. Prior to any transfer of the Series 2025 Bonds outside of the Book-Entry Only system (including, but not limited to, the initial transfer outside the Book-Entry Only system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Series 2025 Bond is registered in the name of the Securities Depository, or its nominee, all payments with respect to principal of, premium (if any) and interest on such Series 2025 Bond and all notices

with respect to such Series 2025 Bond shall be made and given, respectively, in the manner provided for in the Blanket Letter.

If at any time the Securities Depository ceases to hold the Series 2025 Bonds, all references herein to the Securities Depository shall be of no further force or effect.

**Section 2.8 Special Provisions Respecting Establishment of Trust for Payment of Less Than All Series 2025 Bonds.** If a trust provides for payment of less than all Series 2025 Bonds of a series, maturity and coupon, the Series 2025 Bonds of such series, maturity and coupon to be paid from the trust shall be selected by the Trustee by lot by such method as shall provide for the selection of portions (in Authorized Denominations) of the principal of Series 2025 Bonds of such series, maturity and coupon of a denomination larger than the smallest Authorized Denomination. Such selection shall be made within 7 days after such trust is established. This selection process shall be in lieu of the selection process otherwise provided with respect to redemption of Bonds under the Indenture. After such selection is made, Series 2025 Bonds that are to be paid from such trust (including Series 2025 Bonds issued in exchange for such Series 2025 Bonds pursuant to the transfer or exchange provisions of the Indenture) shall be identified by a separate CUSIP number or other designation satisfactory to the Trustee and at the expense of the University. The Trustee shall notify holders whose Series 2025 Bonds (or portions thereof) have been selected for payment from such trust and shall direct such Bondholders to surrender their bonds to the Trustee in exchange for Series 2025 Bonds with the appropriate designation.

**Section 2.9 Additional Bonds.** The University and the Trustee may, at any time and from time to time, enter into one or more Supplemental Indentures without consent of the Holders of the Series 2025 Bonds, for the purpose of authorizing the issuance of Additional Bonds bearing interest at variable rates. Any such Supplemental Indenture may include, inter alia, provisions relating to the dates on which interest on such Additional Bonds is payable, the method by which the interest rate borne by such bonds is established, optional tender rights afforded to the Holders of such bonds and the method of calculating Maximum Annual Debt Service with respect to such bonds.

## **ARTICLE III**

### **SERIES 2025-A CONSTRUCTION FUND**

**Section 3.1 Series 2025-A Construction Fund.** There is hereby created a special fund, the full name of which shall be the "Auburn University Series 2025-A General Fee Construction Fund" for the purpose of providing funds for the 2025-A Improvements. The President, the Senior Vice President for Business and Finance/CFO, or other duly authorized officer of the University may designate one or more banks as the depository, custodian and disbursing agent of for the Series 2025-A Construction Fund. A portion of the proceeds of the Series 2025-A Bonds shall be deposited into the Series 2025-A Construction Fund as provided in Section 2.5(a)(1) hereof. Funds on deposit in the Series 2025-A Construction Fund may be paid out from time to time to pay costs of (i) the 2025-A Improvements and (ii) issuing the Series 2025-A Bonds to the extent not provided for by the deposit in Section 2.5(a)(2) hereof. The Trustee shall have no obligation or responsibility

with respect to the Series 2025-A Construction Fund except to transfer the funds described in Section 2.5(a)(1) hereof to the University for deposit into said Fund.

**Section 3.2 Investment of Series 2025-A Construction Fund.** Moneys on deposit in the Series 2025-A Construction Fund may be invested in any investments permitted under the University's non-endowment cash management policy as directed in writing by the University. The investments in which moneys in the Series 2025-A Construction Fund are invested, together with all income derived therefrom, shall become a part of the Series 2025-A Construction Fund to the same extent as if they were moneys originally deposited therein. Any depository for the Series 2025-A Construction Fund may at any time and from time to time upon the written direction of the University sell or otherwise convert into cash any such investments whereupon the net proceeds therefrom shall become a part of the Series 2025-A Construction Fund.

## **ARTICLE IV**

### **MISCELLANEOUS**

**Section 4.1 Concerning Compliance with the Internal Revenue Code of 1986.** The University covenants and agrees that it will comply with the provisions of the Tax Certificate.

**Section 4.2 Concerning the Trustee.** The Trustee accepts the trusts hereby declared and provided and agrees to perform the same upon the terms and conditions set forth in the Indenture and in this Twenty-Seventh Supplemental Indenture. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Twenty-Seventh Supplemental Indenture or the due execution thereof by the University, nor for or in respect of the recitals contained herein, all of which recitals are made solely by the University. The Trustee is directed to (i) open such accounts within such funds as may be necessary in connection with the Series 2025-A Bonds including, but not limited to, a Series 2025-A account in the Bond Fund and (ii) open such accounts within such funds as may be necessary in connection with the Series 2025-B Bonds including, but not limited to, a Series 2025-B account in the Bond Fund.

**Section 4.3 Confirmation of Pledges.** The provisions of Original Indenture and the Supplemental Indentures, wherein the Pledged Revenues are pledged for payment of all Bonds issued under the Indenture, are hereby ratified and confirmed.

**Section 4.4 Construction of Twenty-Seventh Supplemental Indenture.** No provisions of this Twenty-Seventh 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 Twenty-Seventh 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 Bonds.

**Section 4.5 Severability.** If 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.



**Section 4.6 Broker Confirmations.** Broker confirmations of any investments in connection with the Series 2025 Bonds are not required to be delivered by the Trustee in any month that the Trustee renders or makes available a monthly statement.

**Section 4.7 Electronic Communications.** The Trustee shall have the right to accept and act upon directions or instructions given in connection with the Series 2025 Bonds 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.

IN WITNESS WHEREOF, the University has caused this Twenty-Seventh Supplemental Indenture to be executed in its corporate name and behalf by its President, and has caused this Twenty-Seventh Supplemental Indenture to be attested by the Secretary of the Board, and the Trustee, to evidence its acceptance of the trusts hereby created, has caused this Twenty-Seventh Supplemental Indenture to be executed in its name and behalf by its duly authorized signatory, all in counterparts, each of which shall be deemed an original, and the University and the Trustee have caused this Twenty-Seventh Supplemental Indenture to be dated \_\_\_\_\_, 2025.

**AUBURN UNIVERSITY**

By \_\_\_\_\_  
Its: President

Attest:

\_\_\_\_\_  
Secretary of the Board of Trustees

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

By \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF ALABAMA     )  
                                     :  
COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_, a Notary Public in and for said county in said state, hereby certify that Christopher B. Roberts, whose name as President of AUBURN UNIVERSITY, a public corporation and instrumentality of the State 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 corporation.

GIVEN under my hand and official seal of office, this \_\_\_\_ day of \_\_\_\_\_, 2025.

(NOTARIAL SEAL)

\_\_\_\_\_  
Notary Public

STATE OF ALABAMA     )  
                                     :  
COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_, a Notary Public in and for said county in said state, hereby certify that \_\_\_\_\_, whose name as \_\_\_\_\_ of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, 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 or she, as such authorized signatory and with full authority, executed the same voluntarily for and as the act of said national banking association.

GIVEN under my hand and official seal of office, this \_\_\_\_ day of \_\_\_\_\_, 2025.

(NOTARIAL SEAL)

\_\_\_\_\_  
Notary Public

## **EXHIBIT A**

### **Blanket Issuer Letter of Representations**

NEW ISSUES – BOOK ENTRY ONLY

Moody's: \_\_\_\_ (\_\_\_\_)

S&amp;P: \_\_\_\_ (\_\_\_\_)

*In the opinion of Bond Counsel to the University, subject to the limitations set forth herein, under existing law and assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; however, interest on the Series 2025 Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the federal alternative minimum tax. In the opinion of Bond Counsel to the University, under existing law interest on the Series 2025 Bonds is exempt from income taxation imposed by the State of Alabama. See "TAX MATTERS" herein.*

## AUBURN UNIVERSITY



\$ \_\_\_\_\_ \*  
General Fee Revenue Bonds  
Series 2025-A

\$ \_\_\_\_\_ \*  
General Fee Revenue Bonds  
Series 2025-B

Dated: Date of Delivery

Due: June 1, as shown on inside cover

## FOR MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS, SEE INSIDE COVER

The above-referenced General Fee Revenue Bonds, Series 2025-A (the "Series 2025-A Bonds") and General Fee Revenue Bonds, Series 2025-B (the "Series 2025-B Bonds" and, together with the Series 2025-A Bonds, the "Series 2025 Bonds") will be issued by Auburn University, a public corporation and political subdivision of the State of Alabama (the "University"), under and pursuant to the terms of the General Fee Revenue Trust Indenture dated as of June 1, 1985, between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), as previously supplemented and amended and as further supplemented and amended by a Twenty-Seventh Supplemental General Fee Indenture to be dated the date of the Series 2025 Bonds (collectively, the "Indenture"). The Series 2025 Bonds are being issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., a nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Series 2025 Bonds will be made so long as Cede & Co. is the registered owner of the Series 2025 Bonds. Individual purchases of the Series 2025 Bonds will be made in Book-Entry Only form, and individual purchasers ("Beneficial Owners") of the Series 2025 Bonds will not receive physical delivery of bond certificates.

Interest will be payable on the Series 2025 Bonds each June 1 and December 1, commencing June 1, 2025. So long as DTC or its nominee is the registered owner of the Series 2025 Bonds, disbursements of such payments to DTC is the responsibility of the Trustee, disbursements of such payments to DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC Participants or Indirect Participants as described more fully herein.

The Series 2025-A Bonds are being issued for the purpose of financing the costs of certain capital improvements on the campus of the University herein defined as the "University Improvements" and paying costs of issuing the Series 2025-A Bonds. The Series 2025-B Bonds are being issued for the purpose of (i) refunding certain outstanding bonds of the University herein defined as the "Refunded Bonds", (ii) paying the tender price (and thereby refunding) certain bonds of the University hereafter defined as the "Tendered Bonds", and (iii) paying the costs of issuing the Series 2025-B Bonds (including costs of the tender process herein described respecting the Tendered Bonds). See "THE PLAN OF FINANCING" herein.

The Series 2025 Bonds will be special obligations of the University secured by a pledge of and payable solely from general fees levied against students enrolled at the University and certain other revenues, as provided for under the Indenture described herein. Neither the Series 2025 Bonds nor the pledge of such fees and revenues and other agreements provided in the Indenture shall be or constitute an obligation of any nature whatsoever of the State of Alabama (the "State") or be payable out of any moneys appropriated by the State to the University. The Series 2025 Bonds are issuable as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. Certain of the Series 2025 Bonds are subject to redemption prior to maturity as described herein.

*The Series 2025 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 2025 Bonds of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the University. Certain legal matters will be passed upon for the University by its General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Maynard Nexsen PC. It is expected that the Series 2025 Bonds in definitive form will be available for delivery through DTC on or about [\_\_\_\_\_, 2025].*

JEFFERIES

Truist Securities Inc.

The Frazer Lanier Company,  
Incorporated

WELLS FARGO SECURITIES

RBC Capital Markets LLC

The date of this Official Statement is \_\_\_\_\_, 2025.

\* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor any offers to buy be accepted prior to the time that the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**MATURITIES, AMOUNTS, INTEREST RATES, YIELDS & CUSIPS**

\$ \_\_\_\_\_ \*

**AUBURN UNIVERSITY**  
**General Fee Revenue Bonds, Series 2025-A**

| <b>Maturity<br/>(June 1)</b> | <b>Principal<br/>Amount*</b> | <b>Interest<br/>Rate</b> | <b>Yield</b> | <b>CUSIP<sup>(1)</sup></b> |
|------------------------------|------------------------------|--------------------------|--------------|----------------------------|
|------------------------------|------------------------------|--------------------------|--------------|----------------------------|

\$ \_\_\_\_\_ \*

**AUBURN UNIVERSITY**  
**General Fee Revenue Bonds, Series 2025-B**

| <b>Maturity<br/>(June 1)</b> | <b>Principal<br/>Amount*</b> | <b>Interest<br/>Rate</b> | <b>Yield</b> | <b>CUSIP<sup>(1)</sup></b> |
|------------------------------|------------------------------|--------------------------|--------------|----------------------------|
|------------------------------|------------------------------|--------------------------|--------------|----------------------------|

\* Preliminary; subject to change.

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**AUBURN UNIVERSITY**  
**MEMBERS OF THE BOARD OF TRUSTEES**

Kay Ivey, Ex Officio  
B. T. Roberts  
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Michael A. DeMaioribus  
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Quentin P. Riggins  
Wayne T. Smith  
Zeke Smith  
Timothy Vines  
Walt Woltosz

**PRESIDENT**

Dr. Christopher B. Roberts

**SENIOR VICE PRESIDENT FOR BUSINESS & ADMINISTRATION  
AND CHIEF FINANCIAL OFFICER**

Kelli D. Shomaker, CPA

**GENERAL COUNSEL**

Jaime S. Hammer, Esq.

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Huntsville, Alabama

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Birmingham, Alabama

**UNDERWRITERS**

Jefferies  
Wells Fargo Bank, National Association  
Trust Securities Inc.  
The Frazer Lanier Company, Incorporated  
RBC Capital Markets LLC

**COUNSEL TO THE UNDERWRITERS**

Maynard Nexsen PC  
Birmingham, Alabama

## **NOTICE TO INVESTORS**

No dealer, broker, salesman or other person has been authorized by the University or the Underwriters to give any information or to make any representation with respect to the University or the Series 2025 Bonds other than as contained in this Official Statement, and, if given or made, such information or representation must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. Certain information contained herein has been obtained from the University and other sources which are believed by the Underwriters to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriters. 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, the Underwriters have reviewed the information in this Official Statement, but do not guarantee the accuracy or completeness of such information. Neither the delivery of this Official Statement nor the sale of any of the Series 2025 Bonds shall imply that the information herein is correct as of any time subsequent to the date hereof.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports, agreements or other documents are referred to herein, reference should be made to such statutes, reports, agreements or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, and amended, and in effect of the date hereof, this Preliminary Official Statement constitutes an official statement of the University that has been deemed final by the University as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

The Series 2025 Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws, and neither the Securities and Exchange Commission nor any state regulatory agency will pass upon the accuracy, completeness or adequacy of this Official Statement.

THE SERIES 2025 BONDS HAVE RISK CHARACTERISTICS WHICH REQUIRE CAREFUL ANALYSIS AND CONSIDERATION BEFORE A DECISION TO PURCHASE IS MADE. THE SERIES 2025 BONDS SHOULD BE PURCHASED BY INVESTORS WHO HAVE ADEQUATE EXPERIENCE TO EVALUATE THE MERITS AND RISKS OF THE SERIES 2025 BONDS. PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS OFFICIAL STATEMENT OR ANY PRIOR OR SUBSEQUENT COMMUNICATION FROM THE UNDERWRITERS, THEIR AFFILIATES, OFFICERS AND EMPLOYEES OR ANY PROFESSIONAL ASSOCIATED WITH THIS OFFERING AS INVESTMENT OR LEGAL ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO FINANCIAL, LEGAL AND RELATED MATTERS CONCERNING THE INVESTMENT DESCRIBED HEREIN.

There can be no guarantee that there will be a secondary market for the Series 2025 Bonds or, if a secondary market exists, that it will continue to exist or that the Series 2025 Bonds can in any event be sold for any particular price.

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.

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.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall under any circumstances create an implication that there has been no change in the affairs of the University since the date hereof. The delivery of this Official Statement does not imply that the information contained herein is correct on any date subsequent to the date of this Official Statement.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2025 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2025 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNIVERSITY HAS NO CONTROL OVER THE TRADING OF THE SERIES 2025 BONDS AFTER THEIR SALE.

**CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING  
STATEMENTS IN THIS OFFICIAL STATEMENT**

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Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "believe," "expect," "estimate," "anticipate," "intend," "projected," "budget," "could," or other similar words. Additionally, all statements in this Official Statement, including forward-looking statements, speak only as of the date they are made, and the University and the Underwriters disclaim any obligation to update any of the forward-looking statements contained herein to reflect future events or developments.

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 students, customers, suppliers, 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.

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**OFFICIAL STATEMENT  
relating to**

**AUBURN UNIVERSITY**

\$ \_\_\_\_\_<sup>\*</sup>  
**General Fee Revenue Bonds**  
**Series 2025-A**

\$ \_\_\_\_\_<sup>\*</sup>  
**General Fee Revenue Bonds**  
**Series 2025-B**

**INTRODUCTORY STATEMENT**

This Official Statement, including the cover page and appendices, is furnished by Auburn University (the "University" or "Auburn") to provide certain information in connection with the sale by the University of the above-referenced General Fee Revenue Bonds, Series 2025-A (the "Series 2025-A Bonds") and General Fee Revenue Bonds, Series 2025-B (the "Series 2025-B Bonds" and, together with the Series 2025-A Bonds, the "Series 2025 Bonds"), to be issued as additional parity bonds under that certain General Fee Revenue Trust Indenture dated as of June 1, 1985, between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), as previously supplemented and amended and as further supplemented and amended by a Twenty-Seventh Supplemental General Fee Indenture to be dated the date of the Series 2025 Bonds (collectively, the "Indenture").

**The University**

The University is a public corporation and an instrumentality of the State of Alabama (the "State") existing under the provisions of Amendment No. 161 of the Constitution of Alabama of 2022 (the "Alabama Constitution"), as subsequently amended by Amendment No. 670, and Chapter 48 of Title 16 of the Code of Alabama 1975, as amended (the "Alabama Code"). The University is governed by a Board of Trustees (the "Board") with sixteen voting members. The members of the Board are appointed by a committee consisting of the Governor of Alabama and representatives of the Board and the Auburn Alumni Association, with the advice and consent of the Alabama Senate. No member of the Board receives compensation for his or her services.

The University has two campuses. The University's larger campus is located in the City of Auburn, Alabama (the "Auburn Main Campus"). The University's second campus is located in the City of Montgomery, Alabama (the "Auburn Montgomery Campus" or "AUM"). Fall 2024 enrollment at the University was 39,364, including 34,145 enrolled at the Auburn Main Campus and 5,219 enrolled at the Auburn Montgomery Campus. For a description of the University and the Board, see "APPENDIX A – General Description of the University."

**Purpose of the Series 2025 Bonds**

The Series 2025-A Bonds are being issued to finance the costs of the University Improvements and to pay the costs of issuing the Series 2025-A Bonds. The Series 2025-B Bonds are being issued to (i) refund certain outstanding bonds of the University hereinafter defined as the "Refunded Bonds", (ii) pay the tender price of the Tendered Bonds (which will be terminated upon purchase and, thereby, refinanced by the Series 2025-B Bonds), and (iii) pay the costs of issuing the Series 2025-B Bonds (including costs of the tender process herein described respecting the Tendered Bonds). See "THE PLAN OF FINANCING" herein.

**Security**

The Series 2025 Bonds are limited obligations of the University, payable solely from, and secured by a pledge of, Pledged Revenues, all as more fully described below under "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues." Pledged Revenues include a pledge of (i) General Fees levied against students enrolled at the University, (ii) certain Pledged Student Fees, (iii) Housing and Dining Revenues, and (iv) Athletic Program Revenues, each as more particularly described herein and in APPENDIX C. See "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues"; see also "APPENDIX C – SUMMARY OF THE INDENTURE."

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<sup>\*</sup> Preliminary; subject to change.



The Series 2025 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 2025 Bonds. Holders of the Series 2025 Bonds shall never have the right to demand payment of the Series 2025 Bonds from the University from any source other than from Pledged Revenues and the special funds established under the Indenture and pledged to the Series 2025 Bonds, and any such payments shall be on parity of lien with all other outstanding Bonds heretofore or hereafter issued under the Indenture.

### **Existing and Additional Parity Bonds**

The Indenture permits the University to issue additional parity bonds ("Additional Bonds") that will be secured by Pledged Revenues on parity of lien with the Series 2025 Bonds and with any other Bonds issued under the Indenture. For a description of Bonds already outstanding under the Indenture, see "DEBT STRUCTURE OF THE UNIVERSITY." For a description of the terms of the Indenture for the issuance of Additional Bonds in the future, see "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues," "SECURITY AND SOURCE OF PAYMENT – Additional Parity Bonds" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant." See also "APPENDIX C – Summary of the Indenture – Additional Bonds."

## **DEFINITIONS**

The definitions of certain capitalized terms used frequently in this Official Statement are set forth in this section. The appendix summarizing the terms of the Indenture ("APPENDIX C – Summary of the Indenture") contains additional terms used in such summary.

**"Additional Bonds"** means an additional series of bonds issued pursuant to the Indenture that are secured on parity of lien with other bonds issued by the University under and pursuant to the Indenture.

**"Athletic Program Revenues"** means the gross revenues derived by the University from its intercollegiate athletic program, including, without limitation, all proceeds from the sales of tickets and from other fees and charges for admission to or use of facilities in connection with athletic events at Jordan-Hare Stadium and all other athletic facilities of the University, all concession revenues from such facilities, all payments for television and other broadcast rights referable to intercollegiate athletic events in which the University is a participant or to athletic conferences or associations of which the University is a member, all payments received by the University by way of settlement or otherwise from other institutions and from conferences or associations of which the University is a member and directly or indirectly related to the intercollegiate athletic program of the University, and that portion (presently \$110 per student per academic semester) of the general tuition fees levied against all students of the University at the Auburn Main Campus designated for athletic purposes and allocated to the Athletic Department of the University.

**"Auburn Main Campus"** means the campus of the University located in the City of Auburn, Alabama.

**"Auburn Montgomery Campus"** means the campus of the University located in the City of Montgomery, Alabama.

**"AUM General Fees"** means the gross revenues derived by the University from the general tuition fees levied against all students of the University at the Auburn Montgomery Campus, excluding any fee or charge designated for a special purpose by a resolution duly adopted by the Board, unless otherwise provided by such a resolution.

**"Board"** means the Board of Trustees of the University.

**"Bonds"** means all bonds heretofore issued under the Indenture and outstanding, the proposed Series 2025 Bonds, and any Additional Bonds hereafter issued under the Indenture.

**"Business Day"** means any day other than a Saturday, a Sunday or a day on which the Trustee is authorized to be closed under general law or regulation applicable in the place where the Trustee performs its business with respect to the Indenture.

**"General Fees"** means the gross revenues from the general tuition fees levied against all students of the University, excluding (i) that portion (presently \$110 per student at the Auburn Main Campus per academic semester) of such fees designated for athletic purposes and allocated to the Athletic Department of the University, and (ii) any other fee or charge designated for a special purpose by resolution duly adopted by the Board, unless otherwise provided by such a resolution.

**"Housing and Dining Revenues"** means the gross revenues derived by the University from the operation of the housing and dining facilities owned by the University.

**"Indenture"** means the General Fee Revenue Trust Indenture dated as of June 1, 1985, between the University and the Trustee, as previously supplemented and amended and as further supplemented by a Twenty-Seventh Supplemental General Fee Indenture to be dated the date of the Series 2025 Bonds.

**"Pledged Revenues"** means the General Fees, Pledged Student Fees, Housing and Dining Revenues and Athletic Program Revenues, each as described herein.

**"Pledged Student Fees"** means the gross revenues derived by the University from the following student fees:

(i) that certain fee levied against students at the Auburn Main Campus authorized by a resolution of the Board adopted on June 18, 2010, to be collected in an amount up to \$239 per academic semester and to be used to pay a portion of the costs of a new student wellness center to be located on the Auburn Main Campus;

(ii) that certain fee levied against students at the Auburn Main Campus authorized by a resolution of the Board adopted on June 7, 1999 (presently \$90 per semester), to be used to pay a portion of the costs of the student center located on the Auburn Main Campus; and

(iii) that portion (presently \$160 per semester) of the student activity fee levied against students at the Auburn Montgomery Campus authorized by a resolution of the Board adopted on November 6, 2009, to be used to pay a portion of the costs of the new student wellness center located on the Auburn Montgomery Campus.

**"Record Date"** means, with respect to the payment of interest on the Series 2025 Bonds, the fifteenth (15<sup>th</sup>) day of the month (regardless of whether such day is a Business Day) immediately preceding each interest payment date on the Series 2025 Bonds.

**"Refunded Bonds"** means [those of the University's General Fee Revenue Refunding Bonds, Series 2015-A, dated March 18, 2015, maturing on June 1 of the years 2026 through 2035, inclusive, and those of the University's General Fee Revenue Refunding Bonds, Series 2015-B, dated September 10, 2015, maturing on June 1 of the years 2026 through 2038, inclusive].

**"Series 2025-A Bonds"** means the University's General Fee Revenue Bonds, Series 2025-A, being offered pursuant to this Official Statement.

**"Series 2025-B Bonds"** means the University's General Fee Revenue Bonds, Series 2025-B, being offered pursuant to this Official Statement.

**"Series 2025 Bonds"** means, together, the Series 2025-A Bonds and the Series 2025-B Bonds.

**"Target Bonds"** means those of the University's General Fee Revenue Bonds, Series 2018-A, dated July 10, 2018 maturing on June 1 of the years [ ] through [ ], inclusive, those of the University's Taxable General Fee Revenue Refunding Bonds, Series 2020-B, dated March 18, 2020 maturing on June 1 of the years [ ] through [ ], inclusive and those of the University's General Fee Revenue Bonds, Series 2020-C, dated July 29, 2020, maturing on June 1 of the years [ ] through [ ], inclusive.

**"Tendered Bonds"** means those Target Bonds of the University that are tendered to and purchased by the University pursuant to terms of the Invitation and the Tender Offer.

"**Trustee**" means The Bank of New York Mellon Trust Company, N.A. (successor trustee to Compass Bank and JPMorgan Chase Bank) in its capacity as trustee under the Indenture.

"**University**" or "**Auburn**" means Auburn University, a public corporation and an instrumentality of the State of Alabama.

"**University Improvements**" means the capital improvements located or to be located on the Auburn Main Campus that will be constructed and acquired with proceeds of the Series 2025-A Bonds consisting of renovations and improvements to Comer Hall and other facilities of the University and construction and development of a new facility for the College of Human Sciences and other new facilities of the University.

## THE SERIES 2025 BONDS

### General Description

The Series 2025 Bonds will be dated the date of delivery and will bear interest (payable to the registered owners as of the Record Date, on each June 1 and December 1 thereafter until maturity, commencing [June 1], 2025) at the interest rates set forth on the inside cover page of this Official Statement. The Series 2025 Bonds will mature on June 1 in the years and in the amounts set forth on the inside cover page of this Official Statement. The Series 2025 Bonds will be issuable only as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

### Redemption Prior to Maturity

The Series 2025 Bonds will be subject to optional or mandatory redemption, as follows:

***Optional Redemption of the Series 2025-A Bonds.*** Those of the Series 2025-A Bonds maturing on June 1, \_\_\_\_\_, and thereafter, will be subject to redemption on \_\_\_\_\_, or any date thereafter at the option of the University at a redemption price equal to 100% of the par amount of the Series 2025-A Bonds being redeemed plus accrued interest through the date of redemption.

***Optional Redemption of the Series 2025-B Bonds.*** Those of the Series 2025-B Bonds maturing on June 1, \_\_\_\_\_, and thereafter, will be subject to redemption on \_\_\_\_\_, or any date thereafter at the option of the University at a redemption price equal to 100% of the par amount of the Series 2025-B Bonds being redeemed plus accrued interest through the date of redemption.

***Mandatory Redemption of 20\_\_ Series 2025-A Term Bonds.*** The Series 2025-A Bonds maturing on June 1, 20\_\_ (the "20\_\_ Term Bonds") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on June 1, in years and principal amounts (after credit as provided below) as follows:

| Year | Amount |
|------|--------|
|------|--------|

Not less than 45 or more than 60 days prior to each mandatory redemption date with respect to the 20\_\_ Term Bonds, the Trustee shall proceed to select for redemption, by lot, 20\_\_ Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 20\_\_ Term Bonds or portions thereof for redemption on such mandatory redemption date. The University may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 20\_\_ Term Bonds scheduled for redemption on such date: (i) the principal amount of 20\_\_ Term Bonds delivered by the University to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of 20\_\_ Term Bonds

previously redeemed pursuant to the optional redemption provisions of the Indenture and not previously claimed as a credit.

Except in the case of mandatory redemption of 20\_\_ Term Bonds, if less than all Series 2025-A Bonds Outstanding are to be redeemed, the particular Series 2025-A Bonds to be redeemed may be specified by the University by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that (i) the principal amount of Series 2025-A Bonds of each maturity to be redeemed must be a multiple of the smallest authorized denomination of Series 2025-A Bonds, and (ii) if less than all Series 2025-A Bonds with the same stated maturity and coupon are to be redeemed, the Series 2025-A Bonds of such maturity and coupon to be redeemed shall be selected by lot by the Trustee.

***Mandatory Redemption of 20\_\_ Series 2025-B Term Bonds.*** The Series 2025-B Bonds maturing on June 1, 20\_\_ (the "20\_\_ Term Bonds") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on June 1, in years and principal amounts (after credit as provided below) as follows:

| Year | Amount |
|------|--------|
|------|--------|

Not less than 45 or more than 60 days prior to each mandatory redemption date with respect to the 20\_\_ Term Bonds, the Trustee shall proceed to select for redemption, by lot, 20\_\_ Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 20\_\_ Term Bonds or portions thereof for redemption on such mandatory redemption date. The University may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 20\_\_ Term Bonds scheduled for redemption on such date: (i) the principal amount of 20\_\_ Term Bonds delivered by the University to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of 20\_\_ Term Bonds previously redeemed pursuant to the optional redemption provisions of the Indenture and not previously claimed as a credit.

Except in the case of mandatory redemption of 20\_\_ Term Bonds, if less than all Series 2025-B Bonds Outstanding are to be redeemed, the particular Series 2025-B Bonds to be redeemed may be specified by the University by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that (i) the principal amount of Series 2025-B Bonds of each maturity to be redeemed must be a multiple of the smallest authorized denomination of Series 2025-B Bonds, and (ii) if less than all Series 2025-B Bonds with the same stated maturity and coupon are to be redeemed, the Series 2025-B Bonds of such maturity and coupon to be redeemed shall be selected by lot by the Trustee.

***General Provisions Respecting Redemption.*** Any redemption will be made upon at least 30 days' notice by registered or certified mail to the holders of Series 2025 Bonds to be redeemed.

If a trust is established for payment of less than all Series 2025 Bonds of a particular maturity and coupon, the Series 2025 Bonds of such maturity and coupon to be paid from the trust shall be selected by the Trustee by lot within 7 days after such trust is established and shall be identified by a separate CUSIP number or other designation satisfactory to the Trustee. The Trustee shall notify holders whose Series 2025 Bonds (or portions thereof) have been selected for payment from such trust and shall direct such holders to surrender their Series 2025 Bonds to the Trustee in exchange for Series 2025 Bonds with the appropriate designation.

Upon any partial redemption of a Series 2025 Bond, such Bond shall be surrendered to the Trustee in exchange for one or more new Series 2025 Bonds of the same tenor in authorized form for the unredeemed portion of principal. Any Series 2025 Bond (or portion thereof) which is to be redeemed must be surrendered to the Trustee for payment of the redemption price. Series 2025 Bonds (or portions thereof) duly called for redemption will cease to bear interest after the redemption date, unless the University defaults in payment of the redemption price.

## **Transfer and Exchange**

No charge will be made for any exchange or transfer of the Series 2025 Bonds, but the registered owner thereof shall be responsible for paying all taxes and other governmental charges relating to such transfer or exchange. In the event a Series 2025 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.

## **Method and Place of Payment**

The Series 2025 Bonds will be issued in book-entry only form, as described below under "Book-Entry Only System," and the method and place of payment will be as provided in the book-entry only system. The Indenture contains alternative provisions for the method and place of payment if the book-entry only system is discontinued.

## **Registration and Exchange**

The Series 2025 Bonds will be issued in book-entry only form, as described below under "Book-Entry Only System," and the method for registration and exchange of the Series 2025 Bonds will be as provided in the book-entry only system. The Indenture contains alternative provisions for the registration and exchange of Series 2025 Bonds if the book-entry only system is discontinued.

## **Book-Entry Only System**

*The information contained in this section concerning The Depository Trust Company and its book-entry only system has been obtained from materials furnished by The Depository Trust Company to the University. The University and the Underwriters do not make any representation or warranty as to the accuracy or completeness of such information.*

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2025 Bonds. The Series 2025 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 2020 Bond certificate will be issued for each maturity of each series of the Series 2025 Bonds in the aggregate principal amount of such maturity of such series 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 17A 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](http://www.dtcc.com).

Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 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 2025 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 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 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 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 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 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the documents governing the terms of the Series 2025 Bonds. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 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 Trustee and request that copies of notices be provided to them directly.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds of a particular series and maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series and maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds 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 Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any) and interest payments on the Series 2025 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 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, the Trustee, or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium (if any) and interest 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.

DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the University or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2025 Bonds are required to be printed and delivered.

The University may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2025 Bonds will be printed and delivered to DTC.

The information in this section 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.



The University, the Trustee and the Underwriters cannot and do not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Series 2025 Bonds (1) payments of principal, redemption price or interest on the Series 2025 Bonds; (2) certificates representing an ownership interest or other confirmation of beneficial ownership interests in Series 2025 Bonds; or (3) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Series 2025 Bonds, or that they will do so on a timely basis or that DTC, Direct Participants 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 United States 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 Trustee nor the Underwriters will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the Series 2025 Bonds; (2) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (3) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Series 2025 Bonds; (4) the delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Trust Indenture to be given to holders of the Series 2025 Bonds; (5) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2025 Bonds; or (6) any consent given or other action taken by DTC as a holder of the Series 2025 Bonds.

#### Authority for Issuance

The Series 2025 Bonds are being issued by the University under the authority of the Constitution and laws of the State of Alabama, including particularly and without limitation Chapter 3 of Title 16 of the Alabama Code (Section 16-3-28) (the "Enabling Law").

The Enabling Law authorizes any public corporation that conducts one or more state educational institutions under its supervision, acting through its board of trustees or other governing body, to issue interest bearing securities, whether in the form of bonds, notes or other securities, in evidence of money borrowed for the purchase, construction, enlargement or alteration of any buildings or other improvements, all for use by such institution, and for the purpose of refunding its outstanding interest bearing securities. The issuing institution may agree to pledge to the payment of the principal of and interest on such securities the fees from students levied and to be levied by or for such institution and any other moneys and revenues not appropriated by the State to such institution.

### SECURITY AND SOURCE OF PAYMENT

#### Sources of Payment and Pledged Revenues

The Series 2025 Bonds will be limited obligations of the University payable solely from, and will be secured by a pledge of, Pledged Revenues. Under the Indenture, Pledged Revenues consist of (i) General Fees, (ii) Pledged Student Fees, (iii) Housing and Dining Revenues, and (iv) Athletic Program Revenues, each subject to the exclusions and limitations described herein and in the Indenture. See "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" below for a discussion of the right reserved by the University, upon satisfaction of certain conditions, to issue indebtedness secured by a pledge of Housing and Dining Revenues, Athletic Program Revenues and/or AUM General Fees that is senior to the pledge of such revenues under the Indenture (including with respect to the Series 2025 Bonds).

The following sets forth, on an unaudited basis, historical Pledged Revenues, including the various components thereof, for each of the fiscal years (each ended September 30) shown below:

| Fiscal Year | General Fees and Pledged Student Fees<br>Auburn Main Campus | AUM Campus   | Housing and Dining Revenues | Athletic Program Revenues  | Total Pledged Revenues     |
|-------------|---|--------------|-----------------------------|----------------------------|----------------------------|
| 2024        | \$631,008,598   | \$60,780,648 | \$66,046,851                | \$156,819,713              | \$914,655,810              |
| 2023        | 580,988,147   | 59,182,665   | 59,840,937                  | 173,321,239                | 873,332,988                |
| 2022        | 568,058,607   | 55,853,255   | 60,028,863                  | 126,374,551                | 810,315,276                |
| 2021        | 561,191,974   | 53,194,214   | 53,309,828                  | 118,713,564 <sup>(1)</sup> | 786,409,580 <sup>(1)</sup> |
| 2020        | 541,226,596   | 54,314,428   | 46,253,884                  | 99,484,566 <sup>(1)</sup>  | 741,279,474 <sup>(1)</sup> |

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<sup>(1)</sup> Amounts for the 2020 and 2021 fiscal years are net of the debt service payable on senior lien athletic revenue bonds that were outstanding at the time but that have now been retired.

The following describes each component of Pledged Revenues (i.e., General Fees, Pledged Student Fees, Housing and Dining Revenues, and Athletic Program Revenues):

**General Fees.** The term "General Fees," as used herein, means the gross revenues from the general tuition fees levied against all students of the University, excluding (i) that portion (presently \$110 per student at the Auburn Main Campus per academic semester) of such fees designated for athletic purposes and allocated to the Athletic Department of the University, and (ii) any other fee or charge designated for a special purpose by resolution duly adopted by the Board, unless otherwise provided by such a resolution.

The University's pledge of the General Fees derived from the Auburn Main Campus is a first-priority pledge that is not subject to any prior pledge by the University, is not pledged to pay debt service on any indebtedness of the University other than indebtedness issued under the Indenture and cannot be pledged to secure any Other Senior Obligations (as defined in "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" below).

The University's pledge of the AUM General Fees (which are included within total General Fees) derived from the Auburn Montgomery Campus is not currently subject to any prior pledge by the University and is not pledged to pay debt service on any indebtedness of the University other than indebtedness issued under the Indenture. However, in the Indenture, the University has reserved the right, upon satisfaction of certain conditions, to issue debt secured by and payable from a pledge of the AUM General Fees that is prior to the pledge of AUM General Fees under the Indenture. See "DEBT STRUCTURE OF THE UNIVERSITY – Outstanding Bonds under the Indenture," "DEBT SERVICE REQUIREMENTS," "SECURITY AND SOURCE OF PAYMENT – Additional Parity Bonds" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" herein.

**Pledged Student Fees.** The term "Pledged Student Fees," as used herein, includes (i) a fee levied against students at the Auburn Main Campus authorized by a resolution of the Board adopted on June 18, 2010, to be collected in an amount up to \$239 per academic semester and to be used to pay a portion of the costs of a new student wellness center to be located on the Auburn Main Campus; (ii) a fee levied against students at the Auburn Main Campus authorized by a resolution of the Board adopted on June 7, 1999 (presently \$90 per semester), to be used to pay a portion of the costs of the student center located on the Auburn Main Campus; and (iii) that portion (presently \$160 per semester) of the student activity fee levied against students at the Auburn Montgomery Campus authorized by a resolution of the Board adopted on November 6, 2009, to be used to pay a portion of the costs of the student wellness center now located on the Auburn Montgomery Campus. The Pledged Student Fees were designated for the special purposes described above and were pledged to secure all Bonds now or hereafter outstanding under the Indenture, including without limitation the Series 2025 Bonds, by resolutions duly adopted by the Board.

The University's pledge of the Pledged Student Fees derived from the Auburn Main Campus is a first-priority pledge that is not subject to any prior pledge by the University, does not secure the payment of debt service on any indebtedness of the University other than indebtedness issued under the Indenture and cannot be pledged to secure any Other Senior Obligations (as defined in "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" below). The University's pledge of the Pledged Student Fees derived from the Auburn Montgomery Campus is not currently subject to any prior pledge by the University and does not secure the payment of debt service on any indebtedness of the University other than indebtedness issued under the Indenture; however, the University has reserved the right to issue debt secured by a pledge of the Pledged Student Fees derived from the Auburn Montgomery Campus that is prior to the pledge of such revenues under the Indenture upon certain conditions. See "DEBT STRUCTURE OF THE UNIVERSITY – Outstanding Bonds under the Indenture," "DEBT SERVICE REQUIREMENTS," "SECURITY AND SOURCE OF PAYMENT – Additional Parity Bonds" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" herein.

**Housing and Dining Revenues.** The term "Housing and Dining Revenues," as used herein, means the gross revenues derived by the University from the operation of the housing and dining facilities owned by the University.

The University's pledge of Housing and Dining Revenues under the Indenture is not currently subject to any prior pledge by the University and is not pledged to pay debt service on any indebtedness of the University other than

indebtedness issued under the Indenture. However, the University has reserved the right to issue debt secured by a pledge of the Housing and Dining Revenues that is prior to the pledge of the Housing and Dining Revenues under the Indenture upon certain conditions described herein under "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant."

***Athletic Program Revenues.*** The term "Athletic Program Revenues" means the gross revenues (including, without limitation, a portion of certain student fees) derived by the University from its intercollegiate athletic program, including, without limitation, all proceeds from the sales of tickets and from other fees and charges for admission to or use of facilities in connection with athletic events at Jordan-Hare Stadium and all other athletic facilities of the University, all concession revenues from such facilities, all payments for television and other broadcast rights referable to intercollegiate athletic events in which the University is a participant or to athletic conferences or associations of which the University is a member, all payments received by the University by way of settlement or otherwise from other institutions and from conferences or associations of which the University is a member and directly or indirectly related to the intercollegiate athletic program of the University, and that portion (presently \$110 per student per semester) of the general tuition fee levied against all students of the University at the Auburn Main Campus designated for athletic purposes and allocated to the Athletic Department of the University.

The University's pledge of Athletic Program Revenues under the Indenture is not currently subject to any prior pledge by the University and is not pledged to pay debt service on any indebtedness of the University other than indebtedness issued under the Indenture. However, the University has reserved the right to issue debt secured by a pledge of the Athletic Program Revenues that is prior to the pledge of the Athletic Program Revenues under the Indenture upon certain conditions described herein under "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant."

### **Maintenance of Pledged Revenues**

In the Indenture, the University has agreed that so long as the principal of and the interest on any Bonds issued under the Indenture remain unpaid, the University will continue to levy and collect those fees and charges comprising the Pledged Revenues, and it will from time to time make such increases and adjustments in such fees and charges and allocation and designation thereof as will produce during each fiscal year Pledged Revenues in an amount not less than 250% of the amounts required to make all payments into the Bond Fund established thereunder in respect of debt service on such Bonds. The University may, however, reduce or otherwise adjust such fees and charges so long as the Pledged Revenues during each fiscal year are not less than 250% of the amount required for all payments to be made during the same fiscal year into such Bond Fund pursuant to the Indenture or any supplemental indenture.

For purposes of the foregoing covenant, Pledged Revenues shall be calculated by taking into account the fees and charges comprising the Pledged Revenues after deducting therefrom the annual debt service requirements on the outstanding Other Senior Obligations, if any. For a summary of historical Pledged Revenues, see "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues" herein.

### **Special Funds**

As security for the Series 2025 Bonds, the University will grant the Trustee a security interest in certain special funds established under the Indenture as more particularly described in "APPENDIX C – Summary of the Indenture – Flow of Funds."

### **Additional Parity Bonds**

When the Series 2025 Bonds are issued, the Bonds that will be outstanding and secured by Pledged Revenues on a parity lien basis under the Indenture are described under "DEBT STRUCTURE OF THE UNIVERSITY – Outstanding Bonds Under the Indenture" herein.

The Indenture permits the University to issue Additional Bonds secured by Pledged Revenues on parity of lien with all Bonds then outstanding under the Indenture in order to (i) refund Bonds previously issued under the Indenture, and/or (ii) finance the acquisition or construction of capital improvements to the University's facilities. Among the conditions precedent to the issuance of Additional Bonds is a requirement that there be furnished to the Trustee a certificate by the Executive Vice President of the University (which position is now the Chief Financial Officer of the University) certifying that the amount of Pledged Revenues received by the University during each of

the two fiscal years next preceding the date of the issuance of the Additional Bonds then proposed to be issued was not less than 250% of the maximum annual debt service requirement (including for this purpose amounts subject to mandatory redemption during such fiscal year) immediately following the issuance of the then proposed Additional Bonds. Pledged Revenues for any fiscal year shall be computed by taking into account the gross revenues from General Fees, Housing and Dining Revenues, Athletic Program Revenues and Pledged Student Fees derived by the University during such fiscal year, after deducting therefrom an amount equal to the principal (including for this purpose amounts subject to mandatory redemption during such fiscal year) and interest maturing on any Other Senior Obligations for such fiscal year. See "DEBT SERVICE COVERAGE" herein.

### **Senior Debt Covenant**

In the Indenture, the University covenants that so long as any of the Series 2025 Bonds remain outstanding, the University will not issue any bonds or incur any other obligations secured by a pledge of Housing and Dining Revenues, Athletic Program Revenues or AUM General Fees that are senior to the pledge of Housing and Dining Revenues, Athletic Program Revenues or AUM General Fees contained in the Indenture (such senior bonds and other obligations, collectively, the "Other Senior Obligations") unless, at the time of such issuance or incurrence, the Executive Vice President of the University (which position is now the Chief Financial Officer of the University) files a certificate with the Trustee certifying that the amount of Pledged Revenues received by the University during each of the two fiscal years next preceding the date of issuance or incurrence of the Other Senior Obligations, less the maximum amount payable in any Fiscal Year on the Other Senior Obligations proposed to be issued, is not less than 250% of the University's maximum annual debt service under the Indenture.

For a summary of historical Pledged Revenues, see "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues" herein.

### **Limited Obligations**

The Series 2025 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 2025 Bonds. **Holders of the Series 2025 Bonds shall never have the right to demand payment of the Series 2025 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.**

## **THE PLAN OF FINANCING**

The Series 2025-A Bonds are being issued for the purposes of financing the costs of the University Improvements and paying the costs of issuing the Series 2025-A Bonds. The Series 2025-B Bonds are being issued to (i) refund the Refunded Bonds, (ii) pay the tender price for (and thereby refund) the Tendered Bonds, and (iii) pay the costs of the Series 2025-B Bonds (including costs of the tender process herein described for the Tendered Bonds).

### **Financing of the University Improvements**

Proceeds of the Series 2025-A Bonds not used for payment of issuance costs will be deposited into a special fund or account of the University and used to pay for the University Improvements (the "Construction Account"). The Construction Account will not be part of the Trust Estate, nor will it or any funds therein be pledged for payment of the Series 2025 Bonds or otherwise pledged to secure the Series 2025 Bonds.

### **Refunding of the Refunded Bonds**

Upon issuance of the Series 2025-B Bonds, the amount necessary from proceeds of the Series 2025-B Bonds to redeem and retire the Refunded Bonds (including interest earnings thereon) will be remitted to the Trustee either for deposit into the Bond Fund of the Indenture for payment of the Refunded Bonds on the date called for redemption or for deposit into a special account created in an escrow trust agreement between the University and the Trustee, in its capacity as escrow trustee, for payment of the Refunded Bonds on the date called for redemption. The Refunded Bonds will be called for redemption on a date that is ninety (90) days or less from the date of issuance of the Series

2025-B Bonds.

### **The Tender Offer; Refunding of Tendered Bonds**

The University circulated and released its Invitation to Tender Bonds on or about February [\_\_\_], 2025 (the "Invitation") inviting owners of certain of the University's Bonds more particularly described and defined herein as the "Target Bonds" to tender such Target Bonds for purchase by the University (the "Tender Offer"). The University contemporaneously filed the Invitation with the MSRB through its EMMA system. The purpose of the Tender Offer was to give the University the opportunity to purchase the Target Bonds with a portion of the proceeds of the Series 2025-B Bonds and realize overall net debt service savings. Those of the Target Bonds that are tendered to and purchased by the University pursuant to the Tender Offer will be retired and cancelled by the University on the date of issuance of the Series 2025-B Bonds (the "Settlement Date").

Pursuant to the Tender Offer as set forth in the Invitation, the owners of Target Bonds are given the opportunity to tender such Target Bonds to the University for cash. Subject to the conditions set forth in the Invitation, the University expects to purchase those Target Bonds offered for purchase per the terms and at the purchase prices set forth in the Invitation, plus accrued interest to but not including the Settlement Date. The Tendered Bonds purchased pursuant to the Tender Offer, once cancelled by the University on the Settlement Date, will no longer be deemed "Outstanding" within the meaning of the Indenture. Funds to pay the purchase price of the Tendered Bonds and to pay the costs of the Tender Offer will be provided from a portion of the proceeds of the Series 2025-B Bonds.

This section is not intended to summarize all of the terms of the Invitation, and reference is made to the Invitation for a discussion of the terms of the Tender Offer and the conditions for settlement of the Target Bonds validly tendered and accepted for purchase. The closing related to the Target Bonds tendered for purchase will be contingent upon the University's issuance of the Series 2025-B Bonds.

The University may conduct additional tender or exchange offers in the future as part of its ongoing risk management efforts.

Upon issuance of the Series 2025-B Bonds, a portion of the proceeds of the Series 2025-B Bonds will be used to pay the tender price for the Tendered Bonds. At such time, the Tendered Bonds will be terminated and no longer outstanding.

## SOURCES AND USES OF FUNDS

The estimated sources and uses of bond proceeds for the plan of financing with respect to the issuance of the Series 2025 Bonds are as follows:

### Series 2025-A Bonds:

#### Sources of Funds

|   |    |
|---|----|
| Principal amount of Series 2025-A Bonds             | \$ |
| [Plus/Less] [net] original issue [premium/discount] |    |

|               |    |
|---------------|----|
| Total Sources | \$ |
|---------------|----|

#### Uses of Funds

|   |    |
|---|----|
| Deposit to Construction Account for University Improvements | \$ |
| Expenses of issuance*                                       |    |

|            |    |
|------------|----|
| Total Uses | \$ |
|------------|----|

### Series 2025-B Bonds:

#### Sources of Funds

|   |    |
|---|----|
| Principal amount of Series 2025-B Bonds             | \$ |
| [Plus/Less] [net] original issue [premium/discount] |    |

|               |    |
|---------------|----|
| Total Sources | \$ |
|---------------|----|

#### Uses of Funds

|  |    |
|--|----|
| Refunding the Refunded Bonds               | \$ |
| Payment of Tender Price for Tendered Bonds |    |
| Expenses of issuance*                      |    |

|            |    |
|------------|----|
| Total Uses | \$ |
|------------|----|

\* Includes Underwriters' discount, Dealer Manager Fee, legal, accounting, financial advisory and other expenses.

## DEBT STRUCTURE OF THE UNIVERSITY

### Outstanding Bonds under the Indenture

The following chart shows the estimated maximum principal amount of Bonds outstanding under the Indenture and secured by Pledged Revenues on a parity of lien basis after giving effect to the issuance of the Series 2025-A Bonds, and prior to the issuance of or any refinancing by the Series 2025-B Bonds pursuant to the plan of



financing hereinafter described:

| <b>Bonds Outstanding under the Indenture</b> |                                    |                                  |
|--|------------------------------------|----------------------------------|
| <b>Series</b>                                | <b>Final Maturity<br/>(June 1)</b> | <b>Principal<br/>Outstanding</b> |
| 2025-A*                                      | *                                  | \$ *                             |
| 2024-A                                       | 2035                               | 31,000,000                       |
| 2021-A                                       | 2026                               | 21,416,000                       |
| 2020-A                                       | 2026                               | 13,030,000                       |
| 2020-B                                       | 2042                               | 73,055,000                       |
| 2020-C                                       | 2050                               | 275,580,000                      |
| 2018-A                                       | 2048                               | 193,585,000                      |
| 2016-A                                       | 2041                               | 198,430,000                      |
| 2015-A                                       | 2025                               | 345,000                          |
| 2015-B                                       | 2025                               | 3,035,000                        |
| 2014-A                                       | 2034                               | 13,795,000                       |
|  | Total                              | \$ *                             |

\* Preliminary; subject to change.

#### **Miscellaneous Debt**

**General; Subordinated Debt.** The University has from time-to-time incurred various long-term debts (including notes and capitalized leases) that may be payable from one or more of the sources of Pledged Revenues, but such debts are not secured by a pledge of any of the Pledged Revenues and, to the extent such debts are payable from any of the Pledged Revenues, such debts are payable on a subordinate basis with respect to Bonds issued under the Indenture. As of September 30, 2024, the outstanding principal amount of such debt for the University was \$3,125,000.

**Outstanding Long-Term Material Capital Lease Obligations and Other Capital Lease Obligations.** The University is party to a Lease Agreement dated August 2, 2017, with the Public Educational Building Authority of the City of Gulf Shores, Alabama (the "Gulf Shores PBA") under which the Gulf Shores PBA leases an approximately 24,000 square foot educational complex located in the City of Gulf Shores, Alabama, to the University for various of its educational, research and related activities. Rent payable by the University under this lease includes basic rent equal to an outstanding principal amount of \$8,655,000, plus interest thereon, payable over a remaining period that ends on July 1, 2047. Payments under this lease are made from General Fees, though such revenues are not pledged by the University for the payment of rent under this lease or otherwise in connection with this complex.

The University also entered a Lease Agreement dated December 10, 2024 (the "New R&D Facility Lease"), with The Industrial Development Board of the City of Huntsville (the "Huntsville IDB"), under which the Huntsville IDB leases land located in Cummings Research Park in the City of Huntsville and a new research and development facility to be constructed thereon to the University for its use. Payments of basic rent under the New R&D Facility Lease are based on a principal amount of up to \$18,000,000, plus interest, payable over a period of ten (10) years following an initial one (1) year construction period. The exact principal sum owed in connection with the New R&D Facility Lease will not be known until construction and equipping of the same is completed over the upcoming approximately ten (10) month period (though the University anticipates such principal amount will be \$18,000,000). Amounts owed as rent under the New R&D Facility Lease are payable from funds of the University lawfully available for such purpose, and no special pledge of any revenues of the University has been made under the New R&D Facility Lease or otherwise in connection with this research and development facility.

In the normal conduct of its business, the University has entered into over 600 arrangements that, for purposes of GASB Statement No. 96, Subscription-Based Information Technology Arrangements, and GASB Statement No. 87, Leases, are treated as capital lease obligations of the University. The total outstanding amount of such capital lease obligations, including the obligations of the University under the Gulf Shores PBA Lease and the New R&D Facility Lease, is approximately \$154,000,000.

**Short-Term Debt**

The University will not have any outstanding short-term debt payable from the Pledged Revenues when the Series 2025 Bonds are issued. The University does not have any existing line of credit for working capital purposes that is payable from the Pledged Revenues.

**Future Borrowings**

The University has a number of capital projects currently under construction or under consideration for construction. See "APPENDIX A – GENERAL DESCRIPTION OF THE UNIVERSITY – DIVISIONS AND FACILITIES – Capital Expenditures." The University expects to incur additional debt in the future to finance certain of those capital projects, although at the present time there are no plans or estimates regarding the amount of such debt.

The University also expects to incur additional debt in the future at times, in amounts, and for other purposes not yet determined.

Any debt issued for the foregoing purposes may be issued or incurred as Additional Bonds under the Indenture and payable from and secured by Pledged Revenues on parity of lien with the Series 2025 Bonds. For a description of the terms and conditions for issuance of Additional Bonds under the Indenture, see "SECURITY AND SOURCE OF PAYMENT – Additional Parity Bonds," "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant," and "APPENDIX C – SUMMARY OF THE INDENTURE – Additional Bonds" herein.

## DEBT SERVICE REQUIREMENTS

The following table sets forth the estimated debt service requirements on all Bonds that will be secured by the Pledged Revenues after giving effect to the issuance of the Series 2025-A Bonds, but prior to the issuance of or any refinancing by the Series 2025-B Bonds:

| Fiscal Year<br>Ending Sept.<br>30 | Series 2025-A Bonds* |                  |                  |                  |                  |                  |                  |                  |                  |                  | Principal | Interest | Total Debt<br>Service |
|-----------------------------------|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------|----------|-----------------------|
|                                   | Series<br>2014-A     | Series<br>2015-A | Series<br>2015-B | Series<br>2016-A | Series<br>2018-A | Series<br>2020-A | Series<br>2020-B | Series<br>2020-C | Series<br>2021-A | Series<br>2024-A |           |          |                       |
| 2025                              | \$8,125,050          | \$2,422,488      | \$3,809,649      | \$13,977,750     | \$14,029,250     | \$7,006,500      | \$8,980,583      | \$14,575,093     | \$2,482,178      | \$1,122,000      |           |          |                       |
| 2026                              | 187,050              |                  |                  | 15,649,500       | 14,031,750       | 7,008,750        | 7,401,699        | 14,574,229       | 19,282,415       | 9,067,320        |           |          |                       |
| 2027                              | 6,422,050            |                  |                  | 15,652,300       | 14,028,250       |                  | 7,392,053        | 14,574,519       |                  | 727,630          |           |          |                       |
| 2028                              |                      |                  |                  | 15,647,300       | 14,028,500       |                  | 7,399,663        | 14,570,182       |                  | 3,017,350        |           |          |                       |
| 2029                              |                      |                  |                  | 15,653,550       | 14,031,750       |                  | 7,397,425        | 14,572,584       |                  | 3,016,580        |           |          |                       |
| 2030                              |                      |                  |                  | 15,649,550       | 14,027,250       |                  | 7,399,660        | 14,569,377       |                  | 3,024,600        |           |          |                       |
| 2031                              |                      |                  |                  | 15,649,800       | 14,029,750       |                  | 7,401,041        | 14,570,217       |                  | 3,021,190        |           |          |                       |
| 2032                              |                      |                  |                  | 19,418,050       | 14,028,250       |                  | 7,398,038        | 14,570,089       |                  | 3,016,570        |           |          |                       |
| 2033                              |                      |                  |                  | 19,414,450       | 14,027,250       |                  | 7,398,632        | 14,567,803       |                  | 3,020,740        |           |          |                       |
| 2034                              |                      |                  |                  | 15,284,450       | 14,031,000       |                  | 7,402,456        | 14,567,467       |                  | 3,018,480        |           |          |                       |
| 2035                              |                      |                  |                  | 15,287,250       | 14,028,500       |                  | 1,029,128        | 14,563,703       |                  | 3,014,900        |           |          |                       |
| 2036                              |                      |                  |                  | 22,688,250       | 14,029,250       |                  | 1,029,042        | 14,566,222       |                  |                  |           |          |                       |
| 2037                              |                      |                  |                  | 22,691,800       | 14,027,250       |                  | 1,030,557        | 14,561,412       |                  |                  |           |          |                       |
| 2038                              |                      |                  |                  | 19,548,600       | 14,031,750       |                  | 1,031,381        | 14,560,401       |                  |                  |           |          |                       |
| 2039                              |                      |                  |                  | 14,274,400       | 14,031,500       |                  | 1,031,514        | 14,562,937       |                  |                  |           |          |                       |
| 2040                              |                      |                  |                  | 14,271,800       | 14,030,750       |                  | 1,030,956        | 14,558,765       |                  |                  |           |          |                       |
| 2041                              |                      |                  |                  | 14,274,000       | 14,028,500       |                  | 1,034,707        | 14,557,886       |                  |                  |           |          |                       |
| 2042                              |                      |                  |                  |                  | 14,028,750       |                  | 1,027,630        | 14,558,284       |                  |                  |           |          |                       |
| 2043                              |                      |                  |                  |                  | 14,030,250       |                  |                  | 14,555,639       |                  |                  |           |          |                       |
| 2044                              |                      |                  |                  |                  | 14,026,750       |                  |                  | 14,554,818       |                  |                  |           |          |                       |
| 2045                              |                      |                  |                  |                  | 14,027,250       |                  |                  | 14,550,551       |                  |                  |           |          |                       |
| 2046                              |                      |                  |                  |                  | 14,030,250       |                  |                  | 14,552,704       |                  |                  |           |          |                       |
| 2047                              |                      |                  |                  |                  | 14,029,250       |                  |                  | 14,550,877       |                  |                  |           |          |                       |
| 2048                              |                      |                  |                  |                  | 14,028,000       |                  |                  | 14,549,934       |                  |                  |           |          |                       |
| 2049                              |                      |                  |                  |                  |                  |                  |                  | 14,544,608       |                  |                  |           |          |                       |
| 2050                              |                      |                  |                  |                  |                  |                  |                  | 14,544,764       |                  |                  |           |          |                       |
| 2051                              |                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |          |                       |
| 2052                              |                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |          |                       |
| 2053                              |                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |          |                       |
| 2054                              |                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |           |          |                       |

<sup>1</sup> For purposes of this table, the principal amount of Bonds to be retired in a fiscal year pursuant to mandatory redemption provisions is shown as maturing in that fiscal year.

Totals may not foot due to rounding.

\* Preliminary; subject to change.

## DEBT SERVICE COVERAGE

Set forth in the table below is information about historical receipts of the Pledged Revenues during the fiscal years indicated, pro forma debt service requirements on Bonds secured by the Pledged Revenues, and resulting coverage ratios:

|  | <b>Fiscal Year Ended September 30</b> |               |
|--|---------------------------------------|---------------|
|  | <b>2024</b>                           | <b>2023</b>   |
| Pledged Revenues <sup>(1)</sup>            | \$914,655,810                         | \$873,332,988 |
| Maximum annual debt service <sup>(2)</sup> |                                       |               |
| Debt service coverage <sup>(3)</sup>       | _____ times                           | _____ times   |

<sup>(1)</sup> This is the sum for the fiscal year indicated of the University's gross receipts from General Fees, Pledged Student Fees, Housing and Dining Revenues and Athletic Program Revenues. The test for issuance of Additional Bonds and the rate covenant under the Indenture require in effect that the aggregate revenues described in this note (1) be not less than 250% of the maximum annual debt service requirements on the secured bonds. See "SECURITY AND SOURCE OF PAYMENT – Additional Parity Bonds" herein.

<sup>(2)</sup> This is the maximum annual debt service on the Series 2025 Bonds and all other Bonds secured by the Indenture after giving effect to the plan of financing described in this Official Statement. Preliminary; subject to change.

<sup>(3)</sup> This is the amount described in note (1) above for the fiscal year indicated divided by maximum annual debt service. Preliminary; subject to change.

## INTEREST RATE SWAPS

The University currently has no interest rate swap agreements in effect. The University has no present plans to enter into any interest rate swap agreements but may enter into such agreements from time to time in its discretion.

## SPECIAL CONSIDERATIONS

### General

An investment in the Series 2025 Bonds involves certain risks which should be carefully considered by investors. The sufficiency of Pledged Revenues to pay debt service on the Series 2025 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 2025 Bonds are an appropriate investment for them.

Holders of the Series 2025 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.

### Limited Source of Payment

The Series 2025 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 2025 Bonds will not be debts or obligations of the State of Alabama, and debt service on the Series 2025 Bonds will not be payable out of any money provided or appropriated to the University by the State of Alabama. Holders of the Series 2025 Bonds shall never have the right to demand payment of the Series 2025 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.

## 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 2025 Bonds in accordance with the terms of the Indenture.

The remedies available to the registered holders of the Series 2025 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 2025 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.

## State Proration

The University receives annual appropriations from the State of Alabama. No portion of the University's annual appropriation from the State of Alabama is pledged to secure Bonds issued under the Indenture, including without limitation the Series 2025 Bonds.

Applicable provisions of the Alabama Constitution, as amended, effectively prohibit the State from engaging in deficit financing – that is, state expenditures during any fiscal year may not exceed available revenues. State law provides procedures for delaying or, if necessary, reducing (or "prorating") appropriations of state revenues in order to maintain and enforce the constitutional ban on deficit financing. The postponement or reduction of State appropriations to the University as a consequence of proration may therefore result in reductions of expenditures by the University for certain budget items other than salaries (e.g., instructional materials, supplies and maintenance).

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 2025 Bonds are not payable from State appropriations.

The following table summarizes the amount of the State appropriation budgeted and received by the University for the fiscal years ended September 30 of the years indicated:

|  | 2020          | 2021          | 2022          | 2023          | 2024          |
|--|---------------|---------------|---------------|---------------|---------------|
| <b>Budgeted and Received Appropriation</b> | \$289,838,448 | \$298,668,946 | \$333,409,655 | \$393,374,580 | \$433,610,782 |

The "Education Trust Fund Rainy Day Account" was established by an amendment to the Alabama Constitution, which was adopted by statewide ballot on June 4, 2002, in order to prevent the proration of state appropriations for education (including higher education expenditures). The Constitutional amendment also contains provisions for the replenishment of the Education Trust Fund Rainy Day Account. No assurance can be given, however, that funds in such account will be available to prevent future proration or that the State will be able to replenish the account if drawn upon. Neither the funds in the Education Trust Fund Rainy Day Account nor any state appropriations are pledged as security for the Series 2025 Bonds.

To allow for more stable funding through state appropriations, and to significantly reduce the possibility of proration, the Rolling Reserve Act was passed during the 2011 legislative session. Each year, the Rolling Reserve Act establishes a distribution cap for appropriations using a formula based on a rolling average of ETF receipts for the

15 then most recently completed fiscal years, excluding the highest and lowest years. Additional revenues above what was appropriated for education are deposited to the Education Trust Fund Budget Stabilization Fund, the Advancement and Technology Fund, and the Educational Opportunities Fund if the Education Trust Fund Rainy Day Account is fully funded. The Education Trust Fund Rainy Day Account has been fully funded since 2015.

The University has taken steps to mitigate the effects of proration. In 2011, the Board approved a fee per student enrolled at the Auburn Main Campus to offset the possible effects of proration (the "Proration Fee"). Commencing with the 2014-2015 academic year, the Proration Fee became part of a student services fee.

While the University has taken active measures described above to handle future proration, it cannot predict to what extent State revenues appropriated to the University in the future may become subject to proration, the amount of such proration, or the extent to which the University can mitigate the impact of such proration. Funds subject to proration (i.e., funds appropriated to the University by the State of Alabama) are not pledged for the security of the Series 2025 Bonds.

### **General Factors Affecting the 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 payments of debt service on the Series 2025 Bonds and pay the necessary operating expenses of the University. Such receipts are subject to a variety of factors that could adversely affect debt service coverage, including 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.

### **Tax-Exempt Status of Series 2025 Bonds**

It is expected that the Series 2025 Bonds will qualify as tax-exempt obligations for federal income tax purposes as of the date of issuance. See "TAX MATTERS." It is anticipated that Bond Counsel to the University will render an opinion substantially in the form attached hereto as APPENDIX D, 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 Series 2025 Bonds could be affected by post-issuance events. Various requirements of the Internal Revenue Code of 1986, as amended (the "Code"), must be observed or satisfied after the issuance of the Series 2025 Bonds in order for the Series 2025 Bonds to qualify for, and retain, tax-exempt status. These requirements include appropriate use of the proceeds of the Series 2025 Bonds, use of the facilities financed or refinanced by the Series 2025 Bonds, investment of bond proceeds, and the rebate of so-called excess arbitrage earnings. Compliance with these requirements is the responsibility of the University. Failure to comply could result in the inclusion of interest on the Series 2025 Bonds in gross income retroactive to the date of issuance of the Series 2025 Bonds.

The Internal Revenue Service conducts an audit program to examine compliance with the requirements regarding tax-exempt status of bonds. Under current IRS procedures, in the initial stages of an audit with respect to the Series 2025 Bonds, the University would be treated as the taxpayer, and the owners of the Series 2025 Bonds may have limited rights to participate in the audit process. The initiation of an audit with respect to the Series 2025 Bonds could adversely affect the market value and liquidity of the Series 2025 Bonds, even though no final determination about the tax-exempt status has been made. If an audit results in a final determination that the Series 2025 Bonds do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Series 2025 Bonds.

In addition to post-issuance compliance, a change in law after the date of issuance of the Series 2025 Bonds could affect the tax-exempt status of the Series 2025 Bonds or the benefits of investing in the Series 2025 Bonds. For example, the United States Congress could eliminate or limit the exemption for interest on the Series 2025 Bonds, it could reduce or eliminate the federal income tax, or it could adopt a so-called "flat tax." It cannot be predicted whether or in what form any such change in law may be enacted or whether, if enacted, any such change in law would apply to the Series 2025 Bonds. See "SPECIAL CONSIDERATIONS – Future Legislation Could Affect Tax-Exempt Obligations" below.



The Indenture does not provide for the payment of any additional interest or penalty if a determination is made that the Series 2025 Bonds do not comply with the existing requirements of the Code or if a subsequent change in law adversely affects the tax-exempt status of the Series 2025 Bonds or the effect of investing in the Series 2025 Bonds.

### **Future Legislation Could Affect Tax-Exempt Obligations**

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above. Investors in the Series 2025 Bonds should be aware that future legislative actions might reduce, eliminate or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Series 2025 Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Series 2025 Bonds may be affected and the ability of holders to sell their Series 2025 Bonds in the secondary market may be reduced. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel to the University expresses no opinion regarding any pending or proposed federal tax legislation.

### **Recent Federal Developments**

On January 27, 2025, the Office of Management and Budget (the "OMB") issued a memorandum (the "OMB Memo") ordering the temporary pausing of the disbursement of all federal financial assistance programs, including existing grants and loans. A federal district court judge issued an emergency administrative stay on January 28, 2025, temporarily blocking the freezing of existing programs. On January 29, 2025, the OMB rescinded the OMB Memo. The University is the recipient of numerous federal grants and loans, including from the National Science Foundation and the National Aeronautics and Space Administration, that could be impacted if the OMB Memo or other federal action that similarly purports to pause or terminate the disbursement of federal financial assistance or implemented or reinstated. It is uncertain what affect, if any, the OMB Memo or other similar federal action would have or would have had on federal funding for institutions of higher learning like the University, if implemented or reinstated.

Similarly, President Donald Trump has issued various executive orders since taking office on January 20, 2025, including ones that purport to restrict the use of federal funding on policies and programs that do not align with the Trump administration's priorities. It is uncertain what impact, if any, such executive orders or similar future executive orders will or could have on federal funding for institutions of higher learning, including the University.

### **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 2002, as amended, or by §16-48-1 et seq. of the Alabama Code 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 2025 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 2025 Bonds. Similarly, it is uncertain whether section 928 of the Bankruptcy Code would control the claims of holders of the Series 2025 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 2025 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 D – Proposed Form of Legal Opinion of Bond Counsel to the University."

## **Cybersecurity**

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, application systems, end point, and email security systems, policies and other measures intended to stop or contain such "cyber-attacks", no absolute 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 2025 Bonds. The University has a professional cybersecurity incident response firm on retainer.

For additional information concerning the cyber-security policies of the University, see [https://www.auburn.edu/administration/general\\_counsel/policies/](https://www.auburn.edu/administration/general_counsel/policies/).

## ACCOUNTING AND FINANCIAL INFORMATION

### Accounting

For financial reporting purposes, the University adheres to the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments; GASB Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis-for Public Colleges and Universities-an amendment of GASB Statement No. 34; GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position; and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. These statements establish standards for external financial reporting for public colleges and universities on an entity-wide perspective which require that resources be classified in three net position categories: Net investment in capital assets, Restricted net position, and Unrestricted net position. In accordance with these standards, the University's financial report includes three financial statements: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

The financial statements of the University have been prepared on the accrual basis of accounting and all significant, interdivisional transactions between auxiliary units and other funds have been eliminated. The University reports as a Business Type Activity ("BTA") as defined by GASB Statement No. 35. BTAs are those institutions that are financed in whole or in part by fees charged to external parties for goods or services.

The University adheres to the following GASB Statements, which provide criteria for determining whether such organizations for which a government is not financially accountable should be reported as component units:

- GASB Statement No. 14, The Financial Reporting Entity,
- GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14,
- GASB Statement No. 61, The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34,
- GASB Statement No. 80, Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14,
- GASB Statement No. 90, Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61, and
- GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.

In accordance with these standards, the University has included statements for its discretely presented component units, Auburn University Foundation, Auburn Alumni Association, Tigers Unlimited Foundation, and Auburn Research and Technology Foundation in these financial statements, as exclusion of such organizations would render the entity's financial statements misleading or incomplete. Auburn University Real Estate Foundation, Inc. has been consolidated into Auburn University Foundation's financial statements, as an affiliated supporting organization. The University's component units' financial statements are presented following the University's statements. The component units are not GASB entities; therefore, their respective financial statements adhere to accounting principles under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC").

Auburn University Foundation ("AUF") is a qualified charitable organization established on February 9, 1960, existing solely for the purpose of receiving and administering funds for the use of the University. AUF's activities are governed by its own board of directors.

The Auburn University Real Estate Foundation, Inc. ("AUREFI") is a qualified charitable organization created on July 5, 2005, which is owned and controlled by AUF solely for the purpose of receiving and administering real estate gifts. AUREFI's activities are governed by its own board of directors. AUREFI has been consolidated into AUF's financial statements.

Tigers Unlimited Foundation ("TUF") is an independent corporation that began operations on April 21, 2004. It was formed for the sole purpose of obtaining and disbursing funds for the University's Intercollegiate Athletics Department. TUF's activities are governed by its own board of directors with transactions being maintained using a June 30 fiscal year end date.

The Auburn Alumni Association (the "Association") is an independent corporation organized on April 14, 1945, to promote mutually beneficial relationships between the University and its alumni to encourage loyalty among alumni, and to undertake various other actions for the benefit of the University, its alumni and the State of Alabama. Membership is comprised of alumni, friends and students of the University. The Association's activities are governed by its own board of directors.

The Auburn Research and Technology Foundation ("ARTF") is an independent corporation organized on August 24, 2004, to facilitate the acquisition, construction and equipping of a technology and research park on the Auburn Main Campus. ARTF activities are governed by its own board of directors.

Auburn Research Park I ("ARPI") is an entity formed in June 2019 to take advantage of financing opportunities through the New Market Tax Credit program. ARPI is a tax-exempt organization under Section 501(c)(3) of the Code. The financial statements of ARTF include the consolidated financial position and activities of ARTF and ARPI as ARTF is deemed to control ARPI through a majority voting interest and ARTF is deemed to have an economic interest in ARPI.

In order to ensure observance of limitations and restrictions placed on the use of certain funds, the various accounts are maintained in accordance with the principles of "fund accounting." Separate accounts are maintained for each of the University's four major funds, which are (i) Current Funds, (ii) Loan Funds, (iii) Endowment and Similar Funds, and (iv) Plant Funds. This procedure segregates unrestricted funds from restricted funds which have been allocated to specific purposes by the Board. Externally restricted funds (i.e., grants or gifts) may only be utilized in accordance with the specified purposes of the donor.

### **Personnel and Retirement System**

The employees of the University participate in a retirement system established by the Legislature of Alabama that includes both the Teacher's Retirement System of Alabama and the Employee's Retirement System of Alabama (the "Retirement System"). Contributions to the Retirement System are made by both the employees and the University. The respective amounts of such contributions are established by the Legislature of Alabama. The University's obligations under the Retirement System are described more particularly in the audited financial statements of the University. See Note "(11) RETIREMENT PROGRAMS" to the audited financial statements of the University for the fiscal year ended September 30, 2024, included within the 2024 Financial Report attached as APPENDIX B hereto.

During the fiscal year 2015, the University implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions and GASB 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. GASB Statement No. 68 revises existing standards for employer financial statements and requires the recognition of a liability equal to the net pension obligation for pension plans provided by the University to its employees. The net pension obligation is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. The total pension liability is determined based upon discounting projected benefit payments based on the benefit terms and legal agreements existing at the pension plan's fiscal year end. Projected benefit payments are required to be discounted using a single rate that reflects the expected rate of return on investments, to the extent that plan assets are available to pay benefits, and a tax-exempt, high-quality municipal bond rate when plan assets are not available. GASB Statement No. 71 is a clarification to GASB Statement No. 68 requiring recognition of a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. In accordance with the Statement, the University's net pension liability at September 30, 2024, was \$1,070,080,327.

### **Other Post-Employment Benefits**

The University offers post-employment health care benefits to all employees who retire officially from the University. Health care benefits are offered through the State of Alabama Public Education Employees Health Insurance Plan ("PEEHIP") or Auburn University's self-insured Retiree Medical Plan, which is available only to select retirees. The University's post-employment health care benefit obligations are described more particularly in the audited financial statements of the University included in APPENDIX B to this Official Statement. As of the date of this filing, the University is current with respect to its funding obligations for post-employment health care benefits. See Note "(12) OTHER POSTEMPLOYMENT BENEFITS (OPEB)" to the audited financial statements of the

University for the fiscal year ended September 30, 2024, included within the 2024 Financial Report attached as APPENDIX B hereto.

During the fiscal year 2018, the University implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement addresses accounting and financial reporting for other postemployment benefits ("OPEB") that are provided to the employees of state and local government employers. It establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. In addition to implementing GASB 75 for the University Retiree Medical Plan, the University recognized a liability related to the State of Alabama PEEHIP plan. In accordance with the Statement, the University's net OPEB liability at September 30, 2024, was \$134,833,121.

## **Description of Funds**

***Current Unrestricted Funds.*** Current Unrestricted Funds are the University's largest classification of funds. Moneys deposited into these funds may be used for any purpose designated by the Board. Major sources of revenue for the Current Unrestricted Funds include (i) State appropriations; (ii) tuition and fees; (iii) auxiliary enterprises; (iv) sales, services and other incomes; and (v) private gifts.

***Current Restricted Funds.*** Funds which are made available to the University for stipulated purposes are deposited into the Current Restricted Funds. The purposes for which the funds may be used are specified by the donor or grantor. Sources of Current Restricted Funds receipts include (i) federal appropriations; (ii) governmental grants and contracts; and (iii) private gifts.

***Loan Funds.*** Loan Funds are established to account for loans made to students of the University. Sources of funding include loans and grants from the federal government and private funds. Terms of student loans vary depending upon the specific program under which the loan was obtained.

***Endowment and Similar Funds - Quasi.*** These funds consist of assets set aside which are invested and may be expended at the direction of the Board.

***Endowment and Similar Funds - True.*** These funds consist of gifts given for which the principal may not be invaded. The income derived from these investments is used for projects designated by the donor.

As of September 30, 2024, the total market value of the University and its affiliated foundations endowment pool is \$1,251,160,715.

***Unrestricted Plant Funds.*** Funds deposited into the Unrestricted Plant Funds may be expended for any capital purpose as designated by the Board. Funds for these capital expenditures are surpluses generated from the operation of the University.

***Restricted Plant Funds.*** The University deposits all moneys needed to service funded debt into the Restricted Plant Funds for debt service payments.

Although the University periodically receives appropriations from bond issues of the Alabama Public School and College Authority (the "Authority"), no funds are transferred to the University by the Authority. The University requisitions sums allotted by the Authority to the University as required for either construction or for payment of debt service on capital improvements.

## **Budgetary Process**

The University budget process begins in November when the Legislative Budget Request is presented to the Executive Budget Office of the State of Alabama, the Legislative Fiscal Office of the State of Alabama and the Alabama Commission on Higher Education. Budget development occurs in multiple phases from November through June and culminates with an annual budget plan recommended to the University Budget Advisory Committee. The full budget is prepared for presentation and approval at a Board meeting early in the fall semester. The development of the budget also includes long-term planning efforts at both the local and university levels using various tools. In doing this, forecasts are prepared and shared with the Board to inform them of the impact of potential decisions on both operations and financial stability metrics.

The University employs a strategic resource allocation model for budgeting and has used this methodology for nine years. This model allocates resources based on activity measures and strategic priorities. Also, as a part of this model, governance committees meet to discuss budget recommendations for administrative units (Central Unit Allocation Committee), space and deferred maintenance considerations (Space Management and Renewal/Replacement Committee) and general guidance on global budget issues and recommendations for the comprehensive University budget (University Budget Advisory Committee, or BAC).

## Major Sources of Revenue

**Student Tuition and Fees.** The largest source of revenue for the University is the student tuition and other fees payable by all students enrolled at the University. These funds may be used for any purpose designated by the Board, but historically the funds have been expended primarily for instructional purposes. The Board has the sole authority to establish the student tuition and fees, which it may set at whatever level it considers appropriate and in the best interests of the University. State appropriations are not increased or reduced based on, or otherwise offset against, revenues from student tuition and fees.

Student tuition and fees received at the Auburn Main Campus for the fiscal year ended September 30, 2024, including amounts received from the special student building fee, were \$542,525,065 (unaudited) (net of discounts and allowances of \$187,685,175 (unaudited)).

The following table shows the Board approved tuition and fee schedule for students at the Auburn Main Campus effective for Fall 2024:

| Fee Classification  | 2024 Tuition and Fees                |
|---|--------------------------------------|
| Full-time undergraduate student (in-state) <sup>(3)</sup> | \$5,508 per semester                 |
| Full-time graduate student (in-state) <sup>(4)</sup>      | \$5,508 per semester                 |
| Non-resident undergraduate student <sup>(3)</sup>         | \$16,524 per semester                |
| Non-resident graduate student <sup>(4)</sup>              | \$16,524 per semester                |
| Veterinary Medicine student (in-state)                    | \$15,050 per semester                |
| Non-resident Veterinary Medicine student                  | \$26,066 per semester                |
| Pharmacy student (in-state)                               | \$11,508 per semester                |
| Non-resident Pharmacy student                             | \$22,524 per semester                |
| Architecture professional student (in-state)              | \$7,668 per semester                 |
| Non-resident Architecture professional student            | \$18,684 per semester                |
| Student services fee                                      | \$937 per semester <sup>(1)(2)</sup> |
| Part-time undergraduate credit hour fee                   | \$459 per credit hour                |
| Part-time graduate credit hour fee                        | \$612 per credit hour                |
| Non-resident undergraduate part-time credit hour fee      | \$1,377 per credit hour              |
| Non-resident graduate part-time credit hour fee           | \$1,836 per credit hour              |

<sup>(1)</sup> Includes a mandatory fee of \$110 per student on the Auburn Main Campus that is allocated to the Athletic Department and is excluded from General Fees but is included in Athletic Program Revenues.

<sup>(2)</sup> Also includes (i) a mandatory fee imposed on each student on the Auburn Main Campus (currently \$239 per semester) allocated by the Board to pay for construction, equipping and operation of the new wellness facility on the Auburn Main Campus, and (ii) a mandatory fee imposed on each student on the Auburn Main Campus (\$90 per semester) allocated by the Board to pay for construction, equipping and operation of the student center on the Auburn Main Campus. The student fees referenced in this footnote are included within the Pledged Student Fees.

<sup>(3)</sup> Undergraduate full-time tuition is based on 12 hours per semester.

<sup>(4)</sup> Graduate full-time tuition is based on 9 hours per semester.

Student tuition and fees received at the Auburn Montgomery Campus for the fiscal year ended September 30, 2024, including amounts received from special fees, were \$40,862,407 (unaudited) net of discounts of \$19,918,241 (unaudited).

The following table shows the Board approved tuition and fee schedule for students at the Auburn Montgomery Campus effective for Fall 2024:

| Fee Classification  | 2024 Tuition and Fees |
|---|-----------------------|
| Full-time undergraduate student (in-state) <sup>(2)</sup> | \$5,520 per semester  |
| Full-time graduate student (in-state) <sup>(3)</sup>      | \$4,185 per semester  |

|   |                                   |
|---|-----------------------------------|
| Non-resident undergraduate student <sup>(2)</sup> | \$12,375 per semester             |
| Non-resident graduate student <sup>(3)</sup>      | \$9,396 per semester              |
| Mandatory student fees                            | \$230 per semester <sup>(1)</sup> |
| Technology fee                                    | \$10 per credit hour              |
| Athletic fee                                      | \$7 per credit hour               |
| Undergraduate credit hour fee                     | \$368 per credit hour             |
| Non-resident undergraduate credit hour fee        | \$825 per credit hour             |
| Graduate credit hour fee                          | \$465 per credit hour             |
| Non-resident graduate credit hour fee             | \$1,044 per credit hour           |

- (1) Includes an administrative service fee of \$35, a student health fee of \$25 and a fee of \$170 allocated by the Board to help pay for construction, equipping and operation of a new wellness facility. \$160 of the \$230 of student fees referenced in this footnote constitutes a portion of the Pledged Student Fees.
- (2) Undergraduate full-time tuition is based on 15 hours per semester.
- (3) Graduate full-time tuition is based on 9 hours per semester.

**State Appropriations for Operational and Maintenance Purposes.** Annual appropriations from the State are also a major source of revenue for the University. After the University receives its annual appropriation, requisitions for the month are sent to the State approximately three days prior to the ensuing month. State appropriations must be used for operational and maintenance purposes.

A substantial portion of the State tax revenues is paid into the Alabama Educational Trust Fund (the "ETF") and is appropriated for educational purposes, including appropriations for the University and other institutions of higher learning. The ETF was established in 1927 by Act of the Legislature, and revenues are paid into the ETF pursuant to constitutional provisions and continuing appropriations of the Legislature. Among the State taxes paid into the ETF are the utilities gross receipts and use taxes, lease taxes, sales taxes, income taxes, and a portion of the State ad valorem taxes.

Appropriations from the ETF for the University for the years ended September 30, 2020, through 2024, are as follows:

| <b>Year</b> | <b>Total</b>  |
|-------------|---------------|
| 2020        | \$289,838,448 |
| 2021        | 298,668,946   |
| 2022        | 333,409,655   |
| 2023        | 393,374,580   |
| 2024        | 433,610,782   |

Appropriations to the University are allocated to the four divisions of the University (Auburn University Main Campus, Auburn University at Montgomery, Alabama Agricultural Experiment Station and Alabama Cooperative Extension System) by the State Legislature. The method of appropriation can vary from year to year.

**Sales and Service.** Revenues from enterprise activities such as student housing, food service, the University Book Store, and the Athletic Department are classified as auxiliary revenues. The money generated by these enterprise activities have historically remained with the unit from which the revenues were derived. In the event the administration deems it desirable to transfer surplus revenues from these units, it has the authority to do so.

The Housing and Dining Revenues have been pledged to secure on a parity basis all Bonds now or hereafter issued under the Indenture, subject to the right retained by the University to issue Other Senior Obligations secured by a prior pledge of the Housing and Dining Revenues upon certain conditions described herein under "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant." Auxiliary revenues from the sales and service activities at the University for the fiscal year ended September 30, 2024, were \$214,560,406 (net of scholarship allowances of \$13,945,987).

**Federal Grants and Contracts.** Auburn receives certain funds from the United States government for specific research and public-service oriented purposes. The University makes such requests to the appropriate governmental agency for specific projects and, if the requests are granted, all funds must be used for the specified



project. Revenues from Federal grants and contracts, exclusive of capital items, at the University for the fiscal year ended September 30, 2024, were \$195,407,233.

**Sales and Services (Educational).** In the course of instruction by certain departments of the University, fees for sales and services rendered by those departments are received. All moneys received for those services are deposited in Current Funds (Unrestricted).

Receipts from sales and services at the University for the fiscal year ended September 30, 2024, were \$77,742,652.

## 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 2020 through 2024.

The University's audited financial statements for the year ended September 30, 2024, are attached as APPENDIX B.

### Auburn University Statements of Revenues, Expenses and Changes in Net Position for the Years Ended September 30, 2020-2024<sup>1</sup>

|   | 2020                | 2021                | 2022                | 2023                | 2024                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Student Tuition & Fees, Net of Scholarship Allowances | \$ 536,140,726      | \$ 547,368,613      | \$ 546,917,216      | \$ 549,034,805      | \$ 583,387,472      |
| Federal appropriations                                | 13,603,341          | 14,278,707          | 13,956,032          | 15,345,415          | 15,750,939          |
| Federal grants & contracts                            | 90,674,871          | 110,692,356         | 129,483,276         | 153,706,565         | 195,407,233         |
| State & local grants & contracts                      | 19,351,169          | 19,981,362          | 21,406,931          | 24,272,675          | 24,328,034          |
| Nongovernmental grants & contracts                    | 20,144,794          | 18,002,949          | 18,509,228          | 23,061,522          | 21,564,739          |
| Sales & services of educational departments           | 42,675,718          | 49,229,787          | 59,912,622          | 72,405,154          | 77,742,652          |
| Auxiliary enterprises, net                            | 143,629,086         | 188,945,433         | 206,002,242         | 191,895,770         | 214,560,406         |
| Other operating revenues                              | <u>21,848,202</u>   | <u>26,704,924</u>   | <u>19,146,436</u>   | <u>23,734,575</u>   | <u>37,000,382</u>   |
| Total operating revenues                              | 888,067,907         | 975,204,131         | 1,015,333,983       | 1,053,456,481       | 1,169,741,857       |
| OPERATING EXPENSES                                    |                     |                     |                     |                     |                     |
| Compensation & benefits                               | 757,883,558         | 812,259,283         | 783,257,474         | 893,591,405         | 961,500,483         |
| Scholarships & fellowships                            | 33,635,809          | 58,714,417          | 31,121,486          | 28,674,864          | 31,522,288          |
| Utilities   | 25,849,921          | 26,195,843          | 28,865,071          | 31,528,896          | 33,429,577          |
| Other supplies & services                             | 285,666,641         | 293,331,589         | 368,944,529         | 396,125,914         | 427,382,174         |
| Depreciation  | <u>92,816,189</u>   | <u>109,896,972</u>  | <u>115,425,980</u>  | <u>128,592,230</u>  | <u>138,494,349</u>  |
| Total operating expenses                              | 1,195,852,118       | 1,300,398,104       | 1,327,614,540       | 1,478,513,309       | 1,592,328,871       |
| Operating Income (Loss)                               | (307,784,211)       | (325,193,973)       | (312,280,557)       | (425,056,828)       | (422,587,014)       |
| NONOPERATING REVENUES (EXPENSES)                      |                     |                     |                     |                     |                     |
| State appropriations                                  | 289,838,448         | 298,668,946         | 333,409,655         | 393,374,580         | 433,610,782         |
| Gifts   | 43,413,542          | 43,162,183          | 53,127,750          | 51,501,872          | 53,582,459          |
| Grants  | 47,638,999          | 114,142,692         | 39,536,776          | 26,934,882          | 30,830,969          |
| Net investment income                                 | 55,399,868          | 90,297,991          | (133,821,083)       | 98,876,983          | 175,174,492         |
| Interest expense on capital asset-related debt        | <u>(34,163,962)</u> | <u>(38,163,389)</u> | <u>(39,011,266)</u> | <u>(38,682,328)</u> | <u>(36,011,738)</u> |
| Net Nonoperating Revenues                             | 402,126,895         | 508,108,423         | 253,241,832         | 532,005,989         | 657,186,964         |
| Income before Other Changes in Net Position           | 94,342,684          | 182,914,450         | (59,038,725)        | 106,949,161         | 234,599,950         |
| OTHER CHANGES IN NET POSITION                         |                     |                     |                     |                     |                     |
| Capital appropriations                                | -                   | -                   | -                   | 32,487,653          | 81,501,234          |
| Capital gifts & grants                                | 14,533,281          | 42,172,503          | 12,029,012          | 9,347,593           | 13,533,826          |
| Additions to permanent endowments                     | <u>212,763</u>      | <u>245,904</u>      | <u>291,718</u>      | <u>336,964</u>      | <u>315,498</u>      |
| Increase in net position                              | 109,088,728         | 225,332,857         | (46,717,995)        | 149,121,371         | 329,950,508         |

<sup>1</sup> See accompanying notes to financial statements. In addition, the terminology in this table has been revised to comply with the University's implementation of GASB 63, commencing with the fiscal year ending December 31, 2013. See "ACCOUNTING AND FINANCIAL INFORMATION – Accounting" herein.

|                                  |                      |                      |                      |                      |                      |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Net position - beginning of year | <u>1,273,274,107</u> | <u>1,382,362,835</u> | <u>1,607,695,692</u> | <u>1,560,977,697</u> | <u>1,710,099,068</u> |
| Net position - end of year       | \$1,382,362,835      | \$1,607,695,692      | \$1,560,977,697      | \$1,710,099,068      | \$2,040,049,576      |

## **RETIREMENT PLANS**

All eligible employees of the University are members of the Teachers Retirement System of Alabama (the "System"). The System was established in 1941 and at this time covers public school and public college teachers and certain other public educational employees in the State. The System provides retirement, disability and death benefits, and the benefits are available to members at varying times during their creditable service. In 2012, the Alabama legislature created a new defined benefit plan for employees hired on or after January 1, 2013, with no previous creditable service ("Tier 2 participants"). Employees hired or with creditable service prior to January 1, 2013, are "Tier 1 participants." Tier 1 participants are required to contribute 7.5% of their salary to the System, and Tier 2 participants are required to contribute 6.0% of their salary. The University is required to contribute the remaining amounts necessary to fund the actuarially determined contributions to ensure sufficient assets will be available to the System to pay benefits when due. The University is current in its required annual contributions to the System. For more detailed discussion of the System and other benefits provided by the University, see "APPENDIX B – 2024 Financial Report of the University – Notes 11 and 12 – Required Supplemental Information."

## **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 2025 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. Interest on the Series 2025 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 Series 2025 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 Series 2025 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 Series 2025 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.

Bond Counsel to the University expresses no opinion regarding any other federal or state tax consequences with respect to the Series 2025 Bonds. Bond Counsel to the University 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 to the University 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 Series 2025 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 2025 Bonds in order that interest on the Series 2025 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 Series 2025 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 Series 2025 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 Series 2025 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 Series 2025 Bonds. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of any Series 2025 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 Series 2025 Bonds.

Prospective owners of the Series 2025 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 Series 2025 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 Series 2025 Bonds is greater than the principal amount thereof. Under existing law, any owner who has purchased a Series 2025 Bond in the initial public offering of the Series 2025 Bonds is required to reduce his basis in such Series 2025 Bond by the amount of premium allocable to periods during which he holds such Series 2025 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 Series 2025 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 Series 2025 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 Series 2025 Bond.]

#### **[Original Issue Discount]**

The initial public offering price to be paid for certain of the Series 2025 Bonds (the "Original Issue Discount Series 2025 Bonds") is less than the principal amount thereof. Under existing law, the difference between (i) the amount payable at the maturity of each Original Issue Discount Series 2025 Bond, and (ii) the initial offering price to the public of such Original Issue Discount Series 2025 Bond constitutes original issue discount with respect to such Original Issue Discount Series 2025 Bond in the hands of any owner who has purchased such Original Issue Discount Series 2025 Bond in the initial public offering of the Series 2025 Bonds. Such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Series 2025 Bond equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Series 2025 Bond continues to be owned by such owner.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Series 2025 Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Series 2025 Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Series 2025 Bond was held by such initial owner) is includable in gross income.

Under existing law, the original issue discount on each Original Issue Discount Series 2025 Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the Series 2025 Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Series 2025 Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other taxable disposition thereof. The amount (if any) to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods (if any) multiplied by the yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such warrants.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Series 2025 Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Series 2025 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 Original Issue Discount Series 2025 Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale, gift or other disposition of such Original Issue Discount Series 2025 Bonds.]

## **Post-Issuance Matters and Other Considerations**

The foregoing discussion does not address the effects of any applicable federal income, state, local or foreign tax laws other than those specifically discussed above. The tax-exempt status of the Series 2025 Bonds could be affected by post-issuance events. The Indenture does not provide for mandatory redemption of the Series 2025 Bonds or payment of any additional interest or penalty if a determination is made that the Series 2025 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 Series 2025 Bonds or the economic benefit of investing in the Series 2025 Bonds or if any other event or occurrence takes place that impacts the tax status of the Series 2025 Bonds.

Prospective purchasers are urged to consult their own tax adviser concerning the federal income tax consequences of owning and disposing of the Series 2025 Bonds, as well as any consequences under the laws of any state, local or foreign taxing jurisdiction.

See "SPECIAL CONSIDERATIONS – Tax-Exempt Status of the Series 2025 Bonds" and "SPECIAL CONSIDERATIONS – Future Legislation Could Affect Tax-Exempt Obligations" herein for a discussion of certain risk factors relating to investment in the Series 2025 Bonds.

### **No Bank Qualification**

Any financial institution purchasing any of the Series 2025 Bonds should note that such obligations will not qualify as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code with respect to the deduction of interest costs attributable to carrying or purchasing the Series 2025 Bonds.

## **LEGALITY OF THE SERIES 2025 BONDS FOR INVESTMENT**

Section 16-3-28 of the Alabama Code provides that bonds, notes and other securities issued under such section shall be eligible for the investment of trust or other fiduciary funds in the exercise of prudent judgment by those making such investment.

## **STATE NOT LIABLE ON SERIES 2025 BONDS**

The Series 2025 Bonds are special 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 2025 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 2025 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 ADVISOR**

PFM Financial Advisors LLC ("PFM") is employed by the University to perform professional services in the capacity of financial advisor. In its role as financial advisor to the University, PFM has provided advice on the plan of financing and structure of the Series 2025 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.

## **LEGAL MATTERS**

Legal matters incident to the authorization and issuance of the Series 2025 Bonds by the University are subject to the approval of Bradley Arant Boult Cummings LLP, Birmingham, Alabama, Bond Counsel to the University. The expected form of the opinion of Bond Counsel to the University is set forth in APPENDIX D.

Certain legal matters will be passed upon for the University by Jaime S. Hammer, its General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Maynard Nexsen PC.

The various legal opinions to be delivered concurrently with the delivery of the Series 2025 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.

## **AUDITED FINANCIAL STATEMENTS**

The financial statements of the University for the fiscal years ended September 30, 2023 and September 30, 2024, included in APPENDIX B of this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent accountants ("PWC"), as stated in their report dated January 24, 2025, appearing on APPENDIX B, and PWC has not been engaged to perform and has not performed, since the date of its said report, any procedures on the financial statements addressed in that report. PWC also has not performed any procedures relating to this Official Statement.

## **ENFORCEABILITY**

In the opinion of Bond Counsel to the University, the University is, under existing provisions of the Alabama Constitution as construed by the Supreme Court of Alabama, exempt from all suits, but Bond Counsel to the University is further of the opinion that the agents and employees of the University may, by mandamus, be compelled to perform the University's obligations under the Indenture, including application of the Pledged Revenues for the payment of the Bonds in accordance with the Indenture. See "SPECIAL CONSIDERATIONS – Limitations on Remedies Upon Default."

## **LITIGATION**

There is no suit, action or proceeding of any nature now pending or threatened to restrain or to enjoin the issuance, sale, execution or delivery of the Series 2025 Bonds, or in any way contesting the validity of the Series 2025 Bonds or any proceedings of the University taken with respect to the issuance or sale thereof, or the pledge or application of any moneys, revenues, or security provided for the payment of the Series 2025 Bonds.

The University is a defendant in legal proceedings alleging civil rights violations, including but not limited to race, sex and age discrimination, as well as personal injury claims. The University believes that any monetary liability resulting from such suits, if determined adversely to the University, will be adequately covered by liability insurance and by funds of the University which will be available to dispose of such liability with no material adverse impact on the ability of the University to perform its other obligations, including payment of the Series 2025 Bonds.

## **UNDERWRITING**

The Series 2025 Bonds are to be purchased by Jefferies LLC, Wells Fargo Bank, National Association, Truist Securities Inc., The Frazer Lanier Company, Incorporated and RBC Capital Markets LLC (collectively, the "Underwriters"), who have agreed to purchase the Series 2025-A Bonds at an aggregate purchase price of \$\_\_\_\_\_ (reflecting the face amount of the Series 2025-A Bonds, less an underwriting discount of \$\_\_\_\_\_, [plus/less] [net] original issue [premium/discount] of \$\_\_\_\_\_) and the Series 2025-B Bonds at an aggregate purchase price of \$\_\_\_\_\_ (reflecting the face amount of the Series 2025-B Bonds, less an

underwriting discount of \$\_\_\_\_\_, [plus/less] [net] original issue [premium/discount] of \$\_\_\_\_\_). The Underwriters intend to offer the Series 2025 Bonds to the public at the prices that result in the yields stated on the inside cover page hereof. The initial public offering prices resulting in the yields set forth on the inside cover page may be changed by the Underwriters. The Underwriters may offer and sell the Series 2025 Bonds to certain dealers (including dealers depositing Series 2025 Bonds into investment trusts) and others at prices lower than those resulting in the yields set forth on the inside cover page.

The Underwriters are obligated to purchase all of the Series 2025 Bonds, if any are purchased, such obligation being subject to certain conditions precedent.

Jefferies LLC, an underwriter of the Series 2025 Bonds, is also serving as the dealer manager for the Tender Offer (the "Dealer Manager"). The University's purchase of the Tendered Bonds will be funded with a portion of the net proceeds of the Series 2025-B Bonds. In its capacity as Dealer Manager, Jefferies LLC is acting solely as Dealer Manager and not as an Underwriter of the Series 2025 Bonds. The Dealer Manager will be separately paid customary fees for its services as Dealer Manager and will be reimbursed for reasonable expenses incurred as Dealer Manager, from a portion of the proceeds of the Series 2025-B Bonds.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group ("WFBNA"), one of the Underwriters of the Series 2025 Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2025 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2025 Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Series 2025 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

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. 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 2025 Bonds. Pursuant to the Truist Distribution Agreement, Truist Securities will share a portion of its underwriting compensation, as applicable, with respect to the Series 2025 Bonds with TIS. TIS is a subsidiary of Truist Financial Corporation.

## **CONTINUING DISCLOSURE**

### **General**

Upon issuance of the Series 2025 Bonds, the University will enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), pursuant to which the University will covenant for the benefit of the beneficial owners of the Series 2025 Bonds to provide, on an annual basis, certain financial information and operating data relating to the University, and to provide notices of certain enumerated events, through the Electronic Municipal Market Access ("EMMA") system established by the Municipal Securities Rulemaking Board (the "MSRB") (or such other system as may be subsequently authorized by the MSRB). The form of Continuing Disclosure Agreement is



attached as APPENDIX E hereto. A failure by the University to comply with the Continuing Disclosure Agreement must be reported in accordance with Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission of the United States of America and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2025 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2025 Bonds and their market price.

The University shall never be subject to money damages for its failure to comply with its obligations to provide the required information. The only remedy available to the holders of the Series 2025 Bonds for breach by the University of its obligation to provide the required information shall be the remedy of specific performance or mandamus against appropriate officials of the University. The failure by the University to provide the required information shall not be an event of default with respect to the Series 2025 Bonds under the Indenture. No person other than the University shall have any liability or responsibility for compliance by the University with its obligations to provide information. The Trustee has not undertaken any responsibility with respect to any required reports, notices or disclosures.

The University retains the right to modify its obligations described above as long as such modification is done in a manner consistent with Rule 15c2-12 of the Securities and Exchange Commission.

### **Compliance with Prior Undertakings**

The University filed its Annual Financial Information as required by prior continuing disclosure agreements with respect to bonds of the University for the fiscal years ended September 30, 2020, through 2024 with EMMA in compliance with Rule 15c2-12.

Certain outstanding indebtedness of the University has been secured by credit enhancement in the form of bond insurance. The ratings of the providers of this credit enhancement have been downgraded at various times in prior years. Information about the downgrades was publicly reported. The University may not have filed a notice in accordance with Rule 15c2-12 with respect to each downgrade.

[Insert prior compliance information from PFM/Underwriter review of prior CDA compliance]

### **RATINGS**

Moody's Investors Service, Inc. and S&P Global Ratings (the "Rating Agencies") have assigned ratings to the Series 2025 Bonds as indicated on the cover page. The ratings reflect the Rating Agencies' rating of the creditworthiness of the University with respect to obligations payable from the Pledged Revenues. Any further explanation of the significance of such rating 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 2025 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 on the cover page are not recommendations to buy, sell or hold the Series 2025 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 2025 Bonds. Neither the University nor the Underwriters have undertaken any responsibility either to bring to the attention of the holders of Series 2025 Bonds any proposed revision, suspension or withdrawal of a rating or to oppose any such revision, suspension or withdrawal.

### **MISCELLANEOUS**

The information in this Official Statement has been obtained from the University and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness. No dealer, salesperson or any other person has been authorized to give any information or to make any representation other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the University or the Underwriters.

All quotations from and summaries and explanations of laws and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Series 2025 Bonds shall under any circumstances create any implication that there has been no change in the affairs of the University since the date hereof.

All estimates and assumptions contained herein are believed to be reasonable, but no representation is made that such estimates or assumptions are correct or will be realized.

Neither the Series 2025 Bonds nor the Indenture have been registered with the Securities and Exchange Commission. The registration or qualification of the Series 2025 Bonds and the Indenture in accordance with applicable provisions of securities laws of the states in which the Series 2025 Bonds may be registered or qualified, and any exemption from registration or qualification in other states, shall not be regarded as a recommendation thereof.

Any 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 Official Statement for purposes of, and as that term is defined in, SEC rule 15c2-12.

The Trustee makes no representation or warranty as to, and has no responsibility for, the accuracy or completeness of, the information contained in this Official Statement.

This Official Statement does not constitute an offer to sell the Series 2025 Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction.

This Official Statement is not to be construed as a contract or agreement between the University and the purchasers or holders of any of the Series 2025 Bonds.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality or importance, and all material in this Official Statement, including its appendices, must be considered in its entirety.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2025 BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2025 BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE UNIVERSITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains forward-looking statements, which can be identified by the use of the future tense or other forward-looking terms such as "may," "intend," "will," "expect," "anticipate," "plan," "management believes," "estimate," "continue," "should," "strategy," or "position" or the negatives of those terms or other variations on them or by comparable terminology. In particular, any statements, express or implied, concerning future operating results or the ability to generate Pledged Revenues or cash flow to service indebtedness are forward-looking statements. Investors are cautioned that reliance on any of those forward-looking statements involves risks and uncertainties and that, although the University's management believes that the assumptions on which those forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate. As a result, the forward-looking statements based on those assumptions also could be incorrect, and actual results may differ materially from any results indicated or suggested by those assumptions. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Official Statement should not be regarded as a representation by the

University that its plans and objectives will be achieved. All forward-looking statements are expressly qualified by the cautionary statement contained in this paragraph. The University undertakes no duty to update any forward-looking statements.

**AUBURN UNIVERSITY**

By: \_\_\_\_\_  
Dr. Christopher B. Roberts, President

## **APPENDIX A**

### **General Description of the University**

## **GENERAL DESCRIPTION OF THE UNIVERSITY**

### **General**

The University is comprised of the Auburn Main Campus, the Auburn University at Montgomery Campus, the Alabama Cooperative Extension System, and the Alabama Agricultural Experiment Station.

### **History**

The University was chartered on February 1, 1856, as the Methodist-sponsored East Alabama Male College and formally opened on October 1, 1859, with a student body of eighty and faculty of six.

The school became the first land-grant college in the South established separate from a state university. In 1872 Alabama Methodists, unable to continue support, offered the entire facility to the State of Alabama. Under the Morrill Act (which was enacted by the U. S. Congress in 1862 and which provided for land-grant colleges), the Alabama Legislature accepted the institution in 1872 and changed the name to the Agricultural and Mechanical College of Alabama. It was renamed Alabama Polytechnic Institute in 1899 and Auburn University in 1960. Women students were first admitted to Auburn in 1892, making it the oldest coeducational school in Alabama and the second oldest in the Southeast.

The University has experienced its greatest growth and development since World War II. From a single campus of 35 buildings at the close of that war, the multi-million-dollar physical complex at the Auburn Main Campus today includes over 80 major buildings on approximately 2,100 acres. In addition, the Alabama Agricultural Experiment Station owns or leases approximately 2,300 acres across the State.

Auburn University at Montgomery was chartered originally as the "metropolitan campus of a land-grant university" in 1967 by Act 403 of the Alabama Legislature. In March 1968, Dr. H. Hanly Funderburk, Jr., was appointed vice president and chief administrator of the newly created university. Auburn University at Montgomery opened its doors in September 1969 with nearly 600 students in the old Alabama Extension Center on Bell Street, next to Maxwell Air Force Base.

Two years later, in 1971, the University relocated its Montgomery campus to a 500-acre parcel on the McLemore Plantation tract, seven miles east of downtown, which continues to serve as the campus of Auburn University at Montgomery.

Since 1971, the campus of Auburn University at Montgomery ("AUM") has grown from just two structures to seventeen major buildings.

### **Board of Trustees**

The University is governed by a Board of Trustees (herein defined as the "Board") consisting of 16 voting members as follows: one member from each of Alabama's congressional districts, as they were constituted on the first day of January 1961 (total of 9); one member from Lee County, Alabama; three at-large members who are residents of the continental United States; two additional at-large members who are residents of the continental United States and who enhance the diversity of the Board by reflecting the racial, gender and economic diversity of the State; and the Governor of the State of Alabama, who serves as the ex officio president of the Board.

New board members are appointed by an appointing committee, by and with the advice and consent of the Alabama Senate. Each confirmed board member shall serve a term of seven years and until a successor is confirmed, but in no case for more than one year after a completion of a term. Board members may serve no more than two full terms. No more than three trustees may be confirmed in a year to ensure that terms remain staggered. Board members receive no compensation.

Consistent with an executive order by the Governor in 1971, the Student Government Association presidents from Auburn University and Auburn University at Montgomery serve as non-voting, ex officio board members.

The current members of the Board and the date of expiration of their terms (excluding the one-year holdover period) are as follows:

| <b>Name</b>                | <b>Principal Occupation</b>      | <b>Expiration of Term</b> |
|----------------------------|----------------------------------|---------------------------|
| Kay Ivey                   | Governor                         | Ex Officio                |
| B. T. Roberts              | Real Estate Executive            | February 12, 2027         |
| Clark Sahlie               | Business Executive               | February 12, 2027         |
| Bob Dumas                  | Retired Banking Executive        | March 21, 2030            |
| James W. Rane              | Business Executive               | March 21, 2030            |
| James H. Sanford           | Agriculture Executive            | February 2, 2028          |
| William P. Ainsworth       | Retired Transportation Executive | March 21, 2030            |
| Elizabeth Huntley          | Attorney                         | March 20, 2031            |
| Caroline McDonald Aderholt | Nonprofit Executive              | February 15, 2029         |
| Michael A. DeMaioribus     | Retired Technology Executive     | February 2, 2028          |
| James R. Pratt, III        | Attorney                         | February 12, 2027         |
| Quentin P. Riggins         | Utility Executive                | March 20, 2031            |
| Wayne T. Smith             | Healthcare Executive             | February 2, 2028          |
| Zeke Smith                 | Utility Executive                | February 15, 2029         |
| Timothy Vines              | Healthcare Insurance Executive   | March 20, 2031            |
| Walt Woltosz               | Software Executive               | March 20, 2031            |

## **Administration**

Heading the three missions of Instruction, Research and University Outreach is the President, who serves both as President of the University and administrative head of the Auburn Main Campus. He is assisted by several senior administrators.

***Christopher B. Roberts.*** Christopher B. Roberts serves as the 21st President of the University. President Roberts was first appointed by the Board as President of the University in May 2022. President Roberts is an accomplished scholar who understands that research and teaching excellence, together with service and public engagement, are at the very heart of the state's R1 land-, sea- and space-grant institution. As the lead executive of the University, President Roberts marshals the institution's \$1.85 billion annual budget and vast resources, while spearheading the University's strategic vision and advancing the Auburn's ever-growing research enterprise and economic development. Prior to his presidency, President Roberts served as dean of Auburn's Samuel Ginn College of Engineering from 2012 to 2022. President Roberts holds a B.S. in chemical engineering from the University of Missouri and a master's and doctoral degrees in chemical engineering from the University of Notre Dame.

***Carl A. Stockton.*** Dr. Carl A. Stockton serves as the sixth Chancellor of AUM. He came to AUM from the University of Houston-Clear Lake, where he was provost and senior vice president for academic affairs. While at UH-Clear Lake, Dr. Stockton increased degree offerings, improved opportunities for faculty research, cultivated industry and academic partnerships, and increased online learning opportunities. He has obtained more than \$35 million in external funding during his 32-year career. He holds two degrees in health education from the University of Florida and earned a Ph.D. in health education from the University of Tennessee.

***Vini Nathan.*** Dr. Vini Nathan began serving as Auburn University's provost and senior vice president for academic affairs in May 2023 after serving as interim provost since March 2022. Prior to the Provost's Office, Dr. Nathan was dean and McWhorter Chair of the College of Architecture, Design and Construction from 2011-2022. She is also a tenured professor of Architecture and Interior Architecture and is a Senior Fellow of the Design Futures Council. As provost, Dr. Nathan is the University's chief academic officer and oversees the University's academic and outreach missions. Dr. Nathan holds a Ph.D. (major: Architecture; minor: Urban and Regional Planning) from the University of Michigan (1994), a master's degree in Interior Design from Virginia Tech (1990), and a bachelor's degree in Architecture from Anna University (1988).

***Kelli D. Shomaker.*** Ms. Shomaker was appointed Vice-President for Business and Finance and CFO in September 2016 and was appointed Senior Vice-President for Business and Administration and CFO in July 2023. Ms. Shomaker is a seasoned administrator having spent over twenty years in higher education, including sixteen years at Texas A&M University. As the University's chief financial officer, she oversees financial reporting, budgets, procurement and payments, cash management, endowment management, debt management, risk management and safety, facilities, auxiliaries, and human resources. Ms. Shomaker received her bachelor's degree in Accounting from

Texas A&M University and is a Certified Public Accountant. Prior to higher-education, Ms. Shomaker worked as an auditor for PricewaterhouseCoopers and a financial executive for a publicly traded investment manager.

**Jon G. Waggoner.** Reporting to the Board and serving as the University's corporate secretary, Jon Waggoner is the official point of contact for the Trustees when communicating within and outside of the University. Mr. Waggoner has been employed by Auburn in many roles, including Special Counsel to the President, University Counsel, counsel to multiple AU-related foundations, Interim Vice President of Student Affairs, Interim AVP for Auxiliaries, and as an adjunct professor in the School of Accountancy. A native of Tucker, Georgia, Mr. Waggoner is a 1992 Auburn alumnus, receiving his Bachelor of Arts degree in English. While attending Auburn University, he served as SGA President and sat as an ex officio member of the Board. His Juris Doctorate was awarded from the University of Alabama, where he served on the Alabama Law Review. He has been admitted to the Alabama State Bar Association, Georgia State Bar Association, Florida State Bar Association and New York State Bar Association. His professional background includes clerking for Chief Justice Perry Hooper, Sr. of the Alabama Supreme Court; practicing corporate and commercial law in Atlanta; and serving as a partner in the law firm of Miller, Hamilton, Snider & Odom, LLC.

**James "Jim" O'Connor.** Jim O'Connor was appointed Chief Information Officer at Auburn University in October 2016. As CIO, he oversees all aspects of information systems for the university, including information technology governance; strategic planning; management of cybersecurity; delivery of central information technology services; development of research computing networks; and new technology initiatives with a focus on the enhancement of student and faculty success. Prior to joining Auburn University, Mr. O'Connor served as Georgia Tech's Vice President for Information Technology and Chief Information Officer since 2010, after starting his career there in 1994. He served previously as a U.S. Air Force officer for almost 20 years in various assignments including chief of plans and programs at the Air Force Institute of Technology. He earned his bachelor's degree in computer science in 1986 at Texas State University (formerly SW Texas) on an Air Force scholarship and his MBA with a concentration in information systems in 1991 at Golden Gate University.

**Steven E. Taylor.** Steven Taylor serves as Auburn University's senior vice president for research and economic development and as president of the Auburn Research and Technology Foundation. In this role, he provides leadership to various research and economic development units, including sponsored programs, proposal services and faculty support, contracts and grants accounting, research compliance, the university veterinarian, research security compliance, electronic research administration, the IP exchange, external engagement and support and university-based start-ups. He previously served as interim dean of Auburn University's Samuel Ginn College of Engineering, as the College of Engineering's associate dean for research, head of the Department of Biosystems Engineering — where he is a tenured professor — and as director of the Center for Bioenergy and Bioproducts. Dr. Taylor holds bachelor's and master's degrees in agricultural engineering from the University of Florida and a doctorate in the same discipline from Texas A&M.

**Bobby R. Woodard.** Bobby R. Woodard was appointed Associate Provost and Senior Vice President for Student Affairs at Auburn University in June 2014. As the University's senior student affairs officer, he oversees 12 departments who directly serve more than 34,000 students at both the undergraduate and graduate levels. Prior to joining Auburn University, Dr. Woodard held professional positions in student affairs at East Carolina University, the University of Central Florida, and the University of Georgia. Most recently, he served as Associate Vice Chancellor for Student Involvement and Leadership at East Carolina University. A native of Smithfield, North Carolina, Dr. Woodard received his bachelor's degree in exercise and sports science from East Carolina University. While working as a middle school teacher in Orlando, he obtained his master's degree in educational leadership from the University of Central Florida. He then went on to the University of Georgia to pursue and receive a Doctorate of Philosophy in Student Affairs Administration.

**Robert W. Wellbaum.** Robert W. Wellbaum was appointed Senior Vice President of Auburn University's Office of Advancement on August 29, 2023. In the role, he provides executive leadership for alumni engagement, philanthropy, communications and marketing. He previously served as vice president for philanthropy, leading principal and major gift fundraising strategies and initiatives for the university. In his 28-year career in institutional fundraising, he has also served Auburn University as senior associate athletic director leading athletic fundraising; senior associate vice president for Auburn University's Office of Development; interim vice president of Development and president of the Auburn University Foundation. In these roles, he managed principal gift fundraising and provided leadership and planning for the University's \$1.2 billion Because This is Auburn campaign. Wellbaum joined Auburn



University in 1998 as director of development for the Samuel Ginn College of Engineering after serving as director of corporate development for the Scottish Rite Children's Medical Center Foundation, now Children's Healthcare of Atlanta. He earned a bachelor's degree in international business from Auburn University in 1993.

## Campuses

**Auburn Main Campus.** The Auburn Main Campus is located in Lee County, Alabama, in the City of Auburn, approximately 55 miles east of Montgomery, 120 miles southeast of Birmingham, and 118 miles southwest of Atlanta, Georgia. The Auburn Main Campus is the University's larger campus, consisting of over 80 major buildings on 2,100 acres. Auburn is a fully accredited land-grant institution focusing on Instruction, Research and Outreach.

**Auburn Montgomery Campus.** The Auburn Montgomery Campus is located in the City of Montgomery in south central Alabama. It serves as the campus for Auburn University at Montgomery and includes 43 buildings on approximately 500 acres.

## Enrollment

The combined enrollment (also sometimes called the headcount) of both University campuses for the Fall semesters 2020 through 2024, broken down between undergraduate and graduate students, was as follows:

|                      | 2020   | 2021   | 2022   | 2023   | 2024   |
|----------------------|--------|--------|--------|--------|--------|
| <b>Undergraduate</b> | 28,880 | 29,022 | 29,136 | 30,282 | 31,233 |
| <b>Graduate</b>      | 7,069  | 7,577  | 7,740  | 7,923  | 8,131  |
| <b>TOTAL</b>         | 35,949 | 36,599 | 36,876 | 38,205 | 39,364 |

The headcount enrollment for the same five Fall semesters, broken down by campus, is shown in the table below.

|                          | 2020   | 2021   | 2022   | 2023   | 2024   |
|--------------------------|--------|--------|--------|--------|--------|
| <b>Main Campus</b>       | 30,737 | 31,526 | 31,764 | 33,015 | 34,145 |
| <b>Montgomery Campus</b> | 5,212  | 5,073  | 5,112  | 5,190  | 5,219  |
| <b>TOTAL</b>             | 35,949 | 36,599 | 36,876 | 38,205 | 39,364 |

Another measure of enrollment, known as full-time equivalent or FTE, is obtained by adding (a) all full-time undergraduate and graduate students and (b) the so-called credit-hour productivity for all part-time undergraduate and graduate students, in accordance with a formula prescribed by the Southern Association of Colleges and Schools ("SACS"). The University's FTE enrollment for the Fall semesters 2020 through 2024, broken down by campus, is shown below:

|                          | 2020   | 2021   | 2022   | 2023   | 2024   |
|--------------------------|--------|--------|--------|--------|--------|
| <b>Main Campus</b>       | 27,670 | 28,249 | 28,365 | 29,409 | 30,524 |
| <b>Montgomery Campus</b> | 4,211  | 3,969  | 3,872  | 3,885  | 3,472  |
| <b>TOTAL</b>             | 31,881 | 32,218 | 32,237 | 33,294 | 33,996 |

The table below contains historical undergraduate admissions figures for first time freshmen for the Auburn Main Campus for the five Fall semesters 2020 through 2024:

|                              | 2020   | %    | 2021   | %    | 2022   | %    | 2023   | %    | 2024   | %    |
|------------------------------|--------|------|--------|------|--------|------|--------|------|--------|------|
| <b>Freshman Applications</b> | 17,946 | 100  | 27,619 | 100  | 45,693 | 100  | 48,178 | 100  | 55,056 | 100  |
| <b>Acceptances</b>           | 15,266 | 85.1 | 19,660 | 71.2 | 20,027 | 43.8 | 24,314 | 50.5 | 25,284 | 45.9 |
| <b>Matriculants</b>          | 4,914  | 27.4 | 5,311  | 19.2 | 5,303  | 26.5 | 5,935  | 12.3 | 6,103  | 11.1 |
| <b>Avg ACT</b>               | 27.7   | --   | 26.8   | --   | 27.1   | --   | 27.1   | --   | 27.4   | --   |
| <b>Avg GPA</b>               | 3.94   | --   | 3.97   | --   | 4.07   | --   | 4.07   | --   | 4.09   | --   |

The table below contains historical undergraduate admissions figures for the Auburn Montgomery Campus for the five Fall semesters 2020 through 2024:

|                     | 2020  | %    | 2021  | %    | 2022  | %    | 2023  | %    | 2024  | %    |
|---------------------|-------|------|-------|------|-------|------|-------|------|-------|------|
| <b>Freshman</b>     |       |      |       |      |       |      |       |      |       |      |
| <b>Applications</b> | 4,606 | 100  | 3,405 | 100  | 2,290 | 100  | 2,162 | 100  | 2,694 | 100  |
| <b>Acceptances</b>  | 4,401 | 95.5 | 3,296 | 96.8 | 2,112 | 92.2 | 2,000 | 92.5 | 2,467 | 91.6 |
| <b>Matriculants</b> | 674   | 14.6 | 539   | 15.8 | 406   | 17.7 | 413   | 19.1 | 364   | 13.5 |
| <b>Avg ACT</b>      | 20.6  |      | 20.5  | --   | 22.1  | --   | 20.3  | --   | 19.6  | --   |
| <b>Avg GPA</b>      | 3.40  |      | 3.40  | --   | 3.39  | --   | 3.43  | --   | 3.43  | --   |

Beginning in 2018, the University started referring applicants to the Auburn Montgomery Campus that had applied to, and were not accepted for admission at, the Auburn Main Campus. In 2018 and 2019, a substantial portion of the increase in applications to the Auburn Montgomery Campus was attributable to this referral program.

Students come to the University from all 67 counties in Alabama, from 54 states and territories and from 107 foreign countries. The highest numbers of in-state students come from Lee, Jefferson, Madison, Shelby, Montgomery, Baldwin and Mobile counties, respectively, and the highest numbers of out-of-state students come from Georgia, Florida, Texas, Tennessee, North Carolina, Virginia, California and Illinois, in that order. China contributes more students than any other foreign country, followed by India, Bangladesh and Nigeria.

The following table sets forth, by percentage, a breakdown of the University's enrollment at the Auburn Main Campus by residency classification for the five Fall semesters 2020 through 2024:

|                              | 2020       | 2021       | 2022       | 2023       | 2024       |
|------------------------------|------------|------------|------------|------------|------------|
| <b>In-State Students</b>     | 54.3%      | 53.9%      | 53.7%      | 53.5%      | 53.3%      |
| <b>Out-of-State Students</b> | 37.6       | 39.1       | 40.2       | 41.1       | 41.5       |
| <b>Foreign Students</b>      | <u>8.1</u> | <u>7.0</u> | <u>6.1</u> | <u>5.4</u> | <u>5.2</u> |
| <b>Total</b>                 | 100.0%     | 100.0%     | 100.0%     | 100.0%     | 100.0%     |

The following table sets forth, by percentage, a breakdown of the University's enrollment at the Auburn Montgomery Campus by residency classification for the five Fall semesters 2020 through 2024:

|                              | 2020       | 2021       | 2022        | 2023        | 2024        |
|------------------------------|------------|------------|-------------|-------------|-------------|
| <b>In-State Students</b>     | 89.3%      | 86.4%      | 79.1%       | 72.5%       | 72.6%       |
| <b>Out-of-State Students</b> | 5.4        | 5.3        | 4.6         | 4.2         | 4.0         |
| <b>Foreign Students</b>      | <u>5.4</u> | <u>8.3</u> | <u>16.3</u> | <u>23.3</u> | <u>23.4</u> |
| <b>Total</b>                 | 100.0%     | 100.0%     | 100.0%      | 100.0%      | 100.0%      |

## DIVISIONS AND FACILITIES

### Instruction

The Auburn Main Campus serves approximately 34,000 total students and offers more than 150 undergraduate degree programs; Master's degrees in 98 areas; Doctor of Philosophy degrees in 60 areas; and the Specialist in Education, along with the first professional degrees Doctor of Veterinary Medicine, Doctor of Pharmacy and Doctor of Audiology. Post-baccalaureate certificate offerings are being expanded, with certification currently conferred in 47 areas.

Instruction is provided by the University at the Main Campus through twelve undergraduate schools and the graduate school, which are listed below in order of enrolled headcount for the Fall semester of 2024:

| <b>School/College</b> | <b>2024</b> |
|-----------------------|-------------|
| Business              | 7,130       |
| Engineering           | 6,700       |

|   |              |
|---|--------------|
| Liberal Arts  | 5,262        |
| Sciences and Mathematics                                  | 3,052        |
| Education   | 2,472        |
| Architecture, Design & Construction                       | 1,925        |
| Human Sciences  | 1,729        |
| Agriculture   | 1,491        |
| Nursing   | 1,278        |
| Interdisciplinary/Interdepartmental Programs & Transients | 1,216        |
| Forestry, Wildlife & Environment                          | 678          |
| Veterinary Medicine                                       | 671          |
| Pharmacy  | 541          |
| Total   | <hr/> 34,145 |

The Auburn Montgomery Campus serves approximately 5,000 students, offers undergraduate degrees in 32 areas, Master's degrees in 25 areas, Education Specialist degrees in six 6 areas, a Doctor of Nursing Practice degree, a Doctorate of Education degree in Instructional Systems and Learning Sciences, and 20 certificate programs.

## Research

Auburn University's programs in research and creative scholarship have grown significantly in recent years. Extramural funding for this research and creative scholarship, provided by new contracts and grants, reached a record high of \$344 million in fiscal year 2024. This funding total represents a 15% increase over the value for fiscal year 2023 and a 109% increase over the last five years. Federal and state research contracts and grants were valued at approximately \$289 million and \$28 million, respectively, while other sources of support totaled approximately \$27 million. Proposals submitted by Auburn in fiscal year 2024 to external funding sources also reached a record high in terms of number of proposals (1,710) as well as the value of those proposals (\$898 million). These proposal metrics represent, over the last five years, a 42% increase in number of proposals submitted and a 71% increase in the value of proposals submitted.

Research and development expenditures as reported to the National Science Foundation Higher Education Research and Development ("HERD") survey reveal that the University ranked 60<sup>th</sup> out of 420 public institutions for fiscal year 2023 and 90<sup>th</sup> overall. Review of the HERD data in recent years indicates steady advances in both the ranking and the expenditure total, confirming that Auburn is outperforming many of its peers in its research program growth. These research expenditures have grown 65% over the last five years while our overall ranking improved from 109<sup>th</sup> in fiscal year 2018 to 90<sup>th</sup> in fiscal year 2023.

In 2024, the University unveiled a new ten-year strategic plan. One of the primary goals of this plan is to double overall research, scholarship, and creative works and increase their impact while building leadership in focused areas of distinction. By leveraging Auburn's unique strengths, the University will address the most pressing challenges impacting quality of life, economic prosperity, and security. Specific efforts will focus on increasing collaboration with local, regional, and national agencies and the private sector; securing exceptional faculty scholars and research professionals of national and international renown; and translating research by commercializing novel products and services for economic growth. Strategic investment in research areas of institutional strength with national focus and funding priority will assure continued growth of university research.

One example of strategic investments in research is the acquisition of the University's Research and Innovation Campus in Huntsville's Cummings Research Park and the creation of the Auburn University Applied Research Institute, which is headquartered at the new campus in Huntsville. This institute, which is focused on conducting applied research that supports the defense, aerospace, biotech, and national security sectors is already resulting in significant additions to Auburn's extramural research portfolio.

The Auburn Research and Technology Foundation ("ARTF") was founded in 2004 as a University affiliated, non-profit 501(c)(3) entity to support the University's research and economic development mission. ARTF recently updated the master plan for the 174-acre research park and added two new buildings in 2020. Both buildings house various options for research space as well as institutional administration and private health sciences capabilities. The child learning center opened last year. As of 2020 there are 7 total buildings within the research park with research

components and health sciences focus. Tangential to the park are two new university buildings for pharmacy and nursing complimenting growth in the health sciences research area.

## **University Outreach**

As a land-grant institution, the University has a mission of outreach – engaging its expertise beyond campus to improve quality of life across Alabama, nationally, and even internationally. More importantly, outreach provides opportunities for engagement to establish mutually beneficial and reciprocal partnerships between the University and the communities that it serves. Through outreach and extension programs, citizens benefit from greater access to Auburn's high quality educational resources. Community collaboration benefits the University as well, providing valuable insights and information for teaching and research, and enhancing the institution's relevance to the broader society. The University is recognized by the Carnegie Foundation's "Community Engaged Institution" designation for the quality and scope of its outreach programming.

University Outreach supports three major areas of engagement activity – lifelong learning, knowledge expertise, and community partnership. The University's lifelong learning programs expand access to learning for individuals of all ages, offering opportunities for professional continuing education as well as skills development and personal enrichment. The University shares its knowledge and expertise with the public to strengthen business, education, healthcare, and government, and address other issues of mutual concern. Finally, engaged partnerships help bond University faculty, students and communities in a variety of enriching activities which promote scholarship, learning, public service and civic involvement, and contribute to the common good.

Much of the University's outreach engagement focuses on strategic objectives for enhancing learning, expanding community economic development and improving health, wellness and quality of life. University faculty members and students are engaged significantly in these outreach initiatives.

The Office of the Vice President for University Outreach provides administrative leadership and support for faculty and student outreach work campus wide, as well as in developing community partnerships. Units comprising University Outreach include:

- (1) Center for Educational Outreach and Engagement, focusing on support to K-12 schools and enhancing college access for students in underserved communities;
- (2) The Government and Economic Development Institute, assisting state, county and local governments and civic agencies with policy research, training and expert assistance;
- (3) The Encyclopedia of Alabama, a free, online reference resource on Alabama's history, culture, geography, and natural environment for schools, students and general users;
- (4) Office of Faculty Engagement, which provides grants and assistance to faculty in developing outreach projects and engaged scholarship;
- (5) Office of Professional and Continuing Education, offering a broad range of non-credit professional development, skills training, youth academic programs and general study programs for the community;
- (6) Office of Public Service, promoting faculty, student and staff engagement through the development of community and institutional partnerships;
- (7) Osher Lifelong Learning Institute, a learning in retirement program for senior adults; and
- (8) Outreach-Global, which facilitates university engagement and community development with international educational partners.

There are more than 75 outreach units and program initiatives within the University's schools and colleges. Some of these include the Caroline Marshall Draughon Center for the Arts and Humanities in Liberal Arts, the Auburn Technical Assistance Center in Business, the Truman Pierce Institute in Education, Engineering Continuing

Education, and the Rural Studio and Urban Studio programs in Architecture. The University also serves as the headquarters for Alabama's Cooperative Extension System, which serves all 67 Alabama counties with educational programs and services provided by faculty specialists and local extension educators.

From this base of organizational and faculty resources, the University hosts a diverse range of outreach activities. Annually, the University produces hundreds of conferences, non-credit courses and training programs, with registrations averaging more than 40,000. Many of these programs are approved to offer continuing education units ("CEUs") and other certifications of completion. The University collaborates on hundreds of technical assistance projects annually with industrial and governmental constituents across the state, representing millions of dollars in direct impact from improved processes, cost savings, and investments. The University supports roughly 100 outreach facilities and research sites throughout Alabama, giving the university a statewide community presence greater than any other educational institution. This makes the University's outreach resources highly accessible to citizens.

### **Alabama Agricultural Experiment Station**

Research conducted through the Alabama Agricultural Experiment Station ("AAES") is focused on improving people's lives while promoting the environmentally and socially responsible advancement of Alabama's agricultural, forestry, and related industries. AAES research teams are spread across 15 research units throughout the state and five academic colleges and schools on the Auburn campus. Scientists and supporting personnel work with producers, businesses and communities to find solutions to issues that impact the people and economy of our state directly. New technologies are continually being developed to increase production with less energy in the future.

### **Alabama Cooperative Extension System**

In addition to on-campus units, the University reaches all segments of the state's population through the statewide network of the Alabama Cooperative Extension System whose principal participating entities are the University and Alabama A&M University.

Staff and faculty in all 67 counties and at the University lead research-based educational programs to revitalize Alabama's agricultural and forestry industry, strengthen the health and social well-being of families, and stimulate economic development in Alabama.

Extension Agents develop, organize and carry out educational programs to meet the needs of local residents. Agents live in the community, associate closely with stakeholders, and involve their clientele in program planning decisions.

Subject matter specialists conduct research and synthesize technical knowledge for use in Extension programming. Specialists and agents influence new research on campus through feedback of problems and opportunities at the local level.

### **Capital Expenditures**

As of September 30, 2024, the University had entered into projects for the construction and renovation of various facilities that are estimated to cost approximately \$914.7 million. At September 30, 2024, the estimated remaining cost to complete the projects is approximately \$407.4 million which will be funded from University funds, bond proceeds and capital appropriations. Some of the projects include: a new College of Education building, the STEM & Agricultural Sciences Complex, improvements to Plainsman Park for Auburn baseball, a new student housing complex, a new video board for Jordan Hare Stadium and Auburn football, and an enhancement to the outdoor pavilion at the Gogue Performing Arts Center. Smaller renovation and deferred maintenance projects are also underway.

### **Libraries**

The Auburn University Libraries include the Ralph Brown Draughon Library, the Library of Architecture, Design and Construction and the Charles Allen Cary Veterinary Medical Library. The Special Collections and Archives department, located in the Ralph Brown Draughon Library, houses manuscripts and rare books related to Alabama history and literature, the Civil War, the history of flight and other subjects.

## **Faculty**

In 2023-24, the Auburn Main Campus has 1,466 full-time faculty and 260 part-time faculty, and the Auburn Montgomery Campus has 254 full-time faculty and 124 part-time faculty.

## **Fundraising**

The University completed its last comprehensive fundraising campaign on December 31, 2017. The \$1 billion dollar campaign goal was the largest in Auburn history. The University reached its goal 16 months ahead of schedule and raised \$1.2 billion, which was 20% above the goal.

Following the conclusion of Because This Is Auburn-A Campaign for Auburn University, the annual run rate for new gifts and commitments for the benefit of the University has been nearly double that for the period prior to the public launch of the campaign. Since the end of the last campaign the university has raised \$1.176 billion in new gifts and commitments with record setting years in fiscal year 2022 with \$213 million raised and in fiscal year 2024 with \$224 million raised.

For this year, Auburn has set a fundraising goal of \$190 million with expectations to exceed \$200 million. The Office of Philanthropy is working to grow our fundraising team from 56 fundraisers to 72 fundraisers by September 2026. This investment will position us well to ensure annual fundraising in the \$225-250 million range. We are currently in the planning phase for the University's next comprehensive fundraising campaign with approval expected in September 2025.

## **STRATEGIC PLAN**

In 2024, Auburn adopted a new five-year strategic plan to guide the University with a vision to lead and shape the future of higher education. The strategic plan presents the framework for the University to enforce its mission and vision and articulates six pivotal goals that are critical to Auburn's future. These goals include:

1. Exceptional Student Experience
2. Impactful Research and Creative Scholarship
3. Commitment to Excellence and Innovation
4. Catalytic Engagement
5. Distinctively Auburn

The University's strategic plan can be found at the following link:  
<https://auburn.edu/administration/president/strategic-plan/>

## **APPENDIX B**

### **2024 Financial Report of the University**

## **APPENDIX C**

### **Summary of the Indenture**



## SUMMARY OF THE INDENTURE

The following constitutes a summary of certain portions of the General Fee Revenue Trust Indenture dated as of June 1, 1985, between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), as previously supplemented and amended and as further supplemented and amended by a Twenty-Seventh Supplemental General Fee Indenture to be dated the date of the Series 2025 Bonds (collectively, the "Indenture"). This summary is qualified by reference to other provisions of the Indenture referred to elsewhere in this Official Statement, and all references and summaries pertaining to the Indenture in this Official Statement are qualified by reference to the exact terms thereof. All references herein to the "Bonds" shall be deemed to include the Series 2025 Bonds, any bonds heretofore issued pursuant to the Indenture, and any Additional Bonds hereafter issued under the Indenture, unless the context clearly indicates otherwise. Certain terms defined elsewhere in this Official Statement are used in this summary. See "DEFINITIONS."

### **Prior Amendments of Pledged Revenues under the Indenture**

Under the terms of the Indenture, as originally executed, the University pledged its gross revenues from the general tuition fees levied against all students of the University enrolled at the Auburn Main Campus, subject to certain exclusions, to secure on a parity basis all Bonds issued from time to time pursuant to the Indenture. Since that time, the scope of the Pledged Revenues under the Indenture has been amended as follows:

***Addition of Housing and Dining Revenues.*** The pledge of Housing and Dining Revenues from the operation of housing and dining facilities on the Auburn Main Campus was added to the Indenture contemporaneously with the issuance of the University's General Fee Revenue Bonds, Series 2007-A and 2007-B (Taxable). The University's pledge of Housing and Dining Revenues from the operation of housing and dining facilities on the Auburn Montgomery Campus was added to the Indenture contemporaneously with the issuance of the University's General Fee Revenue Bonds, Series 2011-A. The University's pledge of the Housing and Dining Revenues under the Indenture secures on a parity basis all Bonds now or hereafter issued under the Indenture, subject to the prior pledge of such revenues for the benefit of any Other Senior Obligations hereafter issued upon the conditions described herein. See "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues – Housing and Dining Revenues" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" in this Official Statement.

***Addition of Athletic Program Revenues.*** The pledge of Athletic Program Revenues was added to the Indenture contemporaneously with the issuance of the University's General Fee Revenue Bonds, Series 2008. The University's pledge of the Athletic Program Revenues under the Indenture secures on a parity basis all Bonds now or hereafter issued and outstanding under the Indenture, subject to the prior pledge of such revenues for the benefit of any Other Senior Obligations hereafter issued upon the conditions described herein. See "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues – Athletic Program Revenues" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" in this Official Statement.

***Addition of Pledged Student Fees.*** The pledge of Pledged Student Fees was added to the Indenture contemporaneously with the issuance of the University's General Fee Revenue Bonds, Series 2011-A. The University's pledge of the Pledged Student Fees is a first-priority pledge that is not subject to any prior pledge by the University and does not secure the payment of debt service on any indebtedness of the University other than indebtedness issued under the Indenture. See "SECURITY AND SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues – Pledged Student Fees" in this Official Statement.

***Expansion of General Fee Pledge to Include Auburn Montgomery Campus.*** The pledge of general tuition fees levied against students of the University enrolled at the Auburn Montgomery Campus was added to the Indenture contemporaneously with the issuance of the University's General Fee Revenue Bonds, Series 2011-A. The University's pledge of the General Fees levied against students enrolled at the Auburn Montgomery Campus is a first-priority pledge that is not subject to any prior pledge by the University and does not secure the payment of debt service on any indebtedness of the University other than indebtedness issued under the Indenture, subject to the prior pledge of such revenues for the benefit of any Other Senior Obligations hereafter issued upon the conditions described herein. See "SECURITY AND

SOURCE OF PAYMENT – Sources of Payment and Pledged Revenues – General Fees" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" in this Official Statement.

This Official Statement and the following summary of the Indenture reflect the terms of the Indenture as so amended.

### **Additional Bonds**

The Indenture permits the University to issue Additional Bonds in order to refund Bonds previously issued under the Indenture and/or to finance the acquisition of or construction of capital improvements to the University's facilities. Among the conditions precedent to the issuance of Additional Bonds is a requirement that there be furnished to the Trustee a certificate of the Treasurer of the University certifying that the amount of Pledged Revenues received by the University during each of the two fiscal years next preceding the date of issuance of the Additional Bonds then proposed to be issued was not less than 250% of the maximum annual debt service requirement immediately following the issuance of the proposed Additional Bonds. For a discussion of how compliance with this maximum annual debt service covenant is calculated, see "SECURITY AND SOURCE OF PAYMENT – Additional Parity Bonds" and "SECURITY AND SOURCE OF PAYMENT – Senior Debt Covenant" in this Official Statement.

### **Flow of Funds**

**Revenue Account.** The Indenture creates a revenue account (the "Revenue Account") into which the University is required (subject to the last two sentences of this paragraph) to deposit all Pledged Revenues as such are received by or become available to it. The Trustee, as depository and custodian of the Revenue Account, is required to transfer to the Bond Fund, on or before the fifteenth day of each month, the amounts hereinafter specified. The University is relieved from the obligation to make deposits into the Revenue Account in each month during which there shall have been made into the Bond Fund the payments required to be made therein during such month. To the extent that the University has complied with the requirements of the Revenue Account and Bond Fund such that all required payments are current and any deficiencies or deficits have been replenished, the balance of the Revenue Account shall be transferred to the University and used for any lawful purpose.

**Bond Fund.** The Indenture creates a General Fee Revenue Bond Principal and Interest Fund (the "Bond Fund") for the purpose of providing for the payment of the principal of and the interest on the Bonds as they mature and redemption price of Bonds called for mandatory redemption. On or before the fifteenth day of each month the Trustee is required to transfer from the Revenue Account to the Bond Fund an amount equal to the sum of 1/6 of the semiannual installment of interest payable on the Bonds on the then next succeeding interest payment date, plus 1/12 of the principal that will mature or is required to be redeemed on the next succeeding June 1.

### **Investment of Special Funds**

The Indenture requires that the Trustee, to the extent practical, cause all moneys on deposit in the Bond Fund to be kept continuously invested in either (a) obligations of the United States ("Federal Securities") or (b) certificates of deposit, either issued by a bank having combined capital surplus and undivided profits of not less than \$15,000,000, or collaterally secured by a pledge of Federal Securities.

### **Audits**

The University is required to maintain complete books and records pertaining to the Pledged Revenues. It is also required to cause an audit of its books and records to be made at least once each two years either by an independent auditor or by an auditor that is an employee of the State of Alabama but not of the University. Each such audit is required to contain a separate statement of the receipts from the Pledged Revenues during each fiscal year. Within ten days following the receipt of each audit report, the University must furnish a copy to the Trustee, the original purchasers of each series of Bonds, the national rating agencies, and the holder of any Bond who may request the same in writing.

### **Events of Default and Remedies**

**Events of Default.** The following constitute events of default under the Indenture:

(a) Failure by the University to pay the principal of, the interest on, or the premium (if any) on any Bond as and when the same become due (whether by maturity or otherwise);

(b) Failure by the University to perform any of the agreements and covenants on its part contained in the Indenture (other than failure to pay the Bonds) which such failure continues for a period of not less than thirty days after written notice of such failure has been given to the University by the Trustee or by the holders of not less than 25% in principal amount of the Bonds then outstanding and secured by the Indenture, 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 approval by a court of competent jurisdiction of any petition for reorganization of the University or rearrangement or readjustment of its obligations under any provisions of the bankruptcy laws of the United States.

***Remedies on Default.*** Upon any default, the Trustee shall have the following rights and remedies:

(a) *Acceleration.* The Trustee may declare the principal of the Bonds immediately due and payable. If, however, the University makes good every default (except for installments of principal declared due and payable that, absent such default, would not be due and payable), with interest on all overdue payments of principal and interest, and makes reimbursement of all 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 Bonds then outstanding, shall), by written notice to the University, waive such default.

(b) *Mandamus and Other Remedies.* The Trustee shall have the right of mandamus or of other lawful remedy in any court of competent jurisdiction to enforce its rights and the rights of the holder 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 Alabama Code.

***Remedies Vested in Trustee.*** All remedies under the Indenture are vested exclusively in the Trustee for the equal and pro rata benefit of all the holders of the Bonds, unless the Trustee refuses or neglects to act within a reasonable time after written request so to act addressed to the Trustee by the holders of 25% in principal amount of the outstanding Bonds, accompanied by indemnity satisfactory to the Trustee, in which event the holder of any of the Bonds may thereupon so act in the name and behalf of the Trustee or may so act in his own name in lieu of action by, or in the name and behalf of, the Trustee. Except as above provided, no holder of any of the Bonds shall have the right to enforce any remedy under the Indenture, and then only for the equal and pro rata benefit of the holders of all the Bonds.

### **Concerning the Trustee**

***Limitation on Liability.*** The Trustee shall not be liable under the Indenture except for its noncompliance with the provisions thereof, its willful misconduct, or its gross negligence.

***Notice of Defaults.*** The Trustee need not notice any default under the Indenture except a default in the payment of the principal of and the interest on the Bonds, unless requested to do so by the holders of 25% in principal amount of the outstanding Bonds.

***Institution of Suits.*** The Trustee may, in its own name and at any time, institute or intervene in any suit for the enforcement of all rights under the Indenture without the necessity of joining as parties to such suit or proceeding any holders of the Bonds. The holders of the Bonds appoint the Trustee as their irrevocable agent and attorney-in-fact for the purpose of enforcing all such rights of action, but such appointment does not include the power to agree to accept new securities of any nature in lieu of the Bonds or to alter or amend the terms of the Indenture except as therein provided.

***Resignation and Discharge.*** The Trustee may resign and be discharged by written notice given to the University and the holders of the Bonds specifying the effective date of such resignation. The Trustee may at any time be removed by a written instrument signed by the holders of a majority in principal amount of the Bonds.

***Appointment of Successor Trustee.*** If the Trustee resigns, is removed or is otherwise incapable of acting, a successor may be appointed by the holders of a majority in principal amount of the Bonds and in the interim by the University.

## **Amendment of the Indenture**

***Supplemental Indentures Without Bondholder Consent--In General.*** The University and the Trustee may, at any time and from time to time and without the consent of the holders of any of the Bonds, enter into such supplemental indentures 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 therein contained other covenants and agreements thereafter to be observed and performed by the University, provided that such other covenants and agreements shall not either expressly or impliedly limit or restrict any of the obligations of the University contained in the Indenture; or
- (b) To cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision 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; or
- (c) To provide for the issuance of Additional Bonds in accordance with the provisions summarized under the heading "Additional Bonds."

***Supplemental Indenture Requiring Bondholders' Consent.*** 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 66-2/3% in aggregate principal amount of the Bonds 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 terms 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 Bonds;
- (b) A change in the schedule of required sinking fund or any similar payments with respect to any series of the Bonds;
- (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 created by the Indenture;
- (d) The establishment of preferences or priorities as between the Bonds; or
- (e) A reduction in the aggregate principal amount of Bonds the holders of which are required to consent to such supplemental indenture.

## **Defeasance**

Any Bonds will be deemed paid if the University establishes a trust fund with the Trustee consisting of cash or Federal Securities which, with the interest thereon, will be sufficient to pay the principal of and the interest (and premium, if any) on such Bond until and at final maturity or upon earlier redemption.

## **APPENDIX D**

### **Proposed Form of Legal Opinion of Bond Counsel to the University**



## **APPENDIX E**

### **Form of Continuing Disclosure Agreement**

## CONTINUING DISCLOSURE AGREEMENT

**AUBURN UNIVERSITY**, an Alabama public corporation and an instrumentality of the State of Alabama (the "University" or the "Obligated Entity"), has entered into this Continuing Disclosure Agreement (this "Agreement") as of \_\_\_\_\_, 2025, for the benefit of the holders of the University's \$\_\_\_\_\_ General Fee Revenue Bonds, Series 2025-A and \$\_\_\_\_\_ General Fee Revenue Bonds, Series 2025-B (together, the "Bonds").

### Recitals

A. The Bonds are being issued pursuant to a General Fee Revenue Trust Indenture dated as of June 1, 1985 (the "Original Indenture"), as previously supplemented and as further supplemented by a Twenty-Seventh Supplemental General Fee Indenture dated \_\_\_\_\_, 2025 (the Original Indenture, as supplemented, being herein referred to as the "Indenture") between the University and The Bank of New York Mellon Trust Company, N.A., a national banking association, as successor trustee (the "Trustee").

B. An Official Statement dated \_\_\_\_\_, 2025 (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"). This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule.

D. There is no Obligated Person with respect to the Bonds other than the Obligated Entity.

**NOW, THEREFORE**, for and in consideration of the premises, the Obligated Entity hereby covenants, agrees and binds itself as follows:

#### 1. Definitions.

(a) 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.

(b) The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires:

**"EMMA"** means the MSRB's Electronic Municipal Market Access system, as provided by the Rule.

**"Financial Obligation"** means a: (1) debt obligation; (2) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (3) guarantee of a debt obligation or such a derivative instrument. The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**"MSRB"** means the Municipal Securities Rulemaking Board.

**"Repository"** means the MSRB and its EMMA system.



## **2. Financial Information.**

(a) The Obligated Entity will provide to the Repository financial information and operating data (collectively referred to as "Annual Financial Information") with respect to the Obligated Entity of the type found in the section of the Official Statement called "ACCOUNTING AND FINANCIAL INFORMATION." In addition, the University will provide to EMMA audited financial statements prepared in accordance with accounting principles described in the audited financial statements included in the Official Statement as an appendix; provided, however, that if audited financial statements of the Obligated Entity are not available when its Annual Financial Information is due to be provided to the Repository, the Obligated Entity will nonetheless provide the Annual Financial Information to the Repository at that time with its unaudited annual financial statements attached as an appendix and will provide the audited financial statements when available.

(b) Such Annual Financial Information will be provided to the Repository within 270 days after the end of each fiscal year of the Obligated Entity, commencing with the fiscal year ending September 30, 2025.

## **3. Event Notices.**

(a) The Obligated Entity will provide to the Repository notice of any of the following events with respect to the Bonds in a timely manner not in excess of 10 business days after the occurrence of the event:

- (1) A delinquency in payment of principal of or interest on the Bonds;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on any debt service reserve fund reflecting financial difficulties of the University;
- (4) Unscheduled draws on any credit enhancement or liquidity facility with respect to the Bonds reflecting financial difficulties of the University;
- (5) Substitution of a credit enhancer for the one originally described in the Official Statement (if any) or the failure of any credit enhancer respecting the Bonds to perform its obligations under the agreement between the University and such credit enhancer;
- (6) The existence of any adverse tax opinion with respect to the Bonds, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determination with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of interest on the Bonds;
- (7) Modification of the rights of the registered owners of the Bonds, if material;
- (8) Redemption of any of the Bonds prior to the stated maturity or mandatory redemption date thereof, if material, and tender offers with respect to the Bonds;
- (9) Defeasance of the lien of any of the Bonds or the occurrence of circumstances

which, pursuant to such authorizing proceedings, would cause the Bonds, or any of them, to be no longer regarded as outstanding thereunder;

(10) The release, substitution or sale of the property securing repayment of the Bonds, if material;

(11) Any changes in published ratings affecting the Bonds;

(12) Bankruptcy, insolvency, receivership or similar event of the University;

(13) The consummation of a merger, consolidation, or acquisition involving the University or the sale of all or substantially all of the assets of the University, 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 the trustee, if material;

(15) Incurrence of a Financial Obligation of the Obligated Entity, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Entity, 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 Obligated Entity, any of which reflect financial difficulties; and

(17) Notice of a failure of the Obligated Entity to provide required Annual Financial Information, on or before the date specified in this Agreement.

(b) The Obligated Entity may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in the judgment of such Obligated Entity, such other event is material with respect to the Bonds, but the Obligated Entity does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

4. **Limitation of Remedies Hereunder.** The Obligated Entity 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 Obligated Entity of its obligations hereunder shall be the remedy of specific performance or mandamus against the appropriate officials of the Obligated Entity to obtain performance of the Obligated Entity's obligations hereunder. Any action for such specific performance or mandamus may be filed only in Lee County, Alabama. Any failure by the Obligated Entity to comply with the provisions of this Agreement shall not be an event of default with respect to the Bonds under the Indenture.

#### 5. **Responsibility for Compliance.**

(a) No person other than the Obligated Entity shall have any liability or responsibility for compliance by the Obligated Entity 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 Obligated Entity 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 consultants, advisers, accountants, legal counsel or other persons that may be retained by the Obligated Entity to assist in the performance of the Obligated Entity's obligations.

6. **Additional Obligated Persons.** If any other person becomes an "obligated person" within the meaning of the Rule while the Bonds are Outstanding, the Obligated Entity shall cause such person to execute and deliver an undertaking pursuant to the Rule substantially in the form of this Agreement.

7. **Modification and Termination.**

(a) The provisions of this Agreement may be modified at any time by the Obligated Entity as long as such modification is done in a manner consistent with the Rule. Any such modification shall be in writing and shall be accompanied by an opinion of counsel stating in effect that such modification is permitted by the Rule. A copy of any such modification shall be delivered to the Trustee.

(b) The Obligated Entity (or any additional Obligated Person) reserves the right to terminate its obligation hereunder if and when (1) the Bonds are retired, or an escrow for the retirement of all Bonds is established pursuant to the defeasance provisions of the Indenture, or (2) the Obligated Entity (or such additional Obligated Person) ceases to be an Obligated Person with respect to the Bonds within the meaning of the Rule.

8. **Dissemination Agent.** The Obligated Entity may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Agreement, and may discharge any such dissemination agent, with or without appointing a successor dissemination agent. Any such dissemination agent shall be designated as such in writing by the Obligated Entity, and any such dissemination agent shall file with the Obligated Entity a written acceptance of such designation.

9. **Beneficiaries.** This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule in order to assist participating underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Obligated Entity, the dissemination agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

10. **Recordkeeping.** The Obligated Entity shall maintain records of all disclosure filings made pursuant to this Agreement, including the content of such disclosure, the names of the entities with whom such disclosure was filed, and the date of filing such disclosure.

11. **MSRB; EMMA.** Documents submitted to the MSRB, including EMMA, pursuant to this Agreement shall be in electronic format and accompanied by identifying information as prescribed by the MSRB, in accordance with the Rule.

12. **Governing Law.** This Agreement shall be governed by the laws of the State of Alabama.

*[Remainder of this page intentionally blank.]*

**IN WITNESS WHEREOF**, this Agreement has been duly authorized by the Obligated Entity and has been executed as of the first date written above by and on behalf of the Obligated Entity by its duly authorized officer.

**AUBURN UNIVERSITY**

By: \_\_\_\_\_  
President



FINANCE COMMITTEE

RESOLUTION

AUBURN UNIVERSITY STUDENT SERVICES FEE FOR 2025-2026  
ACADEMIC YEAR

WHEREAS, the Auburn University Board of Trustees approved the 2025-26 academic year Student Services Fee at its September 6, 2024 meeting and Student Affairs is proposing an increase to the Mental Health component of the Student Services Fee; and

WHEREAS, these Mental Health funds currently support costs associated with mental health services on Auburn University main campus including costs associated with Student Counseling and Psychological Services and costs associated with the third-party psychiatric services contract; and

WHEREAS, the Auburn University Medical Clinic provides health services to campus and is operated through a third-party contract for medical clinic services; and

WHEREAS, the costs associated with both the third-party psychiatric services contract and the third-party medical clinic services contract have more than doubled in recent years; and

WHEREAS, Student Affairs Administration regularly reviews operations to assure that it is responsive to student needs and seeks to maintain a consistent level of service and quality to support the comprehensive health needs of Auburn University students; and

WHEREAS, Student Affairs Administration proposes for the 2025-26 academic year an increase of \$25 per semester to \$983 in the Student Services Fee and a change in the component name to Student Well-Being; and

WHEREAS, the increase in funding will support costs associated with mental health services and medical clinic services for Auburn University students.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Dr. Christopher Roberts, President, or such person as may be acting as President, be and the same is hereby authorized to affect the proposed Student Services Fee for Auburn University main campus with the new rate becoming effective in the 2025 fall semester.




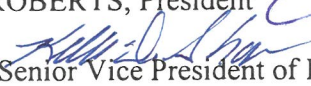
**AUBURN**  
UNIVERSITY


Student Affairs

## MEMORANDUM

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**TO:** DR. CHRISTOPHER B. ROBERTS, President 

**THROUGH:** KELLI D. SHOMAKER, Senior Vice President of Business and Administration and Chief Financial Officer 

**FROM:** DR. BOBBY WOODARD, Vice President for Student Affairs 

**SUBJECT:** STUDENT SERVICES FEE UPDATE

**DATE:** 01/08/2025

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At its meeting on September 6, 2024, the Auburn University Board of Trustees approved the 2025-26 academic year Student Services Fee. At this time, Student Affairs is proposing an increase to the Mental Health Fee component of the Student Services Fee.

The Auburn University Mental Health component of the Student Services Fee was established in academic year 2019-20 to support mental health services for Auburn University students. The funds provide support for the department of Student Counseling and Psychological Services and costs associated with the third-party contract to support psychiatric services provided to students. Over the past year, the costs associated with the third-party psychiatric services contract have more than doubled.

Currently, university medical clinic services are provided through a third-party contract and are funded through university general funds. Beginning in January 2025, the costs associated with the third-party medical clinic contract have also increased significantly over prior year costs.

As part of our commitment to student well-being, it is crucial that we continue to provide accessible and high-quality health services to Auburn University students. The proposal herein requests that the Student Services Fee be increased by \$25 per semester for the 2025-26 academic year, from the \$958/semester previously approved at the September 6, 2024, Auburn University Board of Trustee meeting to \$983/semester (as represented on Exhibit 1). The increased fee ensures a stable and predictable funding source, allowing for long-term planning and continuation of quality comprehensive health services. And, that the component be re-named, Student Well-Being Fee.

The funds provided will support the following:

- Costs associated with contracting third-party psychiatric services
- Costs associated with contracting third-party medical clinic services
- Auburn University Student Counseling and Psychological Services
- Operating and maintaining the Auburn University Medical Clinic building and other well-being spaces on-campus

This proposal also considers increases in annual operating costs including labor, utilities, building insurance, maintenance and other expenditures.



EXHIBIT 1

AUBURN UNIVERSITY STUDENT SERVICES FEE\*  
PROPOSED FALL 2025

| Student Services Fee                         | Previously Approved |           | Proposed Fee |
|--|---------------------|-----------|--------------|
|  | 24-25               | 25-26     |              |
| Special Building Fund                        | \$ 20.00            | \$ 21.00  | \$ 21.00     |
| Student Activity                             | \$ 60.00            | \$ 62.00  | \$ 62.00     |
| <del>Mental Health</del> —Student Well Being | \$ 44.00            | \$ 45.00  | \$ 70.00     |
| Student Swim Complex                         | \$ 15.00            | \$ 16.00  | \$ 16.00     |
| Student Center Bond                          | \$ 90.00            | \$ 90.00  | \$ 90.00     |
| Student Center Operation                     | \$ 9.00             | \$ 9.00   | \$ 9.00      |
| Transit Fee                                  | \$ 192.00           | \$ 198.00 | \$ 198.00    |
| Athletics Fee                                | \$ 110.00           | \$ 113.00 | \$ 113.00    |
| Proration Fee                                | \$ 158.00           | \$ 158.00 | \$ 158.00    |
| Campus Rec & Wellness                        | \$ 239.00           | \$ 246.00 | \$ 246.00    |
| Total  | \$ 937.00           | \$ 958.00 | \$ 983.00    |

| Student Services Fee - GRA/GTA               | Previously Approved |           | Proposed Fee |
|--|---------------------|-----------|--------------|
|  | 24-25               | 25-26     |              |
| Special Building Fund                        | \$ 20.00            | \$ 21.00  | \$ 21.00     |
| Student Activity                             | \$ 60.00            | \$ 62.00  | \$ 62.00     |
| <del>Mental Health</del> —Student Well Being | \$ 44.00            | \$ 45.00  | \$ 70.00     |
| Student Swim Complex                         | \$ 15.00            | \$ 16.00  | \$ 16.00     |
| Student Center Bond                          | \$ 90.00            | \$ 90.00  | \$ 90.00     |
| Student Center Operation                     | \$ 9.00             | \$ 9.00   | \$ 9.00      |
| Transit Fee                                  | \$ 192.00           | \$ 198.00 | \$ 198.00    |
| Athletics Fee                                | \$ 110.00           | \$ 113.00 | \$ 113.00    |
| Campus Rec & Wellness                        | \$ 239.00           | \$ 246.00 | \$ 246.00    |
| Total  | \$ 779.00           | \$ 800.00 | \$ 825.00    |

\* Per semester

**AUDIT AND COMPLIANCE COMMITTEE AGENDA  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

1. Review of Audited Financial Report – *For Information Only* (Kelli Shomaker)

Committee Chairperson: Mr. Billy Ainsworth

*Please Note: All trustees serve on all committees, with the exception of the Executive Committee.*

AUDIT AND COMPLIANCE COMMITTEE  
REVIEW OF AUDITED FINANCIAL REPORT

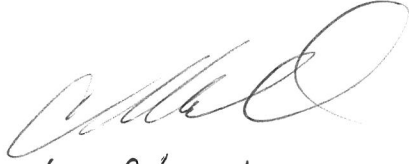
Time will be allotted for a review of the audited financial report for Auburn University by the Audit and Compliance Committee of the Auburn University Board of Trustees. PricewaterhouseCoopers will also be present to address the Board of Trustees as required in the Auburn University Board of Trustees Audit and Compliance Committee Charter and respond to questions as appropriate.




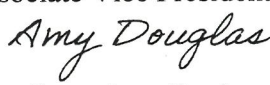
# AUBURN UNIVERSITY

Office of the Associate Vice President  
Financial Services/Controller

December 3, 2024

MEMORANDUM TO: Christopher Roberts, President 

THROUGH: Kelli D. Shomaker, Senior Vice President for Business and Administration and Chief Financial Officer 

FROM: Amy K. Douglas, Associate Vice President for Financial Services/Controller 

RE: Audit and Compliance Committee Review of Audited Financial Report

PricewaterhouseCoopers is in the process of completing their audit of the University's financial statements for the Fiscal Year Ended September 30, 2024. We anticipate having the final published Audit Report completed prior to the February 2025 Board meeting and would appreciate the opportunity to review the report with the Audit and Compliance Committee of the Board of Trustees.

PricewaterhouseCoopers will also be present to address the Board as required in the *Auburn University Board of Trustees Audit and Compliance Committee Charter* and to respond to questions as appropriate.

**EXECUTIVE COMMITTEE AGENDA  
FEBRUARY 7, 2025 BOARD MEETING  
ON THE AUM CAMPUS IN MONTGOMERY  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

1. Proposed 2025-2026 Meeting Dates (Bob Dumas)
2. Proposed Awards and Namings (Bob Dumas)

Committee Chairperson: Mr. Bob Dumas

Committee Members: Mr. Michael DeMaioribus

Mr. Jimmy Rane

President *Pro Tempore* Quentin Riggins

Vice President *Pro Tempore* Jimmy Sanford

Mr. Wayne Smith

Mr. Tim Vines

**2025-2026 PROPOSED MEETING DATES**  
**AUBURN UNIVERSITY BOARD OF TRUSTEES**

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**Friday, September 12, 2025**

**Friday, November 21, 2025**

**Friday, February 13, 2026**  
*Held on the AUM campus in Montgomery*

**Friday, April 17, 2026**

**Friday, June 5, 2026**  
*Annual Board Meeting*

## PROPOSED AWARDS AND NAMINGS

Time will be allotted for any discussion of a list of proposed awards and namings.

## RESOLUTION

### APPROVAL OF MINUTES

WHEREAS, copies of the minutes of the November 15, 2024 meeting of the Board of Trustees have been distributed to all members of this Board for review; and

WHEREAS, the members have reviewed the minutes and determined that they constitute a true and correct recitation of the business of the respective meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the minutes of the November 15, 2024 meeting of the Board of Trustees are hereby approved as distributed.



MINUTES OF A MEETING OF THE  
BOARD OF TRUSTEES  
OF  
AUBURN UNIVERSITY

NOVEMBER 15, 2024

**SCHEDULE AND AGENDA  
NOVEMBER 15, 2024 BOARD MEETING  
AUBURN UNIVERSITY BOARD OF TRUSTEES**

I. Call to Order and Opening Remarks

II. Committee Meetings

A. Property and Facilities Committee | Chairperson DeMaioribus

Project Approvals:

1. Gulf Coast Engineering Research Station – New Building, Final Approval
2. College of Human Sciences Academic and Research Facility, Architect Selection
3. Comer Hall Comprehensive Renovation, Project Initiation and Architect Selection

Real Estate Approvals:

4. Approval of Sale of Auburn University Property at the Lower Coastal Plain Experiment Station in Wilcox County and Turnipseed-Inkberry Property, Bullock County, Alabama
5. Authority to Purchase Land in Auburn, Alabama

Informational Reports:

6. Status Updates – *For Information Only*
  - a. Current Status of New Construction/Renovation/Infrastructure Projects with Budgets of \$1,000,000 and Greater
  - b. Quarterly Report for Projects Costing More than \$500,000 but Less than \$1,000,000 – 4<sup>th</sup> Quarter, Fiscal Year 2024
  - c. Project Status Report

B. Joint Property & Facilities and Finance Committee | Chairperson W. Smith

1. Auburn University Applied Research Laboratory in Huntsville, Alabama – Approval of Lease Agents, Financing and Advance Agreement, and Related Agreements

C. Academic Affairs Committee | Chairperson Huntley

1. Agenda Item for the Board of Trustees – *For Information Only* (Vini Nathan)

D. Executive Committee | Chairperson Dumas

1. Proposed Awards and Namings

E. Trustee Reports

III. Regular Meeting of the Board of Trustees

IV. Proposed Executive Session

V. Reconvened Meeting of the Board of Trustees

1. Approval of the Minutes of the September 6, 2024 Board Meeting
2. Awarding of Degrees for Fall 2024
3. AUM Chancellor's Report
4. President's Report
5. Action Items and Committee Meeting Reports

A. Property and Facilities Committee

1. Gulf Coast Engineering Research Station – New Building, Final Approval
2. College of Human Sciences Academic and Research Facility, Architect Selection
3. Comer Hall Comprehensive Renovation, Project Initiation and Architect Selection
4. Approval of Sale of Auburn University Property at the Lower Coastal Plain Experiment Station in Wilcox County and Turnipseed-Inkberry Property, Bullock County, Alabama
5. Authority to Purchase Land in Auburn, Alabama

B. Joint Property & Facilities and Finance Committee

1. Auburn University Applied Research Laboratory in Huntsville, Alabama – Approval of Lease Agents, Financing and Advance Agreement, and Related Agreements

C. Executive Committee

1. Proposed Awards and Namings

VI. Recess Meeting

President *Pro Tempore* Riggins convened a meeting of the Board of Trustees of Auburn University on Friday, November 15, 2024 at 8:30 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

President *Pro Tempore* Riggins then called upon Board Secretary Jon Waggoner to call the roll. The following voting board members were deemed to be in attendance:

Ms. Caroline M. Aderholt; Mr. William P. Ainsworth; Mr. Michael A. DeMaioribus; Mr. Robert W. Dumas; Mr. James R. Pratt, III; Mr. Quentin P. Riggins; Mr. B.T. Roberts; Mr. M. Clark Sahlie; Mr. James H. Sanford; Mr. Wayne T. Smith; Mr. Zeke W. Smith; Mr. Timothy Vines; and Mr. Walter S. Woltosz.

Governor Kay Ivey, President of the Board; and Mr. James W. Rane were absent from the meeting.

The individuals listed above represent all persons recognized as voting board members at the time of the meeting.

President *Pro Tempore* Riggins welcomed those serving on the Board ex officio as follows: Dr. Lisa Kensler, Faculty Advisor to the Board of Trustees from the Auburn University campus; Dr. Tim Kroft, Faculty Advisor to the Board of Trustees from the Auburn University at Montgomery campus; Mr. Jack Hilton, President of the Auburn University Student Government Association; and Ms. Emma Jankowski, the President of the Auburn University at Montgomery Student Government Association.

Also sitting with the Board were the following persons: Dr. Christopher B. Roberts, Auburn University President; and Mr. Jon G. Waggoner, Secretary to the Board of Trustees.

The following persons were also in attendance at the meeting: Dr. Vini Nathan, Provost and Senior Vice President for Academic Affairs; Ms. Kelli Shomaker, Senior Vice President for Business & Administration and Chief Financial Officer; Dr. Bobby Woodard, Senior Vice President for Student Affairs; Ms. Jaime Hammer, General Counsel; Mr. Jim Carroll, Vice President for Facilities Management; Dr. Carl Stockton, Chancellor of AUM; Mr. Mark Stirling; Director of Auburn University Real Estate; Dr. Joffrey Gaymon, Vice President for Enrollment; Dr. Jared White, Vice President for Governmental Affairs; Mr. Jim O'Connor, Vice President for Information Technology and Chief Information Officer; and Dr. Jennifer Adams, Executive Director of Public Relations.

President *Pro Tempore* Riggins welcomed the following persons that serve Auburn University and AUM in various capacities: Dr. Lori Eckhardt, Academic Affairs Committee Faculty Representative; Dr. Michelle Worosz, Agriculture and Natural Resources Committee Faculty Representative; Dr. Rolando Carol, AUM Faculty Senate President; Dr. Elizabeth Davis-Sramek, Finance Committee Faculty Representative; Dr. Tewhan Hahn, Finance Committee Faculty Representative; Dr. Jason Bryant, Institutional Advancement Committee Faculty Representative; Dr. Darren Olson, Property and Facilities Committee Faculty Representative; Dr. Reginald Blockett, Student Affairs Faculty Representative; Dr. Paul Fox,

Student Affairs Faculty Representative; Mr. Thomas Sawyer, Chair of the Auburn University Administrative & Professional Assembly; Ms. Kimberly McCadden, Chair of the Auburn University Staff Council; Dr. Gilbert Duenas, President of the AUM Faculty Senate; Mr. Stephen Bray, President of the AUM Staff Council; Mr. Paul Jacobson, Chair of the Auburn University Foundation Board of Directors; Mr. Jeffery Moore, President of the Auburn Alumni Association; and Ms. Ester Akinrinde, President of the Graduate Student Council.

The Board then met in various committees, each discussing the items which would later appear on the Reconvened Board Meeting Agenda, as follows:

**MINUTES OF A MEETING OF THE  
PROPERTY AND FACILITIES COMMITTEE OF THE  
AUBURN UNIVERSITY BOARD OF TRUSTEES  
FRIDAY, NOVEMBER 15, 2024 AT 8:35 A.M.**

Chairperson DeMaioribus convened a meeting of the Property and Facilities Committee of the Auburn University Board of Trustees on Friday, November 15, 2024 at 8:35 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

After calling the committee meeting to order, Chairperson DeMaioribus called upon Mr. Carroll for discussion of the following Property and Facilities Committee agenda items:

**1. Gulf Coast Engineering Research Station – New Building, Final Approval**

Mr. Carroll reported that the Samuel Ginn College of Engineering has proposed constructing a new building, within the city of Orange Beach, Alabama consisting of a laboratory, office, and collaborative spaces. He noted that the project will provide dedicated space for researching coastal environments and communities of the Gulf Coast and will provide opportunities for collaboration with other Marine Environmental Sciences Consortium institutions.

Mr. Carroll indicated that the estimated total project cost is \$14.0 million, to be financed by grant funds from the RESTORE Council in cooperation with the State of Alabama Department of Conservation and Natural Resources.

Mr. Carroll stated that the request before the Board of Trustees is to adopt a resolution providing final approval of the project.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. Roberts. The motion was seconded by Ms. Huntley, and the committee approved the motion by a voice vote.

**2. College of Human Sciences Academic and Research Facility, Architect Selection**

Mr. Carroll reported the College of Human Sciences has proposed the initiation of the College of Human Sciences Academic and Research Facility to provide facilities for their teaching and faculty research components. He added that the project will enable the college to co-locate their related disciplines from their current buildings on campus and will provide a newly constructed home for their operations.

Mr. Carroll stated that the request before the Board of Trustees is to adopt a resolution approving the selection of Perkins & Will of Atlanta, Georgia as project architect.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. Sahlie. The motion was seconded by Mr. Dumas, and the committee approved the motion by a voice vote.

**3. Comer Hall Comprehensive Renovation, Project Initiation and Architect Selection**

Mr. Carroll reminded everyone that Comer Hall, an architecturally significant building on campus built in 1910, serves as the home of the administrative offices and associated programs within the College of Agriculture. He noted that in 1994, a project to preserve its historical integrity was approved. He explained that although minor changes have been implemented since that time, no major preservation projects have been taken place.

Mr. Carroll stated that accordingly, university administration proposes a comprehensive renovation of Comer Hall. He shared that the proposed project will consist of interior renovations including an elevator, ADA-compliant restrooms, comprehensive HVAC, electrical and plumbing replacements, a new roof, and complete exterior building envelope restoration.

Mr. Carroll indicated that the project will be financed by a combination of state, gift, and bond funds.

Mr. Carroll stated that the request before the Board of Trustees is to adopt a resolution approving the initiation of the project and the selection of Houser Walker Architecture of Atlanta, Georgia as project architect.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. Sanford. The motion was seconded by Mr. Ainsworth, and the committee approved the motion by a voice vote.

**4. Approval of Sale of Auburn University Property at the Lower Coastal Plain Experiment Station in Wilcox County and Turnipseed-Inkberry Property, Bullock County, Alabama**

Mr. Carroll reported the Alabama Agriculture Experiment Station (AAES) proposed to restructure and change its field research sites across the state by selling two properties to finance the purchase of new property with greater research potential and improve existing properties. He reminded everyone that at the February 2, 2024 board meeting, AAES presented a plan to restructure and enhance its field research sites across the state. He noted that the Board approved the purchase of 945 acres (Rhyne Property) in Autauga County. He stated that to support the purchase financially, the Board agreed to sell the Lower Coastal Plains Agricultural Research property (Wilcox County) and the Turnipseed-Inkberry property (Bullock County).

Mr. Carroll noted that considering the unique location of the properties, the Board determined that it was economically justified and in the best interest of the university to engage a duly licensed real estate broker to market and identify opportunities to sell both properties. He shared that the university has received offers for both properties, with two MAI appraisals obtained, consistent with the appraised value of both properties.

Mr. Carroll stated that the request before the Board of Trustees is to adopt a resolution authorizing the President to accept the offers to purchase the Wilcox County property and

the Bullock County property consistent with Alabama law, and to negotiate and execute the deed and all legal documents necessary to effectuate the transaction provided that any sale transactions must be reviewed and approved by the Office of General Counsel prior to closing.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. Sanford. The motion was seconded by Mr. Vines, and the committee approved the motion by a voice vote. Mr. Roberts abstained from the vote.

**5. Authority to Purchase Land in Auburn, Alabama**

Mr. Carroll reported that the request before the Board of Trustees is to adopt a resolution authorizing the President to purchase property in Auburn, Alabama at the corner of Thach Avenue and Gay Street, owned by Auburn University Methodist Church, for \$7,300,000. He noted that the parcels' close proximity to campus will extend the university's footprint on the eastside of South College Street.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. W. Smith. The motion was seconded by Mr. Sanford, and the committee approved the motion by a voice vote.

**6. Status Updates – *For Information Only***

Mr. Carroll presented the following items to the Board:

- a. Current Status of New Construction/Renovation/Infrastructure Projects with Budgets of \$1,000,000 and Greater**
- b. Quarterly Report for Projects Costing More than \$500,000 but Less than \$1,000,000 – 4<sup>th</sup> Quarter, Fiscal Year 2024**
- c. Project Status Report**

Mr. Carroll shared that this item is included for information only and does not require a vote.

Chairperson DeMaioribus thanked Mr. Carroll for his reports, and with there being no further items, recessed the committee meeting at 8:50 a.m.



**MINUTES OF A MEETING OF THE  
JOINT PROPERTY & FACILITIES AND FINANCE COMMITTEE OF THE  
AUBURN UNIVERSITY BOARD OF TRUSTEES  
FRIDAY, NOVEMBER 15, 2024 AT 8:50 A.M.**

Chairperson W. Smith convened a joint meeting of the Property & Facilities and Finance Committee of the Auburn University Board of Trustees on Friday, November 15, 2024 at 8:50 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

After calling the committee meeting to order, Chairperson W. Smith called upon Mr. Carroll for discussion of the following agenda item:

**1. Auburn University Applied Research Laboratory in Huntsville, Alabama – Approval of Lease Agents, Financing and Advance Agreement, and Related Agreements**

Mr. Carroll reported that in 2022, Auburn University purchased the LogiCore Facility in Cummings Research Park (CRP) located in Huntsville, Alabama, and opened the Auburn University Research and Innovation Campus (AURIC). He stated that the following year, the university created the Applied Research Institute (ARI), based out of AURIC, to further the strategic goal of doubling its research program. He noted that the Huntsville area provides key opportunities for Auburn University to expand due to the presence of Redstone Arsenal, NASA, numerous Department of Defense agencies, and a multitude of private sector partners with research and development needs. He added that since its creation, ARI has grown its research program in key areas, and with this growth, there is a need for additional research space. He indicated that the university is seeking a solution to meet this immediate need, and the project schedules required by our sponsors, while also creating a phased approach to accommodate future research endeavors.

Mr. Carroll stated that the request before the Board of Trustees is to adopt a resolution authorizing the President to take such action as is necessary and desirable to complete the design, construction, and leasing of a suitable facility in Huntsville, Alabama for the Auburn University Applied Research Laboratory, including approval of the Lease, the Financing and Advance Agreement, and all other documents and instruments in connection therewith. He noted that all documents consummating the Financing and Advance Agreement, the Lease, and the other instruments and agreement shall be reviewed, as to form, by General Counsel for Auburn University.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. Z. Smith. The motion was seconded by Mr. Dumas, and the committee approved the motion by a voice vote.

Chairperson W. Smith thanked Mr. Carroll for his report, and with there being no further items, recessed the committee meeting at 8:55 a.m.

**MINUTES OF A MEETING OF THE  
ACADEMIC AFFAIRS COMMITTEE OF THE  
AUBURN UNIVERSITY BOARD OF TRUSTEES  
FRIDAY, NOVEMBER 15, 2024 AT 8:55 A.M.**

Chairperson Huntley convened a meeting of the Academic Affairs Committee of the Auburn University Board of Trustees on Friday, November 15, 2024 at 8:55 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

After calling the committee meeting to order, Chairperson Huntley called upon Dr. Nathan for discussion of the Academic Affairs Committee's single information-only item.

**1. Agenda Item for the Board of Trustees – *For Information Only***

Dr. Nathan reported the following academic updates:

New Graduate Certificates (2):

- Graduate Certificate in Neuroscience (12 hours), Department of Drug Discovery and Development, Harrison College of Pharmacy
- Veterinary Social Work Graduate Certificate (9 hours), Department of Sociology, Anthropology, and Social Work; College of Liberal Arts and College of Veterinary Medicine

Degree Closure (1):

- Closure of the Graduate Certificate in Movement Skills Analysis, School of Kinesiology, College of Education

Dr. Nathan indicated that this item is presented for information only and does not require a vote.

Chairperson Huntley thanked Dr. Nathan for her report, and with there being no further items, recessed the committee meeting at 9:10 a.m.

**MINUTES OF A MEETING OF THE  
EXECUTIVE COMMITTEE OF THE  
AUBURN UNIVERSITY BOARD OF TRUSTEES  
FRIDAY, NOVEMBER 15, 2024 AT 9:05 A.M.**

Chairperson Dumas convened a meeting of the Executive Committee of the Auburn University Board of Trustees on Friday, November 15, 2024 at 9:05 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

After calling the committee meeting to order, Chairperson Dumas presented the Executive Committee's single agenda item.

**1. Proposed Awards and Namings**

Chairperson Dumas then asked for a motion to move consideration of the second agenda item, a list of proposed awards and namings, to the reconvened meeting.

A motion to report the item favorably to the full Board during the reconvened meeting was received from Mr. DeMaioribus. The motion was seconded by Mr. Vines, and the committee approved the motion by a voice vote.

With there being no further items, Chairperson Dumas recessed the committee meeting at 9:10 a.m.

President *Pro Tempore* Riggins then moved to reports from various committee chairpersons and lead trustees as follows:

**Institutional Advancement Committee**

Chairperson Woltosz began his report by sharing that the endowment portfolio for Auburn University follows a long-term, diversified investment strategy, accepting a prudent level of risk to preserve the endowment's purchasing power and ensure consistent yearly contributions to the university's academic initiatives.

Chairperson Woltosz then reported that the October 31, 2024 AU/AUF combined endowment estimated value is \$1.23 billion. He noted that the foundation and university portfolio values are \$870 million and \$361 million, respectively. He shared that the 2024 calendar year-to-date return through October 31<sup>st</sup> is 9.9% and that the 5-year annualized return as of October 31<sup>st</sup> is 9.3%.

Chairperson Woltosz concluded his report by reminding everyone that the Fiscal Year 2024 philanthropic fundraising goal was \$175 million. He announced that as of October 31<sup>st</sup>, the total fundraising progress is \$224.6 million, which amounts to 128% of the goal. He noted that this equated to the university's best fundraising year, with 29,376 total donors. He shared that the Fiscal Year 2025 goal is \$190 million, the largest goal set in university history. He indicated that with 10% of the year elapsed, \$13,882,087 or 7% of the goal has been raised. He commented that although slightly behind, the Advancement team is confident in meeting the goal.

President *Pro Tempore* Riggins thanked Chairperson Woltosz for his report. He then indicated that the committee meetings and trustee reports were complete.

**MINUTES OF A REGULAR MEETING OF THE  
AUBURN UNIVERSITY BOARD OF TRUSTEES  
FRIDAY, NOVEMBER 15, 2024 AT 9:10 A.M.**

President *Pro Tempore* Riggins convened a regular meeting of the Board of Trustees on Friday, November 15, 2024 at 9:10 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

President *Pro Tempore* Riggins asked General Counsel Hammer if there was any pending litigation that needed to be discussed in an executive session. General Counsel Hammer indicated that there was pending litigation that needed to be discussed in an executive session.

President *Pro Tempore* Riggins then asked for a motion for the Board to enter an executive session. A motion was received from Mr. DeMaioribus. The motion was seconded by Mr. Sahlie, and the Board approved the motion by a voice vote.

President *Pro Tempore* Riggins recessed the regular meeting of the Board of Trustees at 9:15 a.m.

**MINUTES OF A RECONVENED MEETING OF THE  
AUBURN UNIVERSITY BOARD OF TRUSTEES  
FRIDAY, NOVEMBER 15, 2024 AT 10:00 A.M.**

President *Pro Tempore* Riggins reconvened the meeting of the Board of Trustees on Friday, November 15, 2024 at 10:00 a.m. in the Legacy Ballroom of The Hotel at Auburn University and Dixon Conference Center.

President *Pro Tempore* Riggins then asked for a motion to adopt the minutes of the September 6, 2024 meeting. A motion was received from Mr. W. Smith. The motion was seconded by Ms. Huntley, and the resolution was approved by a voice vote.

The following resolution was approved:

RESOLUTION

APPROVAL OF MINUTES

WHEREAS, copies of the minutes of the September 6, 2024 meeting of the Board of Trustees have been distributed to all members of this Board for review; and

WHEREAS, the members have reviewed the minutes and determined that they constitute a true and correct recitation of the business of the respective meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the minutes of the September 6, 2024 meeting of the Board of Trustees are hereby approved as distributed.

Following the approval of the minutes of the September 6, 2024 Board Meeting, President *Pro Tempore* Riggins asked for a motion to approve the resolution regarding the awarding of degrees for the Fall 2024 semester. A motion was received from Mr. Sanford. The motion was seconded by Mr. Vines, and the resolution was approved by a voice vote.

The following resolution was approved:



RESOLUTION

AWARDING OF DEGREES

WHEREAS, Auburn University confers appropriate degrees upon those individuals who have completed requirements previously approved by this Board of Trustees and stated in University Catalogs.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That all degrees to be awarded by the faculty of Auburn University and Auburn University at Montgomery at the end of the Fall 2024 semester, complying with the requirements heretofore established by the Board of Trustees, be and the same are hereby approved.
2. That a list of the degrees awarded be filed and maintained in the records of the University and hereby made an official part of this resolution and of these minutes.

**Property and Facilities Committee**

Chairperson DeMaioribus indicated that the Property and Facilities Committee met earlier and discussed five action items and one item of information. Chairperson DeMaioribus moved for approval of a consent agenda for the Property and Facilities Committee's five action items. The motion was seconded by Mr. Vines, and the resolutions were approved by a voice vote.

The following resolutions were approved in the consent agenda:

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

GULF COAST ENGINEERING RESEARCH STATION – NEW BUILDING

FINAL PROJECT APPROVAL

WHEREAS, the Samuel College of Engineering has proposed the construction of a new building, within the City of Orange Beach, Alabama; and

WHEREAS, at its previous meeting on September 16, 2022, the Board of Trustees adopted a resolution that approved the initiation of the Gulf Coast Engineering Research Station – New Building project, and at its meeting on November 11, 2022, the Board of Trustees adopted a resolution that approved ArchitectureWorks of Birmingham, Alabama, as the architect for the project; and

WHEREAS, this new building will provide dedicated space for the research of coastal environments and communities of the Gulf Coast and will provide opportunities for collaboration with other Marine Environmental Sciences Consortium institutions; and

WHEREAS, the project will construct a two-story, 21,000-square-foot building that will provide research laboratories, large meeting spaces, and private offices; and

WHEREAS, the estimated total project cost of the Gulf Coast Engineering Research Station – New Building is \$14.0 million, to be financed by grant funds from the RESTORE Council in cooperation with the State of Alabama Department of Conservation and Natural Resources; and

WHEREAS, pursuant to the Board of Trustees policy “D-3, Capital Projects Approval,” the final approval of the project must be submitted to the Auburn University Board of Trustees through the Property and Facilities Committee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the Gulf Coast Engineering Research Station – New Building project is approved and that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:

1. Establish a budget for the Gulf Coast Engineering Research Station – New Building project in the amount of \$14.0 million, to be financed by grant funds from the RESTORE Council in cooperation with the State of Alabama Department of Conservation and Natural Resources; and
2. Direct the consultants to complete the required plans for the project; and
3. Solicit bids and award a contract for construction conditioned upon the lowest responsible and responsive bid being consistent with the approved project budget.

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

COLLEGE OF HUMAN SCIENCES ACADEMIC AND RESEARCH FACILITY

APPROVAL OF PROJECT ARCHITECT

WHEREAS, at its meeting of September 6, 2024, the Board of Trustees adopted a resolution that approved the initiation of the College of Human Sciences Academic and Research Facility project and authorized the commencement of the architect selection process; and

WHEREAS, the University Architect issued a Request for Qualifications, and after conducting interviews with five (5) candidate firms, determined the architectural firm Perkins & Will of Atlanta, Georgia, was best qualified to provide design services on this project; and

WHEREAS, pursuant to the Board of Trustees policy “D-3, Capital Projects Approval,” the selection of the project architect must be submitted to the Auburn University Board of Trustees through the Property and Facilities Committee for approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:

1. Engage Perkins & Will of Atlanta, Georgia, as project architect to consult in the development of the facility program and project design; and
2. Limit the project planning and design development to the schematic design phase until the program requirements, budget, funding plan, and site are approved by the Board.

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

COMER HALL COMPREHENSIVE RENOVATION

APPROVAL OF PROJECT INITIATION AND  
PROJECT ARCHITECT SELECTION

WHEREAS, the University Administration has proposed the comprehensive renovation of Comer Hall, an architecturally iconic Auburn University building originally constructed in 1910; and

WHEREAS, the proposed Comer Hall Comprehensive Renovation project will consist of interior renovations, including an elevator, ADA-compliant restrooms, comprehensive HVAC, electrical and plumbing upgrades, a new roof and complete exterior building envelope restoration; and

WHEREAS, to facilitate an accelerated design process, the University Architect recommends the use of Houser Walker Architecture of Atlanta, Georgia, to design the Comer Hall Comprehensive Renovation project; and

WHEREAS, this project will be financed by a combination of state, gift and bond funds; and

WHEREAS, pursuant to the Board of Trustees policy, "D-3, Capital Projects Approval," the initiation of this project and the architect selection must be submitted to the Board, through the Property and Facilities Committee, for approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the initiation of the Comer Hall Comprehensive Renovation project is approved and that Christopher B. Roberts, President, or such other person as may be acting as President, be and the same is hereby authorized and empowered to perform the following tasks:

1. Engage Houser Walker Architecture of Atlanta, Georgia, as project architect to consult in the development of the facility program and project design; and
2. Limit the project planning and design development to the schematic design phase until the program requirements, budget, funding plan, and site are approved by the Board.

PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

APPROVAL OF SALE OF AUBURN UNIVERSITY PROPERTY AT THE LOWER  
COASTAL PLAIN EXPERIMENT STATION IN WILCOX COUNTY and  
TURNIPSEED-IKENBERRY PROPERTY, BULLOCK COUNTY, ALABAMA

REAL ESTATE DISPOSITION

WHEREAS, the Alabama Agriculture Experiment Station has proposed to restructure and change its field research sites across the state by selling two properties to finance the purchase of new property with greater research potential and improve existing properties; and

WHEREAS, the Auburn University Board of Trustees previously approved the purchase of a 945-acre parcel of land located on Highway 14, Autaugaville, Alabama ("Rhyne Property") for \$5,150,000; and

WHEREAS, to help fund the acquisition of the Rhyne Property, the Alabama Agriculture Experiment Station proposes to sell approximately 2,370 acres of land in Wilcox County, the Lower Coastal Plains Agricultural Research Center ("Wilcox County Property") and the 1028-acre of land in Bullock County, the Turnipseed-Ikenberry Property ("Bullock County Property"); and

WHEREAS, considering the unique location of the Wilcox County and Bullock County Properties and the potential interest in recreational opportunities there, the Board determined it was economically justified and in the best interest of the University to engage a duly licensed real estate broker to market and identify opportunities to sell both properties; and

WHEREAS, the University has received offers for the Wilcox County Property as follows (Exhibit A):

- A. Parcel One – Cobbs Landing, 236-acre parcel. Garstecki Investments LLC offered \$845,588.00. (\$3,583/acre or \$0.08/sf), and
- B. Parcel Two – 480-acre parcel. Chestnut Branch LLC offered \$1,392,000.00 (\$2,900/acre or \$0.07/sf), and
- C. Parcel Three – Headquarters Tract, 1654-acre parcel. Will continue to be marketed. Staff is considering breaking this parcel into smaller more marketable parcels, and

WHEREAS, the University has received offers for the Bullock County Property as follows (Exhibit B):

- A. Parcel One – North Parcel, 441.86-acre parcel. PJM AL Holdings offered \$1,237,202.00 (\$2,800/acre or \$0.06/sf).
- B. Parcel Two – South Parcel; 582.80-acre parcel. Peachburg Plantation LP offered \$1,950,000.00 (\$3,344/acre or \$0.08/sf); and

WHEREAS, Board of Trustees Policy, D-8, "Real Estate Sale and Lease Policy", requires Board approval for the sale of property, and consistent with the policy, two MAI appraisals were obtained; and the offers are consistent with the appraised value of both properties; and

WHEREAS, it has been determined that neither property is currently in use, nor necessary for the mission of Auburn University in the future; and

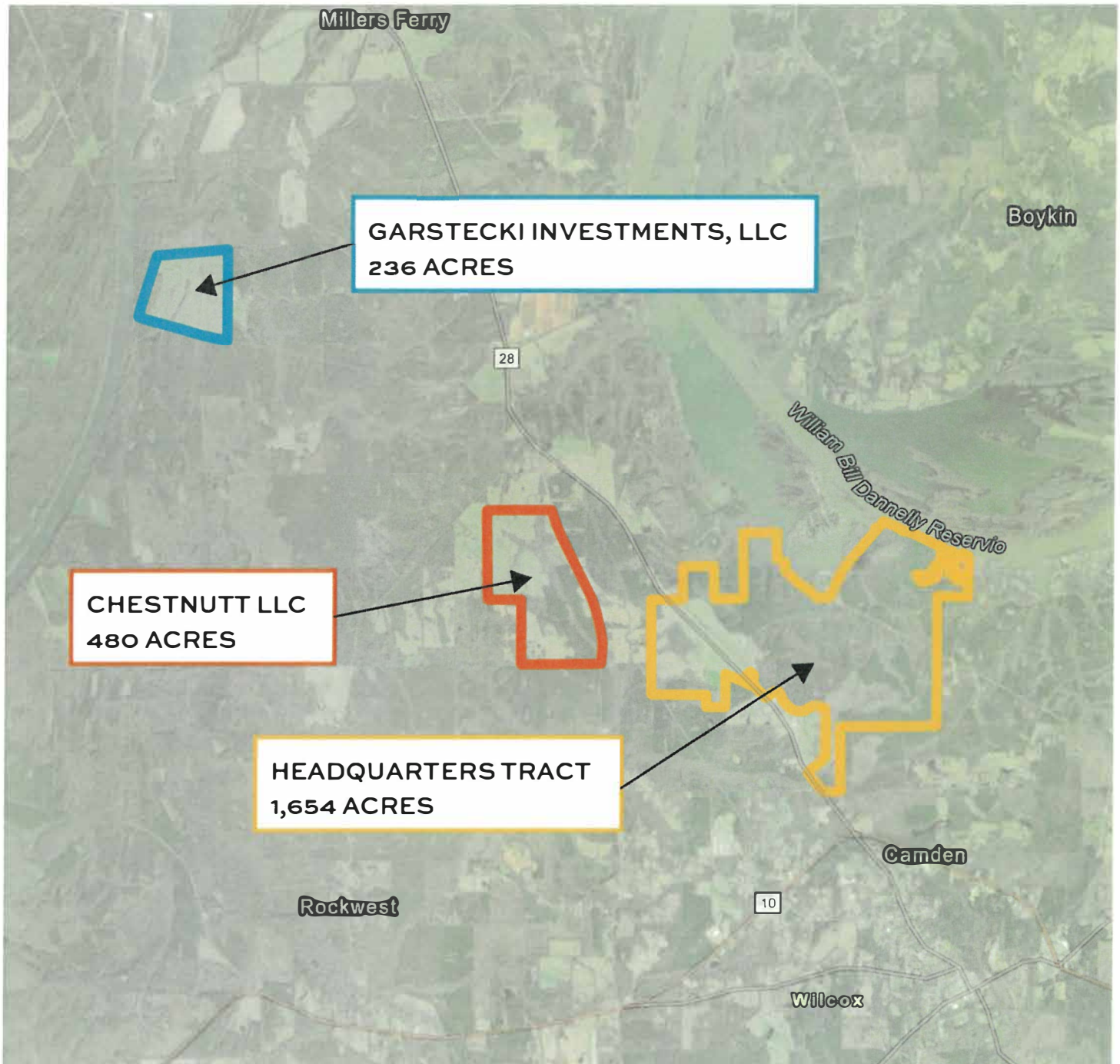
WHEREAS, any proposed sale transactions resulting from the broker engagement must be presented to the Board of Trustees for its review and approval prior to closing.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that:

1. Auburn University accept the offers to purchase the Wilcox County Property and the Bullock County Property; and
2. Christopher B. Roberts, President, or such person as may be acting as President, or his designee, is hereby authorized and empowered to take such action as is necessary to sell Wilcox County Property, parcels one and two, at a total price of two million, two hundred and thirty-seven thousand, five hundred and eighty eight dollars (\$2,237,588.00), consistent with Alabama law, and is empowered to negotiate and execute the deed and all legal documents necessary to effectuate the transaction provided that any proposed sale transactions and documents must be reviewed and approved by the General Counsel prior to closing; and
3. Christopher B. Roberts, President, or such person as may be acting as President, or his designee, is hereby authorized and empowered to take such action as is necessary sell the Bullock County Property, parcels one and two, at a total price of three million, one hundred and eighty seven thousand two hundred and two dollars (\$3,187,202.00), consistent with Alabama law, and is empowered to negotiate and execute the deed and all legal documents necessary to effectuate the transaction provided that any proposed sale transaction and documents must be reviewed and approved by the General Counsel prior to closing.



Exhibit A



Camden - Lower Coastal Plain Substation  
Alabama Agricultural Experiment Station  
Wilcox County, Alabama

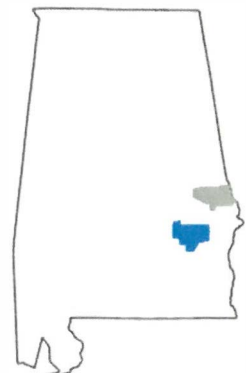
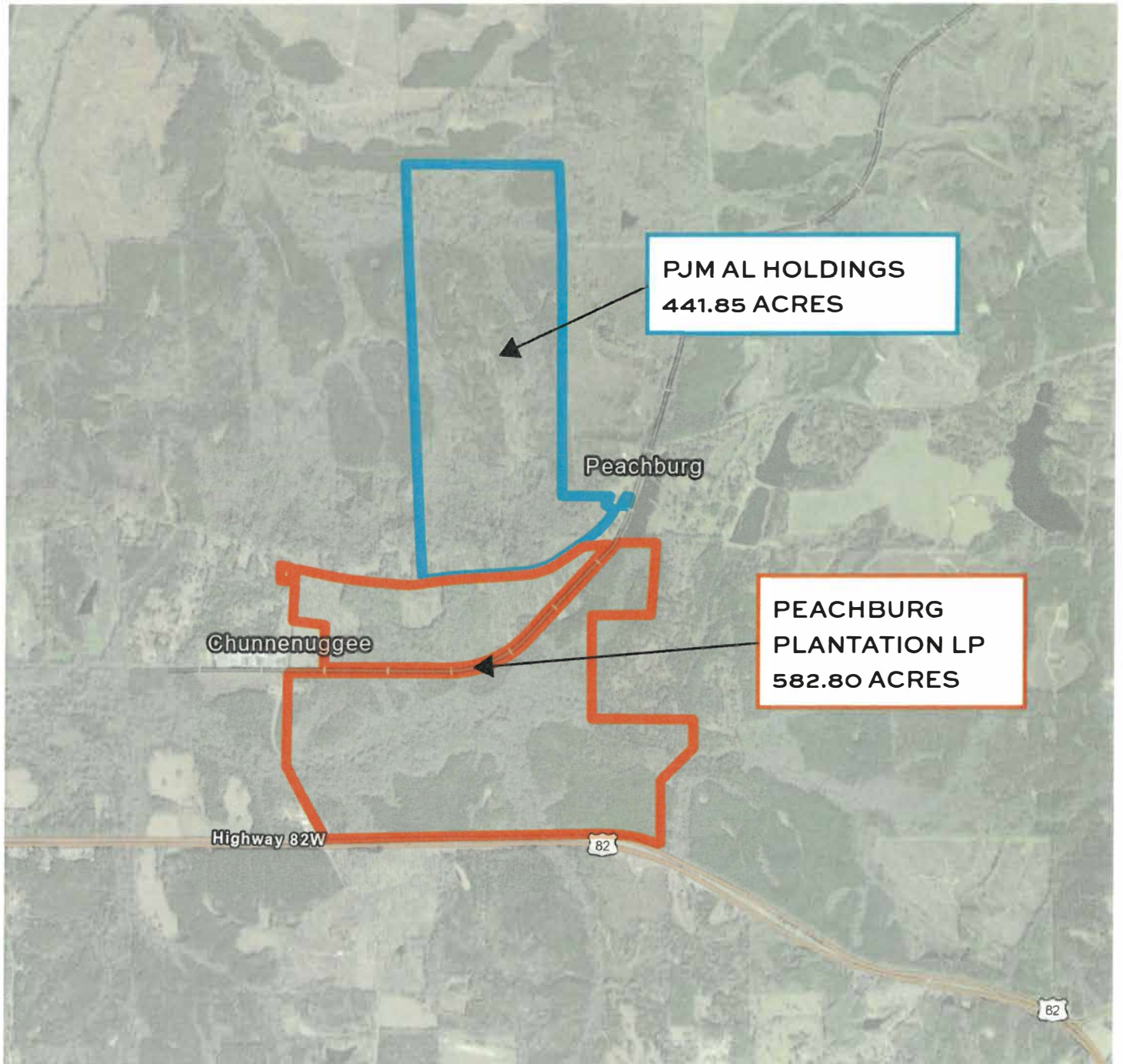
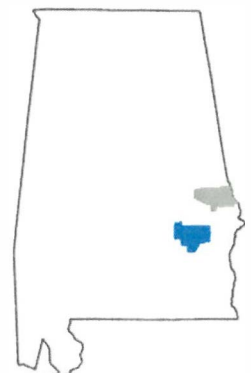




Exhibit B



Union Springs - Turnipseed Ikenberry  
Bullock County, Alabama



PROPERTY AND FACILITIES COMMITTEE

RESOLUTION

AUTHORITY TO PURCHASE LAND  
IN AUBURN, ALABAMA

WHEREAS, Auburn University is interested in acquiring property in Auburn, Alabama, for the benefit of Auburn University; and

WHEREAS, the property consists of five (5) parcels of land totalling 1.2 acres located at the Northeast corner of S. Gay Street and Thach Avenue, Auburn, Alabama as depicted on Exhibit 1 ("Property"); and

WHEREAS, the acquisition of this Property will extend the University's footprint of property owned by Auburn University's campus on the East side of S. College Street, as this area will become an increasingly important entrance to campus, especially considering the proximity to Cambridge Dorms, Rane Culinary Arts Center, Samford Hall and other University buildings; and

WHEREAS, owning this Property creates a 1.2 acre plot for future development, and will improve the aesthetics at a major entrance point to campus; and

WHEREAS, the Property will be transferred by general warranty deed and the source of funds will be unrestricted general funds; and

WHEREAS, two MAI appraisals will be procured as required by AU Board of Trustees policy and respective due diligence will be performed on the property; and

WHEREAS, even if the purchase price is more than the MAI appraisals, the Property is both unique and desirable because of the proximity to campus and future development potential; and

WHEREAS, the University has acquired an option to purchase the Property, subject to AU Board of Trustees approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Auburn University that the University purchase the Property for Seven Million Three Hundred Thousand Dollars (\$7,300,000) pursuant to the terms of the Option Agreement; and,

BE IT FURTHER RESOLVED that Christopher B. Roberts, President, or such person as may be acting as President, or his designee, is hereby authorized and empowered to purchase the parcel described above, consistent with Alabama law, provided that any proposed purchase transaction is reviewed and approved by the General Counsel prior to closing.





### Thach & Gay Property Exhibit "1"

| Item | Location                                   |
|------|--|
| 1    | Sale Property                              |
| 2    | Rane Culinary Science Center               |
| 3    | Cambridge Residence Hall                   |
| 4    | S. College Parking Deck                    |
| 5    | Dixon Hotel & Conference Center            |
| 6    | Samford Hall                               |
| 7    | Ingram Hall                                |
| 8    | O.D. Smith Hall                            |
| 9    | Chapel                                     |
| 10   | Mell Classroom Building and R.B.D. Library |

November 4, 2024

CAMPUS PLANNING & SPACE MANAGEMENT  
1161 West Samford Ave, Building 1  
Auburn University, AL 36849

 **AUBURN UNIVERSITY**  
Facilities Management

**Joint Property & Facilities and Finance Committee**

Chairperson W. Smith indicated that a joint Property & Facilities and Finance Committee met earlier and discussed one action item. Chairperson W. Smith moved for approval the item. The motion was seconded by Ms. Huntley, and the resolution was approved by a voice vote.

The following resolution was approved:



PROPERTY AND FACILITIES COMMITTEE AND FINANCE COMMITTEE

RESOLUTION

AUBURN UNIVERSITY APPLIED RESEARCH LABORATORY  
HUNTSVILLE, ALABAMA

APPROVAL OF LEASE AGENTS, FINANCING AND ADVANCE AGREEMENT, AND  
RELATED AGREEMENTS

WHEREAS, the University is committed to its statewide mission of providing quality academic programs, research and outreach, and having a presence in the State of Alabama that will further enhance the University's public engagement as a land-grant institution; and

WHEREAS, the University is regularly engaged in various research and development activities within and outside its main campus including, among other locations, in the Auburn University Research and Innovation Campus at Cummings Research Park ("CRP") in the City of Huntsville, Alabama; and

WHEREAS, the University's 2024 Strategic Plan includes doubling its research enterprise, and there is insufficient laboratory space to conduct additional research at its current facilities; and

WHEREAS, it is necessary and desirable to obtain additional research space at CRP for new manufacturing techniques and development of prototypes, testing of space flight hardware, and for other facilities that foster national security research under contracts with the United States government and private sector partners; and

WHEREAS, The Industrial Development Board of the City of Huntsville (the "IDB") owns certain property within CRP (the "Site"), and will cause to be constructed thereon a research facility for lease to the University (together with the Site, the "New Research Facility") using proceeds of a loan in the amount of up to \$18,000,000 (the "Loan") to be made by Regions Commercial Equipment Finance, LLC under the Financing and Advance Agreement herein authorized and attached hereto as Exhibit A; and

WHEREAS, under the Lease Agreement for the New Research Facility herein authorized and attached hereto as Exhibit B, the University will (i) make payments to the IDB in amounts as required by the Loan ("Basic Rent"), which Basic Rent will serve as the sole source of payment and collateral to repay the Loan, and (ii) be responsible for payment and performance of all other obligations respecting the New Research Facility (e.g., maintenance, insurance, operations, etc.);

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees of the University (the "Board"), that Christopher B. Roberts, President, or such person as may be acting by or on behalf of the President (including such person or persons identified for such purpose in the Lease Agreement), is hereby authorized to take such action as are necessary or desirable to work with the IDB in the design, construction, and equipping of the New Research Facility; and

BE IT FURTHER RESOLVED, that the Board hereby authorizes the President and the Chief Financial Officer of the University, or either of them, to execute and deliver, for and in the name and behalf of the University, (i) a financing agreement among the University, the Lender, and the IDB, in the form attached hereto and with such changes as shall be determined by the officer executing said agreement (the "Financing and Advance Agreement"), (ii) a lease agreement with the IDB for the New Research Facility in the form attached hereto and with such changes as shall be determined by the officer executing said agreement (the "Lease Agreement"), and (iii) such other agreements, notices, instruments or other documents as may be necessary or desirable respecting the financing, development and operation of the New Research Facility, with all documents herein authorized to be reviewed as to form and substance by the General Counsel for the University prior to their execution; and, further, that the Secretary of the Board and the President Pro Tempore of the Board, or either of them, are authorized to affix the official seal of the University to all agreements and documents herein authorized and to attest the said seal and any and all signatures.

Exhibit A

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**FINANCING AND ADVANCE AGREEMENT**

*among*

**THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE CITY OF HUNTSVILLE,**

**AUBURN UNIVERSITY,**

*and*

**REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC**

**Dated \_\_\_\_\_, 2024**

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Pertaining to

Up to  
\$18,000,000

**THE INDUSTRIAL DEVELOPMENT BOARD OF THE  
CITY OF HUNTSVILLE**

Revenue Bond  
(AU Research Facility Project)  
Series 2024



## FINANCING AND ADVANCE AGREEMENT

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Exhibit A - Description of Project Site  
Exhibit B - Description of the Improvements  
Exhibit C - Form of Advance Request

**FINANCING AND ADVANCE AGREEMENT** dated \_\_\_\_\_, 2024, among **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF HUNTSVILLE**, a public corporation organized under the laws of Alabama (the "IDB"), **AUBURN UNIVERSITY**, a public corporation and instrumentality of the State of Alabama (the "University"), and **REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC**, an Alabama limited liability company (the "Lender").

**Recitals**

A. The University is regularly engaged in various research and development activities within and outside the main campus of Auburn University including, among other locations, within 40,000 feet of laboratory space in the Auburn University Applied Research Institute at Cummings Research Park ("CRP") in the City of Huntsville, Alabama, wherein the University conducts cutting-edge research and development in the areas of advanced manufacturing, biotechnology, quantum metrology, cyber and critical infrastructure security, and assured position, navigation and timing.

B. The University's 2024 Strategic Plan includes doubling its research initiative, and the University has determined it is necessary and desirable to obtain additional research space at CRP for research and development of new products and processes, to improve existing products and processes, and for facilities for the national defense under contracts with the United States government.

C. The IDB has agreed to acquire fee simple title to a parcel of real property located within CRP more particularly described herein as the Project Site, and has agreed to cause to be constructed thereon an approximately 50,911 square foot research facility for lease to the University (the "Improvements" and, together with the Project Site and the equipment located therein, the "Project"), all as more particularly described and set forth in the hereinafter defined Lease.

D. The Lender has agreed, pursuant to the terms of this Financing Agreement, to make a loan, through a series of advances, in the principal amount of up to \$18,000,000 (the "Loan") in order to (i) retire the obligation of the IDB to purchase the Project Site, (ii) pay the costs of acquiring, constructing and equipping the Project, (iii) pay the costs of issuing the Bond, and (iv) pay for accrued but unpaid interest on advances honored by the Lender during the Construction Period.

E. The Project will be owned by the IDB and leased to the University pursuant to that certain Lease Agreement between the IDB and the University dated the date of the Bond (the "Lease"). Under the Lease, the University will agree, among other things, to pay basic rent to the IDB in such amounts as shall be sufficient to pay, as and when due (whether at maturity, upon acceleration or otherwise), the principal of and interest on the Bond. The Bond and all other payment obligations under this Financing Agreement will be limited obligations of the IDB, payable solely out of such basic rent.

**NOW, THEREFORE**, for the aforesaid purpose and in consideration of the respective agreements herein contained, it is hereby agreed between the parties signatory hereto, each with

each of the others, as follows (provided, that in the performance of any of the agreements of the IDB herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt on its part but shall be payable solely out of the Pledged Property hereinafter referred to):

## ARTICLE I

### DEFINITIONS AND USE OF PHRASES

**Section 1.1 Definitions.** The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations herein:

**"30/360 Basis"** shall mean a method of computing interest or other charges hereunder on the basis of an assumed year of 360 days (comprised of 12 months of 30 days each) on a daily accrual basis, meaning that interest or other charges accrued for each month will be computed by multiplying the rate applicable on the 1st day of each month by the unpaid principal balance (or other relevant sum) on that day and dividing the result by 30.

**"Act of Bankruptcy"** means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the designated entity under any applicable bankruptcy, insolvency, reorganization or similar law now or hereafter in effect.

**"Additional Rent"** means any payment under the Lease that is not Basic Rent.

**"Adjusted Margin"** is defined in Section 3.1(e)(i) hereof.

**"Advance"** shall have the meaning set forth in Section 4.1 hereof.

**"Amortization Period"** means the period commencing on [December 1], 2025, and continuing thereafter through and including [December 1, 2035].

**"Amortization Period Monthly Payment"** means the monthly payment derived from a level amortization of the sum of all Advances, as of the first day of the Amortization Period, over 240 months at the Fixed Rate, payable in arrears. By way of example only, if the sum of all Advances as of the first day of the Amortization Period was equal to \$18,000,000, and the Fixed Rate were calculated to equal \_\_%, then the Amortization Period Monthly Payment would be \$\_\_\_\_\_; and the amount due as outstanding principal at the end of the 10<sup>th</sup> year of the Amortization Period would be \$\_\_\_\_\_.

**"Applicable Rate"** means, (i) at all times prior to the start of the Amortization Period, the Variable Rate, and (ii) at all times during the Amortization Period, the Fixed Rate.

**"Authorized IDB Representative"** means the person or persons at the time designated as such by written certificate furnished by the IDB and the Lender, containing the specimen signature or signatures of such person or persons and signed on behalf of the IDB by the Chairman of its Board or Directors or Secretary.

**"Basic Rent"** means (i) the moneys payable by the University pursuant to the provisions of Section 3.03 of the Lease, (ii) any other moneys payable by the University pursuant to the Lease to provide for the payment of the principal of and the interest on the Bond, and (iii) any other moneys payable by the University pursuant to the Lease that are therein referred to as Basic Rent.

**"Bond Register"** means the registry and transfer books maintained by the IDB pursuant to the provisions of Section 5.2 hereof.

**"Bond"** means the bond authorized to be issued in Article III hereof.

**"Business Day"** means any day other than a Saturday, a Sunday or a day on which banking institutions are closed in the City of Birmingham, Alabama, or in the city in which the principal office of the Lender is located.

**"Construction Fund"** means the Construction Fund created in Section 6.1 hereof.

**"Construction Period"** means the period beginning on the date of initial issuance of the Bond and continuing through and including the fifth Business Day immediately preceding the start of the Amortization Period (i.e., [November 24, 2025]).

**"Dated Date"** means the date of initial issuance and delivery of the Bond.

**"Debt Service"** means the principal of and interest payable on the Bond (whether at maturity, upon acceleration or otherwise).

**"Default"** or **"default"** means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

**"Directors"** means the Board of Directors of the IDB.

**"Event of Default"** means any of the events described in Section 8.1 hereof.

**"Federal Securities"** means any securities that are direct obligations of the United States of America and any securities with respect to which payment of the principal thereof and the interest thereon is unconditionally guaranteed by the United States of America.

**"Financing Agreement"** means this agreement and every supplemental agreement with the Lender in pursuance hereof.

**"Financing Documents"** means this Financing Agreement, the Lease and the Negative Pledge, each as, from time to time, may be modified, amended, restated or supplemented.

**"Fixed Rate"** means the fixed rate of interest resulting from the sum of (a) the most recent closing yield of the 10-year United States Treasury Note as of the last day of the Construction Period as displayed on the website of the United States Department of the Treasury on such date, plus (b) 1.52% (152 basis points), as shall be evidenced in writing between the Lender, the IDB

and the University, together with such documentation from the Lender as shall enable the IDB and the University to confirm said 10-year United States Treasury yield.

**"IDB"** means The Industrial Development Board of the City of Huntsville, a public corporation under the laws of Alabama, and, subject to the provisions of Section 7.3 hereof, includes its successors and assigns and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

**"Improvements"** means the approximately 50,911 square foot research facility and those items of equipment and other personal property which are more particularly described on Exhibit B attached hereto and made a part hereof, the costs of the acquisition, construction and installation of which are paid for with Advances and that are required by the provisions of Section 2.02 of the Lease to be constructed on the Project Site by the IDB.

**"Interest Period"** means, with respect to the determination of the Variable Rate, each period commencing on the last day of the immediately preceding Interest Period and ending on the same day of the month that interest is due one month thereafter; provided (i) the first Interest Period shall commence on the Dated Date and shall end on the first day thereafter that interest is due, and (ii) any Interest Period that ends in a month for which there is no day which numerically corresponds to the last day of the immediately preceding Interest Period shall end on the last day of the month.

**"Lease"** means that certain Lease Agreement dated the Dated Date between the IDB, as lessor, and the University, as lessee, as said Lease Agreement now exists or as it may be amended and supplemented.

**"Lender"** shall mean the person in whose name the Bond is registered in the Bond Register. Initially, the Bond shall be registered in the name of Regions Commercial Equipment Finance, LLC, an Alabama limited liability company.

**"Margin"** means 0.81 percent (81 basis points).

**"Margin Adjustment"** is defined in Section 3.1(e)(i) hereof.

**"Municipality"** means the City of Huntsville, Alabama, and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

**"Negative Pledge"** means that certain Negative Pledge and Assignment of Rents and Leases from the IDB to the Lender dated the Dated Date.

**"Parties"** means, collectively, the IDB, the University and the Lender; and **"Party"** means any of the IDB, the University or the Lender.

**"Permitted Encumbrances"** means, as of any particular time, (i) the Lease, the Financing Agreement and the Negative Pledge, (ii) inchoate mechanics' and materialmen's liens, and (iii) any encumbrances on the Project Site of public record as of the dated date of this Financing Agreement.

**"Pledged Property"** shall have the meaning set forth in Section 2.1 hereof.

**"Project Development Costs"** means the costs of acquiring, constructing, equipping and installing the Improvements, the costs required to retire the obligation of the IDB to purchase the Project Site, the expenses incurred by the IDB and the University in connection with the issuance and sale of the Bond, and all costs and expenses incurred by the IDB or the University in connection with and directly related to the planning, development and design of the Improvements.

**"Project Site"** means the real property specifically described in Exhibit A attached hereto and made a part hereof and any other real property that under the terms of the Lease constitutes a part of the Project Site; provided, that the Project Site shall in no event constitute Pledged Property.

**"Pre-Amortization Period Interest"** means interest on Advances honored by the Lender during the Construction Period.

**"Pre-Amortization Period Interest Amount"** means the amount of Pre-Amortization Period Interest calculated by the Lender to have accrued through the calendar day immediately preceding the start of the Amortization Period.

**"Registrar"** means the Secretary of the IDB or [his] designee, serving as registrar with respect to the Bond.

**"Replacement Index"** is defined in Section 3.1(e)(i) hereof.

**"Same Day Funds"** means immediately available funds for payment in currency of the United States of America at the time and place specified.

**"SIFMA Business Day"** means any day that is not (i) a Saturday, (ii) a Sunday, or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

**"SOFR"** means a rate per annum equal to the secured overnight financing rate administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

**"Supplemental Financing Agreement"** means an agreement supplemental hereto.

**"Term SOFR"** means with respect to any Interest Period for determining the Variable Rate, the forward-looking term rate based on SOFR for a period comparable to the term of such Interest Period as published by the Term SOFR Administrator (or as published by such other comparable financial information reporting service used by the Lender, in its sole discretion, at the time such rate is determined) on the day that is two (2) SIFMA Business Days prior to the first day of such Interest Period (or if not so reported, then as determined by the Lender from another recognized source, in the Lender's sole discretion), subject to any corrections published by the Term SOFR Administrator. In any event, Term SOFR will not be less than three percent (3.0%) per annum.



**"Term SOFR Administrator"** means the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of Term SOFR selected by the Lender in its sole discretion).

**"University"** means Auburn University, a public corporation and instrumentality of the State of Alabama, and, subject to the provisions of Section 7.3 hereof, includes its successors and assigns and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

**"Variable Rate"** means a variable per annum rate of interest equal to Term SOFR (or, if applicable, the Replacement Index and Margin, subject to adjustment for the Adjusted Margin), plus the Margin, as adjusted from time to time.

**Section 1.2 Use of Phrases.** "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to the Financing Agreement as an entirety and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.1 hereof include both singular and plural, unless a separate definition is included for the singular or plural, as the case may be. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

## ARTICLE II

### SECURITY FOR PAYMENT

**Section 2.1 Pledge and Assignment.** In order to secure payment of Debt Service to the Lender and the performance and observance of the covenants and conditions herein and in the Bond contained, and in consideration of purchase and acceptance of the Bond by the Lender, the IDB does hereby grant, bargain, sell, convey, assign, transfer and pledge to and with the Lender the following described properties of the IDB, whether the same are now owned by it or may be hereafter acquired:

#### I

All Basic Rent derived by the IDB pursuant to the Lease;

#### II

All right, title and interest of the IDB in and to the Lease except (i) the right to receipt of Additional Rent, and (ii) the right to require the University to pay Additional Rent, but not including, however, any of the obligations of the IDB thereunder; and

#### III

Any and all moneys, rights and properties of every kind or description which may from time to time hereafter be delivered to or deposited with the Lender by the IDB or anyone on its part as additional security for the payment of the Bond.

TO HAVE AND TO HOLD the same unto the Lender, its successors and assigns forever, subject to Permitted Encumbrances (all such property, the "Pledged Property").

PROVIDED, HOWEVER, that these presents are upon the condition that if the IDB shall pay or cause to be paid the principal of and the interest on the Bond secured hereby, and shall pay or cause to be paid all other sums payable by the IDB hereunder, then the Financing Agreement and the estate and rights granted hereby shall cease, determine and be void; otherwise the Financing Agreement shall be and remain in full force and effect.

### **ARTICLE III**

#### **THE BOND**

**Section 3.1 General Provisions Respecting the Bond.** (a) **Authorization, Principal Amount and Maturity.** There is hereby authorized to be issued by the IDB one Revenue Bond (AU Research Facility Project), Series 2024, which shall be dated the date of its initial issuance and delivery, in the principal amount not to exceed \$18,000,000. The principal of the Bond (as represented by all Advances honored by the Lender) shall bear interest at the Applicable Rate. Interest will be computed on an 30/360 Basis. Although payments on the Bond shall be amortized over a period of 240 months, all principal amortized after the first 120 months of the Amortization Period shall be due and payable on [December 1, 2035].

(b) **Payment of Debt Service During Construction Period.** Interest on each Advance during the Construction Period shall accrue from the date each Advance is made by the Lender, and all such interest shall be due and payable on the Business Day immediately preceding the start of the Amortization Period.

(c) **Payment of Debt Service During Amortization Period.** On [December 1], 2025, and on the first day of each month thereafter, the IDB shall make a combined principal and interest payment equal to the Amortization Period Monthly Payment for such payment date; provided, that all principal amortized from and after [December 1], 2035 shall be due and payable on [December 1], 2035.

(d) **Interest on Overdue Principal and Interest; Late Charge.** Interest shall be payable on overdue principal on the Bond and (to the extent legally enforceable) on any overdue installment of interest on the Bond calculated at the rate borne by the Bond as specified herein plus three hundred (300) basis points (i.e., 3.0%).

(e) **Replacement Variable Index Rate.** (i) If the Lender at any time or from time to time determines that (i) Term SOFR is unavailable, (ii) Term SOFR cannot be determined, (iii) Term SOFR does not adequately reflect the cost to the Lender of making, funding or maintaining the Loan, (iv) the use of Term SOFR has become impracticable or unreliable, (v) Term SOFR is

no longer representative of the underlying market or economic reality, or (vi) it is no longer lawful for the Lender to lend at any rate based on Term SOFR, then the Lender may elect to designate a substitute interest rate index (the “Replacement Index”). If the Lender designates a Replacement Index, the Lender may also determine at such time or from time to time thereafter that a margin adjustment (the “Margin Adjustment”) is necessary to produce a comparable interest rate to the interest rate that would have applied based on Term SOFR. Upon such determination, the Lender will designate the amount of such Margin Adjustment (which may be a positive or a negative number) and adjust the Margin by that amount (and the result will be the “Adjusted Margin”). The Lender will provide notice to the IDB and the University of the Replacement Index, any Margin Adjustment and the Adjusted Margin, as applicable, and their effective date.

(ii) Commencing with the first interest rate change thereafter, the Replacement Index shall be deemed to be and shall become the operative interest rate index for purposes of this Financing Agreement, the Bond and any other Financing Documents, and the Bond and any amounts owed under this Financing Agreement and any of the other Financing Documents shall continue to bear interest on the unpaid principal amount through repayment thereof at the Replacement Index plus the Margin or the Adjusted Margin, as applicable (subject to any interest rate floor set out in this Financing Agreement, the Bond or the other Financing Documents). In any event, the Replacement Index will not be less than the greater of 3 percent (3.0%) per annum or any minimum index floor otherwise provided in this Financing Agreement, the Bond or the other Financing Documents. The Replacement Index may not necessarily be the Lender’s most favorable lending rate or interest rate index. Any determination or designation made by the Lender under this section shall be made the Lender’s sole and absolute discretion and shall be conclusive and binding absent manifest error. In connection with the implementation of a Replacement Index and, as applicable, the Adjusted Margin, the Lender will have the right from time to time, without any further action or consent of the IDB or the University or any other party, to implement any technical, administrative or operational changes that the Lender decides may be appropriate to reflect the adoption and implementation of such Replacement Index and, as applicable, the Adjusted Margin and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender determines that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Replacement Index and, as applicable, the Adjusted Margin exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of the Loan). Such technical, administrative, or operational changes may include, without limitation, changes to the determination of a business day or an interest period, the timing and frequency of determining rates and making and applying payments, implementation and length of any lookback period, and other technical, administrative, or operational matters.

(iii) In connection with the use or administration of Term SOFR or any Replacement Index, the Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Financing Document, any amendments implementing such Conforming Changes will become effective without further action or consent of any Party to this Financing Agreement or any other Financing Document. “Conforming Changes” means, with respect to Term SOFR or any Replacement Index, any technical, administrative or operational changes to terms, matters or any conventions associated with Term SOFR or any Replacement Index, as applicable (including, any changes to the definition of Term SOFR, Replacement Index, Interest Period, timing and frequency of determining rates

and making payments of interest, the definition of any business day, timing of borrowing requests or prepayment notices, conversion or continuation notices and the applicability and length of lookback periods or observation shifts, the applicability of breakage provisions, and any other technical, administrative or operational matters) as may be appropriate, in the discretion of the Lender, to reflect the adoption and implementation of such applicable rate, and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Lender determines is reasonably necessary in connection with the administration of this Financing Agreement and any other Financing Document).

**Section 3.2 Payments Due on Non-Business Days.** If any payment on the Bond is due on a day which is not a Business Day, such payment may be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

**Section 3.3 Form of Bond.** The Bond and the registration certificate, schedule of advances, amortization schedule and the form of assignment applicable thereto shall be in substantially the following form, with appropriate changes therein to conform with the provisions hereof:

(Form of Bond)

***THIS BOND MAY BE TRANSFERRED ONLY TO (1) AN “ACCREDITED INVESTOR” AS DEFINED IN THE SECURITIES ACT OF 1933 AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER (THE “SECURITIES ACT”) OR (2) A “QUALIFIED INSTITUTIONAL BUYER” AS THAT TERM IS DEFINED IN RULE 144A UNDER THE SECURITIES ACT AND ONLY UPON COMPLIANCE WITH APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND WITH THE FINANCING AGREEMENT REFERRED TO HEREIN.***

**UNITED STATES OF AMERICA**

**STATE OF ALABAMA**

**THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE CITY OF HUNTSVILLE**

**REVENUE BOND  
(AU RESEARCH FACILITY PROJECT)  
SERIES 2024**

For value received, **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF HUNTSVILLE** (the “IDB”), will pay, solely from the sources hereinafter referred to, to **REGIONS COMMERCIAL EQUIPMENT FINANCE LLC**, an Alabama limited liability company, Birmingham, Alabama (the “Lender”), or registered assigns, the principal sum of

**EIGHTEEN MILLION DOLLARS**

or so much as may be advanced and outstanding hereunder, with interest (computed on a 30/360 Basis as defined in the Financing Agreement) thereon from the date hereof until the maturity hereof at the Applicable Rate (as defined in the Financing Agreement referred to below), subject to adjustment as provided in Section 3.1(e) of the said Financing Agreement.

Pursuant to the terms of that certain Financing and Advance Agreement dated the date of this Bond among the IDB, the University (hereinafter defined) and the Lender under which this Bond is issued (the “Financing Agreement”), from the date hereof through and including [November 24], 2025 (such period, the “Construction Period”), the IDB shall have the right at any time and from time to time to request Advances (as defined in the Financing Agreement) of funds from the Lender in an aggregate amount not exceeding \$18,000,000. At the time any Advance is honored by the Lender, the Lender shall note on the schedule entitled “Schedule of Advances” attached hereto the amount of such Advance and the date honored and shall send a copy of the same to the University; provided, however, that failure of the Lender to record any Advance on the Schedule of Advances or provide the same to the University as herein defined shall not in any way compromise, reduce or eliminate in any way the IDB’s obligations under the Financing Agreement with respect to the full outstanding principal amount of the Bond, based upon the actual

amount of Advances delivered by the Lender with respect thereto. Amounts advanced hereunder and repaid may not be advanced again.

At all times prior to commencement of the Amortization Period, interest on each Advance shall accrue from the date each Advance is honored by the Lender until such interest is paid, and shall be due and payable on the Business Day (as defined in the Financing Agreement) next preceding the commencement of the Amortization Period (as defined in the Financing Agreement).

During the Amortization Period, the sum of all Advances made hereunder shall be payable, together with interest, on a monthly basis and, as to each month, in an amount derived from a level amortization of the sum of all Advances, as of the first day of the Amortization Period, over 240 months at the Fixed Rate, payable in arrears; provided, all unpaid principal on the Bond amortized after the first 120 months of the Amortization Period shall be due and payable on [December 1], 2035.

The IDB is a public corporation organized under the provisions of Article 4 of Chapter 54 of Title 11 of the Code of Alabama 1975, as amended, and the Bond is authorized to be issued for purposes for which bonds are authorized to be issued under the provisions of said article. The covenants and representations herein contained or contained in the Financing Agreement do not and shall never constitute a personal or pecuniary liability or charge against the general credit of the IDB, nor shall the City of Huntsville, Alabama, in any manner be liable for payment of the principal of or the interest or on the Bond or for the performance of the undertakings of the IDB contained herein or in the Financing Agreement.

The IDB reserves the privilege of prepaying or causing to be prepaid all or any part of this Bond, which such right may be exercised by the University at its discretion, at any time on [\_\_\_\_\_, 2030,] or thereafter, without premium or penalty and without any prior notice, provided that, at the time of such prepayment, the IDB pays the interest which shall have accrued, to the date of such prepayment, on the principal to be so prepaid, and provided further that prepayments shall be in integral multiples of \$1,000 and prepayments shall be applied to the then last maturing installments of principal in the inverse order of maturity.

Installments of principal of and interest on this Bond shall be remitted by the IDB to the then registered holder hereof at the address shown on the registry books of the IDB pertaining to the Bond. All payments by the IDB to the person in whose name this 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. Installments of principal and interest shall bear interest after their respective maturities until paid at the rate of interest borne by the Bond. If the date for payment of any installment of principal of or interest on this Bond is not a day on which the Lender is open for business (a "Business Day"), then the date for such payment shall be the next succeeding Business Day, with the effect that payment on such Business Day shall have the same force and effect as if made on the original date payment was due.

The principal of and interest on this Bond is payable solely out of the Basic Rent (as defined in the Financing Agreement) derived from the leasing of certain educational facilities,

equipment, and personal property (the "Improvements") located on real property situated in Huntsville, Madison County, Alabama. In connection with the issuance of the Bond, the IDB has leased the Improvements to Auburn University, a public corporation and instrumentality of the State of Alabama (herein, together with its successors and assigns, the "University"), under a Lease Agreement dated [\_\_\_\_], 2024 (the "Lease"), which obligates the University to pay Basic Rent (as defined in the Lease) on such dates and in such amounts as shall be sufficient to pay, as and when due (whether at maturity, upon acceleration or otherwise), the principal of and interest on this Bond.

Reference is hereby made to the Financing Agreement for a description of the Improvements, the nature and extent of the security afforded thereby, the rights and duties of the IDB and the Lender with respect thereto. The Financing Agreement provides, among other things, that in the event of default by the IDB in the manner and for the time therein provided, the Lender may declare the principal of this Bond immediately due and payable, whereupon the same shall thereupon become immediately due and payable and the Lender shall be entitled to pursue the remedies provided in the Financing Agreement. By acceptance of this Bond, the Lender consents to the provisions of the Financing Agreement.

This Bond is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the IDB and only upon surrender of this Bond to the IDB for cancellation, and upon any such transfer a new Bond of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Financing Agreement. Each holder, by receiving or accepting this Bond, shall consent and agree and shall be estopped to deny that, insofar as the IDB is concerned, this Bond may be transferred only in accordance with the provisions of the Financing Agreement.

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.

Execution by the IDB of the registration certificate hereon is essential to the validity hereof and is conclusive of the due issue hereof under the Financing Agreement.

IN WITNESS WHEREOF, the IDB has caused this Bond to be executed in its name and behalf with the signature of the Chairman of its Board of Directors, has caused its corporate seal to be hereunto impressed, has caused this Bond to be attested by its Secretary, and has caused this Bond to be dated the date of its initial issuance and delivery.

**THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF HUNTSVILLE**

By \_\_\_\_\_  
Chairman of the Board of Directors

[S E A L]

Attest:

\_\_\_\_\_  
Secretary

**(Form of Registration Certificate)**

Date of Registration: Date of initial issuance and delivery

This Bond was registered in the name of the above-registered owner on the date set forth above.

By \_\_\_\_\_  
Secretary of the IDB

**(Form of Assignment)**

For value received \_\_\_\_\_, 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 Registrar.

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:

\_\_\_\_\_  
(Lender, Trust Company 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).



**Section 3.4 Privilege of Prepayment.** The IDB reserves and shall have the privilege of prepaying the outstanding principal of the Bond, which such right may be exercised by the University on behalf of the IDB at the sole discretion of the University, in whole or in part on [\_\_\_\_\_, 2030,] or any date thereafter, without penalty or premium and without any prior notice, at a price equal to the principal of the Bond to be prepaid and accrued interest to the date of prepayment; provided, that prepayments shall be in integral multiples of \$1,000 and shall be applied first to accrued but unpaid interest and then to outstanding installments of principal in the inverse order of maturity.

## ARTICLE IV

### PROVISIONS RESPECTING ADVANCES

**Section 4.1 Advances Under the Bond.** (a) During the Construction Period, the IDB shall have the right to request and receive payments directly from the Lender (each such payment, an "Advance") up to an aggregate of \$18,000,000 for all Advances. The IDB may request only one Advance per month, and each Advance shall be in integral multiples of \$5,000, in amounts of not less than \$150,000 (less and except the first Advance and the final Advance), and (other than the Advance for the Pre-Amortization Period Interest Amount) shall be deposited into the Construction Fund. On the date of issuance of the Bond, the Lender shall honor an initial Advance of \$[\_\_\_\_\_]. Amounts advanced hereunder and repaid may not be advanced again. At the time any Advance is honored, the Lender shall note on the schedule entitled "Schedule of Advances" attached to the Bond the amount of such Advance and the date honored and shall send a copy of the same to the University; provided, however, that failure of the Lender to record any Advance on the Schedule of Advances or notify the University of the same as herein provided shall not in any way compromise, reduce or eliminate in any way the IDB's obligations hereunder with respect to the full outstanding principal amount of the Bond, based upon the actual amount of Advances delivered by the Lender with respect thereto. The Lender acknowledges that no retainage shall be required in connection with any Advance. Anything in the foregoing to the contrary notwithstanding, whether express or implied, the Lender shall have no obligation to honor an Advance request for Project Development Costs if the Lender determines in good faith that the sum of such Advance, when added to the sum of all prior Advances honored by the Lender plus to the sum of the Lender's estimate of the Pre-Amortization Period Interest Amount, will equal or exceed \$18,000,000.

(b) The Lender agrees to make Advances in Same Day Funds to the IDB up to the maximum principal amount of the Bond authorized to be issued hereunder. The amount of each such Advance shall be used exclusively by the IDB for the payment of Project Development Costs and for payment of the Pre-Amortization Period Interest Amount. Advances by the Lender are to be made by the deposit of the amount of such Advance into the Construction Fund set forth in Section 6.1 hereof not later than 12:00 Noon, Birmingham, Alabama time on the Business Day immediately following the Business Day on which the request for an Advance is received by the Lender. Each Advance made pursuant to this Financing Agreement shall constitute a loan to the IDB, the repayment obligation for which shall be evidenced by the Bond. The IDB understands and agrees that the Lender is not obligated to honor any Advance subsequent to the expiration of the Construction Period.

**Section 4.2 Procedure for Requesting Advances; Confirmation Thereof.** Pursuant to Section 2.02 of the Lease, the IDB shall submit requests for Advances to the Lender through submission of a written request submitted by the IDB to the Lender in the form of Exhibit C hereto (an "Advance Request"). Promptly following each Advance, the Lender will forward notice of such Advance to the IDB and the University by scanned (i.e. PDF format) transmission sent via electronic mail.

**Section 4.3 Statement Respecting Total of All Advances.** As of the final day of the Construction Period, the Lender shall deliver to the Authorized IDB Representative and the Authorized University Representative a statement reflecting the total of (i) all Advances honored during the Construction Period for Project Development Costs and (ii) the calculation and total of the Pre-Amortization Period Interest Amount, which such statement the IDB and the University shall review for accuracy. Unless otherwise paid by the University, the IDB and the University shall be deemed to have requested, and the Lender shall be deemed to have honored, an Advance in the amount of the Pre-Amortization Period Interest Amount so calculated and reported by the Lender.

## **ARTICLE V**

### **GENERAL PROVISIONS RESPECTING THE BOND**

**Section 5.1 Execution and Registration of Bond.** The Bond shall be executed on behalf of the IDB by the signature of the Chairman of the Directors. The official seal of the IDB shall be affixed to the Bond and the execution and the said seal shall be attested with the signature of the Secretary of the IDB (it being understood that a condition to the validity of the Bond is the appearance on such Bond of a Registration Certificate, substantially in the form set forth hereinabove, executed by the manual signature of the Registrar).

**Section 5.2 Registration, Transfer and Payment of the Bond.** (a) The Bond shall be fully registered as to both principal and interest, and shall be transferable only on the registry books of the Registrar. The Secretary of the IDB is hereby designated as the Registrar and shall keep at the offices of the IDB proper registry and transfer books in which shall be noted each registration and transfer of the Bond, when presented for those purposes, all in the manner and to the extent hereinafter specified.

No transfer of the Bond shall be valid hereunder except upon presentation and surrender thereof at the office of the Registrar with written power to transfer signed by the registered holder thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Registrar, whereupon the IDB shall execute, and the Registrar shall register and deliver to the transferee, a new Bond (in the then outstanding principal amount of such Bond), registered in the name of such transferee and of like tenor (except for the amount of the then outstanding principal and any corresponding change in date) as that presented for transfer. The person in whose name the Bond is registered on the books of the Registrar shall be the sole person to whom or on whose order payments on account of the principal thereof and

of the interest thereon may be made. Each registered holder of the Bond, by receiving or accepting such Bond, shall consent and agree and shall be estopped to deny that such Bond may be transferred only in accordance with the provisions of this Financing Agreement. The Lender hereby covenants and agrees that the Bond shall not be transferable except to an "accredited investor" as defined in the Securities Act of 1933 and the rules and regulations promulgated thereunder and only upon compliance with applicable State of Alabama and federal securities laws.

(b) The IDB hereby transfers and assigns to the Lender, and the Lender hereby accepts such transfer and assignment, the right of the IDB to receive all installments of Basic Rent from the University under the Lease. As a result of such assignment, each installment of Basic Rent under the Lease owing to the IDB shall be remitted directly to the Lender, for the account of the IDB, from the University. For the avoidance of doubt, any such payments shall be credited to principal and interest owed as Basic Rent under the Lease.

In every case involving any transfer, registration or exchange, the then registered Lender shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

The IDB and the Registrar may deem and treat the person in whose name the Bond is registered as the absolute owner thereof for all purposes, they shall not be affected by notice to the contrary, and all payments by either of them to the person in whose name the Bond is registered shall to the extent thereof fully discharge and satisfy liability for the same.

**Section 5.3 Source of Payment; Limited Obligation.** The Bond, together with interest thereon, shall be a limited obligation of the IDB payable by the IDB solely from Pledged Property and shall be a valid claim of the Lender only against the Pledged Property, which shall be used for no other purpose than to pay the principal of and the interest on the Bond. The Bond shall not constitute in any manner an obligation of the Municipality or a general obligation of the IDB.

**Section 5.4 Bond as Privately Negotiated Loan; Role of Lender.** (i) The IDB and the University acknowledge and agree that the Lender is acquiring the Bond in evidence of a privately negotiated loan and in that connection the Bond shall not be (a) assigned a separate rating by any municipal securities rating agency, (b) registered with The Depository Trust Company or any other securities depository, (c) issued pursuant to any type of offering document or official statement, or (d) assigned a CUSIP number by Standard & Poor's CUSIP Service. Each of the IDB and the University understands, acknowledges and agrees as follows: (a) 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 (b) with respect to this Financing Agreement and any other information, materials or communications provided by the Lender: (1) the Lender and its representatives are not recommending an action to any municipal entity or obligated person; (2) 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 14B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Financing Agreement, information, materials or communications; (3) the Lender and its representatives are acting for their own interests; and (4) the IDB and the University have been informed that they should discuss this Financing Agreement and any such other information, materials or communications with any and all internal and external advisors and experts that they deem appropriate before acting on this Financing Agreement or any such other information, materials or communications.

## **ARTICLE VI**

### **THE CONSTRUCTION FUND**

**Section 6.1 Construction Fund.** There is hereby created a special fund of the IDB, the name of which shall be the "2024 Construction Fund," for the purpose of providing funds for payment of Project Development Costs. The moneys deposited into the Construction Fund shall be paid out from time to time for the purpose of paying Project Development Costs. The IDB hereby designates the Lender as the initial depository and custodian of the Construction Fund.

## **ARTICLE VII**

### **PARTICULAR COVENANTS OF THE IDB AND THE UNIVERSITY**

**Section 7.1 Payment of the Bond.** The IDB will pay or will cause to be paid, out of the Pledged Property, the principal of and the interest on the Bond as specified therein, and it will otherwise perform all obligations that, either expressly or by reasonable implication, are imposed on it in the Financing Agreement, and it will not default hereunder.

**Section 7.2 Concerning the Lease.** The Financing Agreement and the rights and privileges of the Lender are specifically made subject to the rights, options and privileges of the University under the Lease, and nothing herein contained shall be construed to impair the rights, options and privileges granted to the University by the Lease. So long as the Lease shall remain in effect the IDB will cause the Basic Rent payable thereunder to be paid to the Lender as provided in the Lease and as set forth in Section 5.2(b) hereof. The IDB will not cancel, terminate or modify, or consent to the cancellation, termination or modification of, the Lease (except as is specifically provided, authorized or contemplated therein or herein) without the prior written consent of the Lender unless and until the principal of and the interest on the Bond shall have been paid in full.

**Section 7.3 Sale of Improvements Prohibited Except under Certain Conditions.** The IDB will not hereafter sell or otherwise dispose of the whole or any integral part of the Project Site or the Improvements until the principal of and the interest on the Bond have been paid in full. If the laws of Alabama at the time shall permit such action to be taken, nothing contained in this section shall prevent the consolidation of the IDB with, or the merger of the IDB into, any public corporation having corporate authority to carry on the business of leasing the Improvements and whose property and income are not subject to federal or Alabama taxation, or the transfer by the IDB of the Improvements as an entirety to the Municipality or to another public corporation whose property and income are not subject to federal or Alabama taxation; provided, that upon any such consolidation, merger or transfer the due and punctual payment of the principal of and the interest on the Bond according to their tenor and the due and punctual performance and observance of all the agreements and conditions of the Financing Agreement to be kept and performed by the IDB shall be expressly assumed in writing by the corporation resulting from such consolidation or surviving such merger or to which the Improvements shall be transferred as an entirety; and provided, further, that such consolidation, merger or transfer shall not cause or result in any mortgage or other lien being affixed to or imposed on or becoming a lien on the Improvements or the revenues therefrom that will be prior to or on a parity with the lien of the Financing Agreement or the pledge herein made for the benefit of the Bond or in the interest on the Bond becoming subject to federal or Alabama income taxation. Nothing contained herein shall, however, be construed to prevent the IDB from granting the easements or making the conveyances authorized by the Lease.

**Section 7.4 Recordation; Further Assurances.** The IDB will file the Financing Documents, and any supplements thereto hereafter executed, in such public office or offices in which said documents are required by law to be filed in order to constitute constructive notice thereof and to preserve and protect fully the rights and security afforded thereby to the Lender. In addition, the IDB will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purpose of the Financing Documents, and in particular (without in any way limiting the generality of the foregoing) to make subject to the lien hereof any property hereafter acquired as a part of the Improvements and to transfer to any successor Lender or the assets, powers, instruments and funds

held in trust hereunder and to confirm the lien of the Financing Documents with respect to any bonds issued thereunder.

No failure to request such further instruments or further acts shall be deemed a waiver of any right to the execution and delivery of such instruments or the doing of such acts or be deemed to affect the interpretation of any provisions of the Financing Agreement.

**Section 7.5 Audited Financial Statements.** The University will furnish its audited financial statements to the Lender on an annual basis, commencing with the audited financial statements for the fiscal year ended September 30, 2024, and will provide such audited financial statements within 180 days of the end of each fiscal year of the University.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF LENDER

**Section 8.1 Events of Default Defined.** Any of the following shall constitute an event of default hereunder by the IDB:

(a) Failure by the IDB to pay the principal of, the interest on or the premium (if any) on any Bond as and when the same become due as therein and herein provided (whether such shall become due by maturity or otherwise);

(b) A default by the University under the Lease and the continuance thereof after the grace period, if any, provided therein;

(c) Failure by the IDB to perform and observe any of the agreements and covenants on its part herein contained other than (i) its agreement to pay the principal of, the interest on and the premium (if any) on the Bond, and (ii) any other agreement with respect to which its failure to perform is the result of an "event of default" by the University under the Lease after sixty (60) days' written notice to the IDB of such failure made by the Lender, unless during such period or any extension thereof the IDB has commenced and is diligently pursuing appropriate corrective action; or

(d) An Act of Bankruptcy with respect to the University or the IDB.

**Section 8.2 Remedies on Default.** Upon any default in any one of the ways defined in the preceding Section 8.1 hereof, the Lender shall have the following rights and remedies:

(a) **Acceleration.** Upon the occurrence of any event of default under Section 8.1 hereof, the Lender may, by notice in writing delivered to the IDB and the University, declare the principal of the Bond and the interest accrued thereon to the date of declaration of such acceleration immediately due and payable. Upon any acceleration hereunder, the Lender shall immediately declare the payments



required to be made by the University under the Lease to be immediately due and payable in accordance with Section 7.02 of the Lease.

(b) **Other Remedies.** The Lender shall have the power to proceed with any other right or remedy independent of or in aid of the foregoing powers, as it may deem best, including the right to foreclose any of the Financing Documents, as applicable, by bill in equity or by proceedings at law, the right to secure specific performance by the IDB of any agreement on its part herein contained, and the right to the appointment, as a matter of right and without regard to the sufficiency of the security afforded by the Improvements, of a receiver for all or any part of the Improvements and the earnings, rents and income therefrom; the rights here specified are to be cumulative to all other available rights, remedies or powers and shall not exclude any such.

**Section 8.3 Waivers of Events of Default.** The Lender may waive any Event of Default and its consequences and rescind any declaration of maturity of principal. No such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

## **ARTICLE IX**

### **REPRESENTATIONS**

**Section 9.1 Representations of the IDB.** The IDB makes the following representations in connection with execution and delivery of the Financing Agreement and the Bond:

(i) the IDB has the power to consummate the transactions contemplated by this Financing Agreement, the Lease and the Negative Pledge;

(ii) this Financing Agreement constitutes a legal, valid and binding obligation and is enforceable against it in accordance with the terms hereof, except as enforcement thereof may be limited by (1) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights and (2) general principles of equity, including the exercise of judicial discretion in appropriate cases;

(iii) the IDB does not intend to use any part of the proceeds of the Bond, and has not incurred any indebtedness to be reduced, retired, or purchased by it out of such proceeds, for the purpose of purchasing or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, and it does not own and has no intention of acquiring any such margin stock;

(iv) the IDB has, by proper corporate action, duly authorized the execution and delivery of this Financing Agreement, the Lease and the Negative Pledge and the consummation of the transactions contemplated herein;

(v) the IDB has obtained all consents, approvals, authorizations and orders of governmental authorities that are required to be obtained by it as a condition to the execution and delivery of this Financing Agreement, the Lease and the Negative Pledge;

(vi) there is no action, suit, proceeding, inquiry or investigation pending before any court or governmental authority, or threatened against it or affecting it or its properties, that (1) involves the consummation of the transactions contemplated by, or the validity or enforceability of, this Financing Agreement, the Lease or the Negative Pledge, or (2) could have a materially adverse impact upon its financial condition or operations;

(vi) neither it nor any of its principals, shareholders, 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; and, further, that it 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.

**Section 9.2 Representations of the Lender.** The Lender makes the following representations in connection with execution and delivery of the Financing Agreement that:

(i) subject to the provisions of Article IX hereof, the obligation of the Lender to make Advances to the IDB during the Construction Period up to the maximum amount authorized herein is absolute and unconditional and has been authorized by all necessary corporate action of the Lender; and

(ii) the Lender shall not transfer or assign this Financing Agreement or the Bond during the Construction Period.

**Section 9.3 Representations of the University.** The University makes the following representations in connection with execution and delivery of the Financing Agreement and the Bond:

(i) the University has the power to consummate the transactions contemplated by this Financing Agreement and the Lease;

(ii) the University is validly existing as a public corporation and instrumentality of the State of Alabama;

(iii) this Financing Agreement constitutes a legal, valid and binding obligation and is enforceable against it in accordance with the terms hereof, except as enforcement thereof may be limited by (1) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights and (2) general principles of equity, including the exercise of judicial discretion in appropriate cases;

(iv) the University does not intend to use any part of the proceeds of the Bond, and has not incurred any indebtedness to be reduced, retired, or purchased by it out of such proceeds, for the purpose of purchasing or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, and it does not own and has no intention of acquiring any such margin stock;

(v) the University has, by proper corporate action, duly authorized the execution and delivery of this Financing Agreement and the Lease and the consummation of the transactions contemplated herein;

(vi) the University has obtained all consents, approvals, authorizations and orders of governmental authorities that are required to be obtained by it as a condition to the execution and delivery of this Financing Agreement and the Lease;

(vii) there is no action, suit, proceeding, inquiry or investigation pending before any court or governmental authority, or threatened against it or affecting it or its properties, that (1) involves the consummation of the transactions contemplated by, or the validity or enforceability of, this Financing Agreement or the Lease, or (2) could have a materially adverse impact upon its financial condition or operations; and

(vii) neither it nor any of its principals, shareholders, 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; and, further, that it 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.

## **ARTICLE X**

### **MODIFICATION OF THE LEASE**

**Section 10.1 Amendments to Lease.** The IDB and the University may amend, modify or change the Lease without the prior consent of the Lender, but only if such amendment, modification or change to the Lease does not impair, in any respect, the rights of the Lender or jeopardize the ability of the University to pay, as and when due, whether at maturity, upon acceleration or otherwise, the principal of and interest on the Bond. All other amendments, modifications or changes to the Lease require the prior written consent of the Lender.

## ARTICLE XI

### PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE FINANCING AGREEMENT

**Section 11.1 Satisfaction of Financing Agreement.** When (i) all amounts owed to the Lender under this Financing Agreement, including, without limitation, the principal of, and interest on, the Bond issued hereunder have been paid, or the Bond has been "deemed paid" as described in Section 11.2 hereof, and (ii) no Additional Rent is owed to the IDB under the Lease, then the right, title and interest of the Lender hereunder shall thereupon cease and the Lender, on demand of the IDB, shall release this Financing Agreement and shall execute such documents to evidence such release as may be reasonably required by the IDB and shall turn over to the University or to such person, body or authority as may be entitled to receive the same all balances then held by it hereunder; provided, however, that the obligations of the University to the IDB pursuant to the provisions of the Lease respecting release of the IDB shall survive any satisfaction of this Financing Agreement.

**Section 11.2 Trust for Payment of Debt Service.** The IDB may provide for the payment of the Bond by establishing a trust for such purpose with a financial institution and depositing cash and/or Federal Securities (assuming the due and punctual payment of the principal of and interest on such Federal Securities, but without reinvestment) that will provide funds sufficient to pay the Debt Service on the Bond as the same becomes due and payable until the maturity or prepayment of the Bond; provided, however, that

(a) such Federal Securities must not be subject to redemption prior to their respective maturities at the option of the issuer of such Federal Securities; and

(b) prior to the establishment of such trust the Lender must receive a report by an independent certified public accountant stating in effect that the principal and interest payments on the Federal Securities in such trust, without reinvestment, together with the cash initially deposited therein, will be sufficient to make the required payments from such trust.

The Bond shall be "deemed paid" under this Financing Agreement if the IDB has established a trust complying with the foregoing provisions of this section.

**Section 11.3 Cancellation of Bond.** When and as the Bond is paid, it shall be forthwith delivered to the IDB and cancelled and destroyed thereby.

## ARTICLE XII

### MISCELLANEOUS PROVISIONS

**Section 12.1 Disclaimer of General Liability.** It is hereby expressly made a condition of this Financing Agreement that any agreements, covenants or representations herein contained or contained in the Bond do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the IDB, 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 IDB shall arise therefrom. Nothing contained in this section, however, shall relieve the IDB from the observance and performance of the several covenants and agreements on its part herein contained.

**Section 12.2 Limitation of Rights.** Nothing herein or in the Bond shall confer any right on anyone other than the IDB, the Lender, and the University.

**Section 12.3 Financing Agreement Governed by Alabama Law.** It is the intention of the Parties hereto that the Financing Agreement shall in all respects be governed by the laws of the State of Alabama.

**Section 12.4 Waiver of Jury Trial.** To the extent permitted by applicable law, each of the Parties hereto irrevocably and voluntarily waives any right it may have to a trial by jury with respect to any controversy or claim between any or all of the Parties, 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 Financing Agreement, or any of the other Financing Documents. Each of the IDB and the University agrees that this provision is a material inducement for the Lender's determination to enter into this Financing Agreement and undertake the transactions herein stated or as stated in the other Financing Documents.

**Section 12.5 Lender not a Municipal Advisor.** The IDB and the University agree, represent and understand as follows:

(i) 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

(ii) With respect to the Financing Documents 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 the Financing Documents, information, materials or communications; (iii) the Lender and its representatives are acting for their own interests; and (iv) each of the IDB and the University has been informed that the IDB and the University, as the case may be, should discuss the Financing Documents and any such other information, materials or communications with any and all internal and external advisors and experts that the IDB and the University, as the case may be, deems appropriate before acting on the Financing Documents or any such other information, materials or communications.

**Section 12.6 Modification or Amendment; Severability; Counterparts.** (a) This Financing Agreement may not be modified, amended or otherwise changed unless pursuant to a written instrument executed and delivered by each of the Parties hereto.

(b) Any provision of this Financing Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(c) This Financing Agreement may be executed in two or more counterparts, each of which shall constitute an original, but when taken together shall constitute but one agreement, and any Party may execute this Financing Agreement by executing any one or more of such counterparts.

**Section 12.7 Notices.** All notices, demands, requests and other communications hereunder shall be deemed sufficient and properly given if in writing and delivered in person to the following addresses or mailed by certified or registered mail, postage prepaid with return receipt requested, at such addresses:

(a) If to the IDB:

The Industrial Development Board of  
the City of Huntsville  
225 Church Street NW  
Huntsville, Alabama 35801  
Attn: Chairman  
Email:

(b) If to the University:

Auburn University  
Samford Hall  
182 S. College St.  
Auburn, Alabama 36849  
Attn: Kelli D. Shomaker  
Email: [kds0053@auburn.edu](mailto:kds0053@auburn.edu)

with a copy to:

Bradley Arant Boult Cummings LLP  
One Federal Place  
1819 Fifth Avenue North  
Birmingham, Alabama 35203  
Attn: Rod Kanter  
Email: [skanter@bradley.com](mailto:skanter@bradley.com)

(c) If to the Lender:

Regions Commercial Equipment Finance, LLC  
1900 Fifth Avenue North, Suite 2400  
Birmingham, Alabama 35203  
Attn: Bo Buckner  
Email: [bo.buckner@regions.com](mailto:bo.buckner@regions.com)

with a copy to:  
Maynard Nexsen, PC  
1901 Sixth Avenue North, Suite 1700  
Birmingham, Alabama 35203  
Attn: Barry Staples  
Email: [bstaples@maynardnexsen.com](mailto:bstaples@maynardnexsen.com)

Any of the above-mentioned parties may, by like notice, designate any further or different addresses to which subsequent notices shall be sent. Any notice hereunder signed on behalf of the notifying party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such party by a duly authorized officer or employee. Any notice given hereunder shall be deemed to have been given upon receipt by the person to whom such notice is required to be given hereunder.

IN WITNESS WHEREOF, each of the IDB, the University and the Lender has caused this Financing and Advance Agreement to be executed by a duly authorized officer thereof, and have caused this Financing Agreement to be dated \_\_\_\_\_, 2024.

THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE CITY OF HUNTSVILLE

By \_\_\_\_\_  
Chairman of its Board of Directors

Attest:

\_\_\_\_\_  
Its Secretary

[S E A L]

AUBURN UNIVERSITY

By \_\_\_\_\_  
Senior Vice President of Business and  
Administration & Chief Financial Officer

Attest:

\_\_\_\_\_  
Secretary of its Board of Trustees

*[signature page of Lender follows]*



REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC,  
as Lender

By \_\_\_\_\_

Its \_\_\_\_\_

Attest:

\_\_\_\_\_

Its \_\_\_\_\_

STATE OF ALABAMA )  
 :  
COUNTY OF MADISON )

I, \_\_\_\_\_, a Notary Public in and for said county in said state, hereby certify that \_\_\_\_\_, whose name as Chairman of the Board of Directors of **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF HUNTSVILLE**, a public corporation 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 \_\_\_\_\_, 2024.

Notary Public

[NOTARIAL SEAL]

My Commission Expires: \_\_\_\_\_

STATE OF ALABAMA )  
 :  
COUNTY OF LEE )

I, \_\_\_\_\_, a Notary Public in and for said county in said state, hereby certify that **KELLI D. SHOMAKER**, whose name as Senior Vice President of Business and Administration & Chief Financial Officer of **AUBURN UNIVERSITY**, a public corporation and instrumentality of the State 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, she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand and official seal of office, this \_\_\_\_ day of \_\_\_\_\_, 2024.

Notary Public

[NOTARIAL SEAL]

My Commission Expires: \_\_\_\_\_

STATE OF ALABAMA )  
 :  
COUNTY OF JEFFERSON )

I, \_\_\_\_\_, a Notary Public in and for said county in said state, hereby certify that \_\_\_\_\_, whose name as \_\_\_\_\_ of **REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC**, an Alabama limited liability company, 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 limited liability company.

GIVEN under my hand and official seal of office, this \_\_\_\_ day of \_\_\_\_\_, 2024.

Notary Public

[NOTARIAL SEAL]

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**PROJECT SITE DESCRIPTION**

**EXHIBIT B**

**DESCRIPTION OF IMPROVEMENTS**

EXHIBIT C

FORM OF ADVANCE REQUEST

Advance Request No. \_\_\_\_\_

Date of Advance Request: \_\_\_\_\_, 20\_\_\_\_

To: Regions Commercial Equipment Finance, LLC

From: The Industrial Development Board of the City of Huntsville

Re: Financing and Advance Agreement dated \_\_\_\_\_, 2024 (the "Financing Agreement") among Regions Commercial Equipment Finance (the "Lender"), The Industrial Development Board of the City of Huntsville (the "IDB") and Auburn University (the "University").

**Amount of Advance.** The IDB hereby requests an Advance pursuant to the Financing Agreement in the amount of \$\_\_\_\_\_.

**Wire Instructions.** This Advance is to be made by wire transfer or intrabank transfer to the Construction Fund (as defined in the Financing Agreement).

**Aggregate Amount of Advances Requested.** The aggregate amount of Advances requested by the IDB to date (including the Advance requested in this Advance Request) is \$\_\_\_\_\_.00, which, together with the estimated sum of the Pre-Amortization Period Interest Amount to be due on the calendar day immediately preceding the Amortization Period, does not exceed \$18,000,000.

Capitalized terms not otherwise defined in this Advance Request shall have the meaning assigned in the Financing Agreement.

**THE INDUSTRIAL DEVELOPMENT  
BOARD OF THE CITY OF HUNTSVILLE**

By: \_\_\_\_\_  
Authorized IDB Representative

Exhibit B



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**LEASE AGREEMENT**

*between*

**THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE CITY OF HUNTSVILLE**

*and*

**AUBURN UNIVERSITY**

**Dated November \_\_\_\_, 2024**

---

Pertaining to

\$18,000,000  
THE INDUSTRIAL DEVELOPMENT BOARD OF THE  
CITY OF HUNTSVILLE  
Revenue Bond  
(AU Research Facility Project)  
Series 2024

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EXHIBIT A - Description of Real Property  
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**LEASE AGREEMENT** dated \_\_\_\_\_, 2024, between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF HUNTSVILLE**, a public corporation organized under the laws of the State of Alabama (the "Issuer"), and **AUBURN UNIVERSITY**, a public corporation and instrumentality of the State of Alabama (the "Lessee").

**Recitals**

A. The Lessee is regularly engaged in various research and development activities within and outside the main campus of Auburn University including, among other locations, within 40,000 feet of laboratory space in the Auburn University Applied Research Institute at Cummings Research Park ("CRP") in the City of Huntsville, Alabama, wherein the Lessee conducts cutting-edge research and development in the areas of advanced manufacturing, biotechnology, quantum metrology, cyber and critical infrastructure security, and assured position, navigation and timing.

B. The Lessee's 2024 Strategic Plan includes doubling its research initiative, and Lessee has determined it is necessary and desirable to obtain additional research space at CRP for research and development of new products and processes, to improve existing products and processes, and for facilities for the national defense under contracts with the United States government.

C. Subsequent to the execution of this Lease and contemporaneously with the funding of Loan (as defined below) by the Lender (as defined below) pursuant to the Financing Agreement (as defined below), the Issuer shall acquire fee simple title to a parcel of real property located within CRP more particularly described herein as the Project Site, and has agreed to cause to be constructed thereon an approximately 50,911 square foot research facility for lease to the Lessee, all as more particularly described and set forth herein.

D. Under this Lease Agreement the Issuer shall (i) lease the Project to the Lessee, and the Lessee will pay Basic Rent (hereinafter defined) to the Issuer at such times and in such amounts as shall be sufficient to pay, as and when due, the principal of and interest on the Bond hereinafter described, and (ii) transfer and assign to the Lender all the Issuer's rights to such Basic Rent.

E. Pursuant to the terms of a Financing and Advance Agreement of even date herewith (the "Financing Agreement"), among Regions Commercial Equipment Finance, LLC, as lender (the "Lender"), the Issuer, and the Lessee, the Lender has agreed to make a loan to the Issuer, through a series of advances (each, an "Advance"), in the principal amount of up to \$18,000,000 (the "Loan") in order to (i) retire the obligation of the Issuer to purchase the Project Site, (ii) pay the costs of acquiring, constructing, and equipping the Project (hereinafter described), (iii) pay for all accrued but unpaid interest on the Loan through the calendar day immediately preceding the start of the Amortization Period (as defined in the Financing Agreement), and (iv) pay the costs of issuing the Bond hereinafter described.

F. Pursuant to the Financing Agreement, the Issuer has issued its not to exceed \$18,000,000 Revenue Bond (AU Research Facility Project), Series 2024 (the "Bond"), as a limited obligation of the Issuer payable solely from, and secured solely by, payments of Basic

Rent made by the Lessee pursuant to this Lease Agreement (as further detailed in the Financing Agreement).

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant, agree and bind themselves as follows:

## **ARTICLE 1**

### **DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION**

#### **SECTION 1.01 Definitions**

For all purposes of this Lease Agreement, except as otherwise expressly provided or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement and singular terms shall include the plural as well as the singular, and vice versa. In addition, the following words and phrases shall have the following meanings:

"Act" means Article 4 of Chapter 54 of Title 11 of the Code of Alabama 1975, as amended.

"Equipment" shall have the meaning assigned in Demising Clause III of Section 3.01 and shall include that certain machinery, equipment, personal property and fixtures generally described on Exhibit B hereto and any machinery, equipment, personal property and fixtures that under the terms hereof constitute a part of the Equipment.

"Financing Documents" means, together, this Lease Agreement, the Financing Agreement, the Bond, and the Negative Pledge and Assignment of Rents and Leases, each as, from time to time, modified, amended, restated, or supplemented.

"Negative Pledge and Assignment of Rents and Leases" shall mean that certain Negative Pledge and Assignment of Rents and Leases from Issuer to the Lender dated of even date herewith.

"Project" shall mean the Real Property, including the Project Site, the Improvements and the Equipment, acquired or to be acquired, constructed, equipped, owned or to be owned by the Issuer and to be leased to the Lessee pursuant hereto as a new research and development complex and related ancillary improvements or other purposes consistent with the provisions of Section 11-54-80 of the Code of Alabama 1975, et. seq, as such Real Property, Project Site, Improvements and Equipment may at any time exist, and all other property and rights referred to or intended so to be in Demising Clauses I through III, inclusive, of Section 3.01 hereof.

"Project Site" means the approximately 13.04 acres upon which the new research and development complex will be initially constructed, and which constitutes a part of the Project

Site.

"Project Supervisor (Issuer)" shall mean any one of [REDACTED] or [REDACTED], and any successor(s) thereto appointed by the Issuer in writing.

"Project Supervisor (Lessee)" shall mean any one of Mark Stirling or any other person so named by him as the Project Supervisor (Lessee) in a writing sent to the Issuer, and any successor(s) thereto appointed by the Lessee.

"Real Property" means the real property described on Exhibit A hereto.

#### **SECTION 1.02 Separability Clause**

If any provision in this Lease Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

#### **SECTION 1.03 Governing Law**

This Lease Agreement shall be construed in accordance with and governed by the laws of the State of Alabama.

#### **SECTION 1.04 Counterparts**

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

### **ARTICLE 2**

#### **ISSUANCE OF THE BOND; CONSTRUCTION AND ACQUISITION OF THE PROJECT**

##### **SECTION 2.01 Agreement to Issue Bond; Application of Bond Proceeds**

Concurrently with the execution of this Lease Agreement, the Issuer will issue, sell and deliver the Bond and will request Advances in order to provide funds for the payment of the costs of the Project.

##### **SECTION 2.02 Agreement to Construct and Acquire Project**

(a) The Issuer shall obtain all necessary governmental permits, licenses, certificates, authorizations and approvals necessary for the acquisition, construction and operation of the Improvements, and the Lessee shall reimburse the Issuer for the costs of all such governmental permits, licenses, certificates, authorizations and approvals through the payment of Additional Rent. When all necessary governmental permits, licenses, certificates, authorizations and approvals and all necessary approvals from the Issuer and the Lessee have been obtained, the

Issuer shall promptly begin construction of the Improvements and expects to complete said final construction by [October 31, 2025]. The Issuer agrees that such construction will be in accordance with the approved plans and specifications attached hereto as Exhibit C (the "Plans and Specifications"), the applicable laws of the City of Huntsville, Alabama, and the requirements of this Lease Agreement. The Issuer shall cause the Bond proceeds to be advanced for design, supervision, construction and acquisition of the Real Property, the Improvements and the Equipment by requesting Advances, in accordance with the requirements of the Financing Agreement, for the payment of costs of the Project at such times and in such amounts as shall be approved by the Lessee. To the extent any of these expenses have been advanced by the Issuer or the Lessee in furtherance of the Project, such expenses shall be reimbursed out of Bond proceeds to the party having advanced funds to pay for such expenses. The Improvements shall be constructed substantially in accordance with the Plans and Specifications and the drawings heretofore furnished to the Lessee. The Issuer and the Lessee, by the execution and delivery hereof, approve the Plans and Specifications and drawings for the Improvements. It is anticipated that the drawings and Plans and Specifications, including any site plan, may be changed prior to, or during, the construction of the Improvements and that such changes may be made only upon the approval, and in the sole discretion, of the Lessee; provided, such changes or amendments would not materially affect the utility of the Improvements for their intended use.

(b) All improvements which are hereafter built on the Real Property and the Project Site shall be subject to the prior written approval of the Issuer and the Lessee, which approval shall not be unreasonably withheld or delayed. No such buildings or improvements may be commenced until the Issuer and the Lessee have given such approval. The Lessee shall submit a preliminary set of plans and specifications for any such building or improvements (prepared by a registered architect) to the Issuer prior to the date upon which the Lessee wishes to commence construction of such additional building or other improvements. The Issuer shall not be liable in damages to the Lessee or any other party by reason of error or mistake in judgment or negligence of the Issuer arising out of, or in connection with, the approval or disapproval of such plans and specifications.

(c) The Bond proceeds shall be used solely for the payment of (i) costs of the Project, (ii) costs of issuing the Bond, and (iii) the other costs permitted in the Act and hereunder. The Issuer will cause the Project to be constructed with all reasonable dispatch and due diligence and will cause the Project to be placed in service as promptly as practicable in accordance with Section 2.02(a) hereinabove. The Issuer will not execute any contract or purchase orders for the Project without the prior written consent of the Lessee.

(d) The Issuer will make only such changes or amendments in the plans and specifications for the acquisition and construction of the Project as may be approved in writing by the Lessee.

(e) The Project Supervisor (Issuer) and the Project Supervisor (Lessee) are authorized to act for their respective party in any or all matters relating to the acquisition and construction of the Project and payments to be made from Advances. Either the Issuer or the Lessee may from time to time revoke, amend or otherwise limit the authorization of any agent appointed by such party to act on such party's behalf or designate another agent or agents to act on such party's



behalf, provided that there shall be at all times at least one agent authorized to act on behalf of the Lessee (the Project Supervisor (Lessee)), and at least one agent authorized to act on behalf of the Issuer (the Project Supervisor (Issuer)), with reference to all of the foregoing matters. The Project Supervisor (Issuer) at any time designated by the Issuer is hereby irrevocably appointed as agent for the Issuer to issue and execute, for and in the name and behalf of the Issuer and without any further approval of the board of directors of the Issuer or any officer, employee or other agent thereof, requests for Advances. The Project Supervisor (Lessee) at any time designated by the Lessee is hereby irrevocably appointed as agent for the Lessee to issue and execute, for and in the name and behalf of the Lessee and without any further approval of the board of trustees of the Lessee or any officer, employee or other agent thereof, requests for Advances.

(f) In the event the proceeds derived from the sale of the Bond are insufficient to pay in full all costs of the Project, the Lessee shall be obligated to complete the acquisition and construction of the Project at its own expense and the Lessee shall pay any such deficiency and shall save the Issuer whole and harmless from any obligation to pay such deficiency. The Lessee shall not by reason of the payment of such deficiency from its own funds be entitled to any diminution in the payment of Basic Rent hereunder.

### **SECTION 2.03 Completion of the Project**

(a) The completion of the Project shall be evidenced by a certificate signed by the Project Supervisor (Issuer) on behalf of the Issuer stating that (1) construction of the Project has been completed in accordance with the Plans and Specifications approved by the Issuer and the Lessee, (2) the Equipment has been acquired and installed in accordance with the Issuer's or the Lessee's instructions, (3) all costs of the Project have been paid, (4) all facilities and improvements necessary in connection with the Project have been acquired and installed and all costs and expenses incurred in connection therewith have been paid, and (5) the final certificate of occupancy has been issued. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against any vendor, contractor, subcontractor or other person not a party to this Lease Agreement which exist at the date of such certificate or which may subsequently come into being.

(b) After the delivery of the aforesaid certificate, any money then remaining in the Construction Fund shall be applied as provided in the Financing Agreement.

## **ARTICLE 3**

### **LEASE TERM AND RENTAL PAYMENTS**

#### **SECTION 3.01 Demising Clauses**

For and in consideration of the performance and observance by the Lessee of the agreements and covenants of this Lease Agreement to be performed and observed by the Lessee, the Issuer does hereby lease and demise to the Lessee, and the Lessee does hereby lease, take and hire from the Issuer, the following property:

I.  
(Real Property and Project Site)

The Real Property described on Exhibit A attached hereto and incorporated herein by reference, which Real Property includes as a part thereof the Project Site, and all other real property, or interests therein, together with all easements, permits, licenses, rights-of-way, contracts, leases, tenements, hereditaments, appurtenances, rights, privileges and immunities pertaining or applicable to said Real Property and the interests therein.

II.  
(Improvements)

All buildings, structures and other improvements now or hereafter constructed or situated on the Real Property, including without limitation all buildings, structures and other improvements constructed on the Real Property with proceeds of the Bond or with funds advanced or paid by the Lessee pursuant to this Lease Agreement (the "Improvements"). The Improvements shall initially consist of a building which shall contain approximately 50,911 square feet for use as a research and development facility.

III.  
(Equipment)

The machinery, equipment, personal property and fixtures described on Exhibit B attached hereto and all other machinery, equipment, personal property and fixtures acquired with the proceeds of the Bond, together with all personal property and fixtures acquired with the proceeds of the Bond in substitution therefor or as a renewal or replacement thereof (the "Equipment").

**SECTION 3.02      Lease Term**

The term of this Lease Agreement shall begin on the date of the delivery hereof and, unless renewed and extended in accordance with the terms of this Lease Agreement and the Financing Agreement or terminated as provided herein, shall continue until the earliest of (i) midnight of [\_\_\_\_\_, 2035], or (ii) the date of payment in full of the Bond.

**SECTION 3.03      Basic Rent**

(a) On or before each date on which Debt Service is due (each such date, a "Bond Payment Date"), until the principal of and interest on the Bond shall have been fully paid or provision for such payment shall have been made as provided in the Financing Agreement, the Lessee covenants and agrees to make rental payments to the Lender, for the account of the Issuer, in an amount equal to the amount payable on such Bond Payment Date as principal of and interest on the Bond (as may be adjusted pursuant to the terms of the Financing Agreement) ("Basic Rent"), whether coming due at maturity, upon redemption, acceleration or otherwise.

(b) Basic Rent shall be made in immediately available funds at the office of the Lender on the due date therefor.

(c) The Lessee shall have and is hereby granted the option to prepay Basic Rent in an amount sufficient to prepay the Bond in whole or in part in accordance with Section 3.4 of the Financing Agreement or to provide for payment of the Bond in accordance with Section 3.4 of the Financing Agreement.

#### **SECTION 3.04 Additional Rent**

Within 10 days after receipt by the Lessee of an invoice therefor, the Lessee shall make additional payments ("Additional Rent") to the Issuer for any amounts other than Basic Rent owed to Issuer hereunder or under any other Financing Documents and for the reasonable costs and expenses of the Issuer (including reasonable attorneys' fees and expenses) incurred or expected by the Issuer to be incurred (i) at the request of the Lessee, (ii) in the performance of the Issuer's duties under any of the Financing Documents, (iii) in connection with the Bond, the Improvements or the Financing Documents, (iv) in the pursuit of any remedies under the Financing Documents, or (v) in connection with any litigation or claims respecting the Improvements, the Financing Documents, the Bond, or any transactions contemplated thereunder. The obligation of the Lessee to pay Additional Rent as specified in this Section shall survive termination of this Lease Agreement.

#### **SECTION 3.05 Overdue Payments**

Any overdue Basic Rent shall bear interest from the related Bond Payment Date until paid at the rate determined under the Financing Agreement for overdue Debt Service (the "Post-Default Rate") on the Bond. Any overdue Additional Rent shall bear interest from the date due until paid at the Post-Default Rate for such Additional Rent specified in the Financing Agreement.

#### **SECTION 3.06 Unconditional Obligation of the Lessee**

The obligations of the Lessee to make the rental payments required in Section 3.03 and Section 3.04 and to perform and observe all other agreements contained herein shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach by the Issuer of any obligation to the Lessee, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to the Lessee by the Issuer, and, until such time as the principal of, premium, if any, and interest on the Bond shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Financing Agreement, the Lessee (i) will not suspend or discontinue any rental payments provided for in Section 3.03 or Section 3.04 hereof, (ii) will perform and observe all other agreements contained in this Lease Agreement and (iii) except as otherwise provided herein, will not terminate this Lease Agreement for any cause, including, without limiting the generality of the foregoing, failure of the Issuer to complete the acquisition, construction, improving and equipping of the Project, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, the taking by eminent domain of title to or temporary use

of any or all of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained, and in the event the Issuer should fail to perform any such agreement on its part, the Lessee may institute such action against the Issuer as the Lessee may deem necessary to compel performance so long as such action does not abrogate the obligations of the Lessee contained in the first sentence of this Section and any monetary recovery for the same is limited to the Issuer's interest in the Project as defined in the Financing Agreement as opposed to a general obligation of the Issuer.

#### **ARTICLE 4**

##### **CONCERNING THE BOND AND THE FINANCING AGREEMENT**

###### **SECTION 4.01      Assignment of Lease Agreement and Basic Rent by Issuer**

(a) Simultaneously with the delivery of this Lease Agreement, the Issuer shall, pursuant to the Financing Agreement, assign and pledge to the Lender all right, title and interest of the Issuer in and to the Basic Rent. The Lessee hereby consents to such assignment and pledge.

(b) Until all indebtedness of the Issuer at the time evidenced or secured by the Bond or the Financing Agreement or otherwise owed pursuant to the terms of the Financing Agreement ("Financing Agreement Indebtedness") has been paid in full, or provision for payment of which has been made under the Financing Agreement, the Lender may, pursuant to the assignment and pledge under the Financing Agreement, exercise all rights and remedies herein accorded to the Issuer, and any references herein to the Issuer shall be deemed, with the necessary changes in detail, to include the Lender; provided, however, that the Issuer shall retain the rights to receipt of Additional Rent and to reimbursement of expenses granted to it by this Lease Agreement.

###### **SECTION 4.02      Effect of Full Payment of Indebtedness**

If all Financing Agreement Indebtedness is paid in full prior to the expiration of the term of this Lease Agreement, and if the Lessee has not yet exercised its option under Section 8.03 hereof to purchase the Improvements, then the Lessee shall be entitled to the use and occupancy of the Improvements until the expiration of the term of this Lease Agreement without the payment of any further Basic Rent, but otherwise subject to all the terms and conditions hereof, except that the Lessee shall no longer be required to perform and observe the agreements and covenants of this Lease Agreement that are for the sole benefit of the Issuer or the Lender.

## **ARTICLE 5**

### **THE IMPROVEMENTS**

#### **SECTION 5.01 Possession and Use of Improvements**

(a) So long as no Lease Default exists, the Lessee shall be permitted to possess, use, manage, operate and enjoy the Improvements without hindrance on the part of the Issuer (or any party claiming by, through or under the Issuer), subject, however, to all of the terms and conditions of this Lease Agreement.

(b) The Issuer shall be permitted such possession of the Improvements as shall be necessary and convenient for it to satisfy its obligation to cooperate with the Lessee pursuant to the terms of this Lease Agreement.

#### **SECTION 5.02 Maintenance and Other Operating Expenses**

The Lessee will, at its own expense, (i) cause the Improvements to be maintained and kept in good condition, repair and working order, (ii) cause to be made all necessary repairs, renewals, replacements, betterments and improvements to the Improvements as may be necessary so that the operations carried on in connection therewith may be properly and advantageously conducted at all times, and (iii) pay all gas, electric, water, sewer and other charges for the operation, use and upkeep of the Improvements.

#### **SECTION 5.03 Taxes, Assessments, Etc.**

The Lessee will pay or cause to be paid as they become due and payable all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon the Improvements; provided, however, that the Lessee shall not be required to pay and discharge or cause to be paid and discharged any such tax, assessment or governmental charge to the extent that the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings and the Lessee shall have established and shall maintain adequate reserves on its books for the payment of the same.

#### **SECTION 5.04 Improvements, Alterations, Etc.**

The Lessee may, at its own expense, make changes, additions, improvements or alterations to the buildings, structures, equipment and other improvements constituting a part of the Improvements, provided that the Lessee determines, in its judgment, that such changes, additions, improvements or alterations are necessary or desirable in connection with the operations of the Lessee carried on at the Project Site. At the written request of the Lessee, the Issuer will enter into a contract for such changes, additions, improvements, or alterations, subject, however, to the requirements of Section 9.01 hereof.

#### **SECTION 5.05 Utility Easements**

The Issuer will, upon request of the Lessee, grant such utility and other similar easements over, across or under the Project Site or to real property adjacent to the Project Site that is owned

or leased by the Lessee as shall be necessary or convenient for the furnishing of utility and other similar services to the Improvements and the operations of the Lessee to be conducted thereat; provided, that such easements shall not, in the opinion of the Lessee, materially impair the use of the Improvements for the purposes for which the same is leased by the Lessee.

**SECTION 5.06      Transfer or Encumbrance Created by Issuer**

Without the prior written consent of the Lessee, the Issuer (i) will not sell, transfer or convey the Improvements or any part thereof, except as provided in this Lease Agreement, and (ii) will not create or incur or suffer or permit to be created or incurred or to exist any mortgage, lien, charge or encumbrance on the Improvements or any part thereof other than Permitted Encumbrances.

**SECTION 5.07      Assignment, etc. of Leasehold Interest**

The Lessee may assign its rights under this Lease Agreement or mortgage its leasehold interest in the Improvements or sublease the Improvements or any part thereof, subject to the following limitations:

- (1) prior to entering into any such assignment, mortgage or sublease, the Lessee shall obtain the written consent of the Lender;
- (2) no such assignment, mortgage or sublease shall permit or result in the use of the Improvements for any purpose that would not be permitted for facilities financed under the laws under which the Issuer was formed; and
- (3) within 30 days after the delivery of any such assignment, mortgage or sublease, the Lessee shall deliver a copy thereof to the Issuer and to the Lender.

**SECTION 5.08      Lessee's Personal Property and Fixtures**

(a) The Lessee may, at its own expense, install at the Project Site any personal property or fixtures which, in the Lessee's judgment, are necessary or desirable for the conduct of the operations carried on by the Lessee at the Project Site. Any such personal property or fixtures that are installed at the Lessee's expense and that do not constitute a part of the Improvements under the terms of this Lease Agreement shall be and remain the property of the Lessee and may be removed by the Lessee at any time; provided, that any damage to the Improvements occasioned by such removal shall be repaired by the Lessee at its own expense.

(b) If any personal property or fixtures described in subsection (a) of this Section are leased by the Lessee or the Lessee shall have granted a security interest in such property in connection with the acquisition thereof by the Lessee, then the lessor of such property or the party holding a security interest therein, as the case may be, may remove such property from the Project Site even though a Lease Default shall then exist or this Lease Agreement shall have been terminated following a Lease Default hereunder; provided, that the foregoing permission to remove shall be subject to the agreement by such lessor or secured party to repair at its own expense any damage to the Improvements occasioned by such removal.

**SECTION 5.09 Insurance**

(a) During the period of construction of the Improvements, the Issuer will keep the Project and the Project Site insured, in its own name, against such risks as are customarily insured against by organizations of like size and type or as otherwise reasonably required by the Lender and will cause the construction contractor to maintain builder's risk insurance with respect to the Project. The Lessee will at all times keep the Improvements insured, in its own name, against such risks as are customarily insured against by organizations of like size and type as the Lessee or as otherwise reasonably required by the Lender. Without limiting the generality of the foregoing, the Lessee shall maintain general liability insurance, or self-insurance, respecting the premises on which the Improvements are located. The costs of all such insurance premiums incurred by the Issuer shall be reimbursed by the Lessee through the payment of Additional Rent.

(b) All insurance required by subsection (a) of this Section shall be effected with responsible insurance carriers.

(c) The Lessee shall deposit with the Lender a certificate or certificates of the respective insurers and upon the expiration, cancellation or material amendment of any such policy, the Lessee shall furnish to the Lender evidence reasonably satisfactory to the Lender that such policy has been renewed or replaced by another party.

**SECTION 5.10 Damage and Destruction**

If no Lease Default shall have occurred and be continuing and the Improvements or any part thereof are damaged or destroyed by fire or other casualty:

(a) The Issuer shall have no responsibility or obligation to repair, rebuild, replace or restore the Improvements.

(b) The Lessee shall continue to pay Basic Rent and will promptly give written notice of such damage and destruction to the Issuer and the Lender.

(c) All net proceeds of insurance from claims for such losses shall be deposited into the Construction Fund, whereupon (i) the Lessee, or the Issuer at the Lessee's direction, shall proceed to promptly repair, rebuild or restore the property damaged or destroyed to substantially the same condition in which it existed prior to the event causing such damage or destruction, with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Lessee and as will not impair the character of the Improvements as a "project" under the Act, and (ii) the Issuer, or the Lessee at the Issuer's direction, shall cause withdrawals to be made from the Construction Fund to pay the costs of repair, rebuilding or restoration, either on completion thereof or as the work progresses. The balance of any net proceeds remaining after the payment of all of the costs of such repair, rebuilding or restoration shall be applied to the redemption of the outstanding principal amount of the Bond in accordance with the provisions thereof and the Financing Agreement, or, if the Bond is no longer outstanding, shall be paid to the Lessee.



(d) In the event that the net proceeds of insurance are not sufficient to pay in full the costs of repairing, rebuilding or restoring the Improvements as provided in this Section, the Lessee shall nonetheless complete the work thereof and shall pay that portion of the costs thereof in excess of the amount of said proceeds to the Lender, for deposit into the Construction Fund. The Lessee shall not by reason of payment of such excess costs be entitled to any reimbursement from the Issuer or any abatement or diminution of the Basic Rent owed hereunder.

(e) Anything in this Section to the contrary notwithstanding, if the Improvements or any part thereof shall have been damaged or destroyed (A) to such extent that, in the opinion of the Lessee, it cannot be reasonably restored within a period of six consecutive months substantially to the condition thereof immediately preceding such damage or destruction, or (B) to such extent that, in the opinion of the Lessee, the Lessee is thereby prevented from carrying on its normal operations at the Improvements for a period of six consecutive months, or (C) to such extent that the costs of restoration thereof would exceed by more than \$100,000 the net proceeds of the insurance carried thereon pursuant to the requirements of this Agreement, then neither the Lessee nor the Issuer shall be required to repair, rebuild or restore the property damaged or destroyed, and so much of any net proceeds referable to such damage or destruction as shall be necessary to provide for full payment of all amounts owed to the Lender under the Financing Agreement shall be paid to the Lender and applied to the obligations of the Issuer and the Lessee under the Financing Agreement, and the excess remaining thereafter (if any) shall be paid to the Lessee; provided, however, if the net proceeds referable to any such damage or destruction shall not be sufficient to provide for full payment of all amounts owed to the Lender under the Financing Agreement, any remaining amounts shall be paid in full by the Lessee pursuant to the terms hereof.

If a Lease Default has occurred and is continuing, then all net proceeds of insurance resulting from the damage or destruction of the Project (in whole or in part) shall be applied to the prepayment of the outstanding principal of and interest on the Bond in accordance with the terms thereof.

Notwithstanding the foregoing, nor any other provision of this Lease, pursuant to Section 3.06 hereof, the obligations of the Lessee to make the rental payments required in Section 3.03 and 3.04 shall be absolute and unconditional regardless of damage or destruction by fire or other casualty until all payment obligations under the Financing Agreement have been satisfied.

#### **SECTION 5.11      Condemnation**

If no Lease Default shall have occurred and be continuing, then the following provisions shall apply in event of any taking by eminent domain of the Project (in whole or in part):

(a) In the event that title to, or the temporary use of, the Project or any part thereof shall be taken under the exercise of the power of eminent domain and as a result thereof, in the opinion of the Lessee, the Lessee is thereby prevented from carrying on its normal operations at the Project for a period of six consecutive months, so much (which may be all) of the net proceeds referable to such taking, including the amounts awarded to the Issuer and the amount awarded to the Lessee for the taking of all or any part of the leasehold estate of the Lessee in the Project created by this Lease Agreement, as shall be necessary to provide for full payment of the



payment obligations under the Financing Agreement shall be paid to the Lender and the excess of such net proceeds remaining (if any) shall be paid to the Lessee; provided, however, if the net proceeds referable to any such taking shall not be sufficient to provide for full payment of all amounts owed to the Lender under the Financing Agreement, any remaining amounts shall be paid in full by the Lessee pursuant to the terms hereof.

(b) If Section 5.11(a)(1) is inoperative, the Lessee shall be obligated to continue to pay the Basic Rent and the entire net proceeds hereinabove referred to shall, be paid to the Lender and applied in one or more of the following ways as shall be directed in writing by the Lessee:

(1) To the restoration of the remaining improvements located on the Project Site to substantially the same condition in which they existed prior to the exercise of the power of eminent domain;

(2) To the acquisition, by construction or otherwise, by the Issuer of other lands or improvements suitable for the Lessee's operations at the Project, which land or improvements shall be deemed a part of the Project and available for use and occupancy by the Lessee without the payment of any Basic Rent payments other than that herein provided to the same extent as if such land or other improvements were specifically described herein and demised hereby, and which land or improvements shall be acquired by the Issuer subject to no liens or encumbrances.

(c) Any balance of such net proceeds remaining after the application thereof as provided in subsection (b) of this Section shall be applied to the redemption of the Bond in accordance with the terms thereof, or, if the payment obligations under the Financing Agreement have been paid in full, shall be paid to the Lessee; provided, however, if the net proceeds referable to any such taking shall not be sufficient to provide for full payment of all amounts owed to the Lender under the Financing Agreement, any remaining amounts shall be paid in full by the Lessee pursuant to the terms hereof.

(d) The Issuer shall cooperate fully with the Lessee in the handling and conduct of any prospective or pending condemnation proceeding with respect to the Project or any part thereof and shall, to the extent it may lawfully do so, permit the Lessee to litigate in any such proceeding in the name and behalf of the Issuer. In no event shall the Issuer settle, or consent to the settlement of, any prospective or pending condemnation proceeding without the prior written consent of the Lessee and the Lender.

(e) The Lessee shall be entitled to the net proceeds of any award or portion thereof made for damage to or taking of its own property not included in the Project, provided that any net proceeds resulting from the taking of all or any part of the leasehold estate of the Lessee in the Project created by this Lease Agreement shall be paid and applied in the manner provided in this Section 5.11.

If a Lease Default has occurred and is continuing, then all net proceeds of condemnation awards resulting from condemnation of the Project (in whole or in part) shall be applied to the

prepayment of the outstanding principal of and interest on the Bond in accordance with the terms thereof.

Notwithstanding the foregoing, nor any other provision of this Lease, pursuant to Section 3.06 hereof, the obligations of the Lessee to make the rental payments required in Section 3.03 and 3.04 shall be absolute and unconditional regardless of any taking by eminent domain until all payment obligations under the Financing Agreement have been satisfied.

## **ARTICLE 6**

### **REPRESENTATIONS AND COVENANTS**

#### **SECTION 6.01 General Representations of Lessee**

The Lessee makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) It is a public corporation and instrumentality of the State of Alabama.

(b) It has the power to consummate the transactions contemplated by the Financing Documents to which it is a party.

(c) By proper action it has duly authorized the execution and delivery of the Financing Documents to which it is a party and the consummation of the transactions contemplated therein. When executed and delivered by the parties thereto, the Financing Documents to which it is a party will constitute valid and binding agreements of the Lessee and will be enforceable against the Lessee in accordance with their respective terms.

(d) No event has occurred and no condition exists which would constitute a Lease Default or which, with the passing of time or with the giving of notice or both, would constitute a Lease Default.

(e) This Lease Agreement and the Financing Agreement are legal, valid and binding obligations of the Lessee, enforceable in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

(f) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Lease Agreement or the other Financing Documents to which Lessee is a party or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Lease Agreement or the other Financing Documents to which Lessee is a party or any other transaction of Lessee which is similar hereto

or would materially and adversely affect any of the transactions contemplated by this Lease Agreement or the other Financing Documents to which Lessee is a party.

The Lessee covenants and agrees to operate or cause the operation of the Improvements as a "project" under Section 11-54-80 of the Code of Alabama 1975, as amended, until the principal of and the interest on the Bond shall have been paid in full.

**SECTION 6.02        Representations of the Issuer**

(a)     The Issuer is a public corporation under the laws of the State of Alabama with lawful power and authority to (1) issue and deliver the Bond pursuant to the Financing Agreement for the purposes stated therein, (2) execute and deliver the Financing Documents to which it is a party, and (3) consummate the transactions contemplated by, and perform its obligations under, the Financing Documents to which it is a party.

(b)     The Issuer has taken all necessary action to make the Financing Documents to which it is a party and the Bond a valid special obligation of the Issuer payable solely out of certain amounts payable hereunder, and when executed and delivered by the parties thereto, the Financing Documents to which it is a party and the Bond will constitute valid and binding agreements of the Issuer and will be enforceable against the Issuer in accordance with their respective terms.

(c)     The officers of the Issuer executing the Bond, this Lease Agreement and the Financing Agreement and any related documents have been duly authorized to issue the Bond and to execute and deliver this Lease Agreement and the Financing Agreement and such related documents under the terms and provisions of a resolution of Issuer's governing body, or by other appropriate official action.

(d)     The Bond, this Lease Agreement and the Financing Agreement are legal, valid and binding obligations of Issuer, enforceable in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization, or other laws of general application relating to or affecting the enforcement of creditors' rights.

(e)     The Issuer owns a fee simple interest in the Real Property, which is located wholly within the corporate limits of the City of Huntsville, Alabama.

(f)     The Improvements will consist of those capital improvements described in Exhibit C.

**SECTION 6.03        Further Assurances by Lessee and Issuer**

(a)     The Lessee will do, execute, acknowledge and deliver such further reasonable acts, conveyances, financing statements and assurances as the Issuer or the Lender shall require for accomplishing the purposes of the Financing Documents.

(b) The Lessee will cause this instrument, any amendments to this Lease Agreement and other instruments of further assurance, including financing statements, memorandum of lease and continuation statements, to be promptly recorded, registered and filed, and at all times to be kept recorded, registered and filed in such places as may be required by law fully to preserve and protect the rights of the Issuer to all property comprising the Improvements. The Issuer shall cooperate with the Lessee in connection with the foregoing.

#### **SECTION 6.04 Inspection of Records**

The Lessee will at any and all times, upon the prior written request of the Issuer or the Lender, permit the Issuer or the Lender by their representatives to inspect the Improvements and any books, records, reports and other papers of the Lessee relating to the Improvements, and to make copies therefrom, and will afford and procure a reasonable opportunity to make any such inspection, and the Lessee will furnish to the Issuer any and all information as the Issuer or the Lender may reasonably request with respect to the performance by the Lessee of its covenants in this Lease Agreement.

#### **SECTION 6.05 Release of Issuer and Lender**

The Lessee releases the Issuer and the Lender from and covenants and agrees that the Issuer and the Lender shall not be liable for any loss or damage to property or any injury to or death of any person that may be occasioned on account of any defect in the Project or its actions at the Project. Notwithstanding the fact that it is the intention of the parties hereto that the Issuer and the Lender shall not incur any pecuniary liability by reason of the terms of this Lease Agreement or the undertakings required of the Issuer or the Lender hereunder, by reason of the issuance of the Bond, by reason of the execution of the Financing Agreement or by reason of the performance of any act requested of the Issuer or the Lender by the Lessee, including all claims, liabilities or losses arising in connection with the violation of any statute or regulation pertaining to the foregoing; nevertheless, if the Issuer or the Lender should incur any such pecuniary liability, then in such event and to the extent permitted by applicable law, the Lessee shall be responsible and liable for all claims, demands or causes of action whatsoever by the Issuer or the Lender arising out of the same, along with all costs and expenses incurred by the Issuer or the Lender in connection with any of the foregoing.

### **ARTICLE 7**

#### **EVENTS OF DEFAULT; REMEDIES**

##### **SECTION 7.01 Events of Default**

Any one or more of the following shall constitute an event of default (a "Lease Default") under this Lease Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of Basic Rent or Additional Rent when such Basic Rent or Additional Rent becomes due and payable; or

(2) default in the performance, or breach, of any covenant or warranty of the Lessee in this Lease Agreement (other than a covenant or warranty, a default in the performance or breach of which is elsewhere in this Section specifically dealt with), and the continuance of such default or breach for a period of 30 days unless additional time is reasonably required to cure such default or breach, so long as the Lessee is reasonably diligent in curing the same in which case such cure period shall be extended for a reasonable time thereafter after there has been given, by registered or certified mail, to the Lessee and the Lender by the Issuer a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder; or

(3) an Act of Bankruptcy of the Lessee; or

(4) the occurrence of an event of default, as therein defined, under any other Financing Document, and the expiration of the applicable grace period, if any, specified therein.

#### **SECTION 7.02 Remedies on Default**

If a Lease Default occurs and is continuing, the Issuer (or the Lender, as provided in Section 5.01) may exercise any of the following remedies:

(1) declare all installments of Basic Rent for the remainder of the term of this Lease Agreement to be immediately due and payable in an amount not to exceed the outstanding principal amount of the Bond, plus the interest accrued thereon to the date of such declaration;

(2) reenter the Project, without terminating this Lease Agreement, and, upon 60 days' prior written notice to the Lessee, relet the Improvements or any part thereof for the account of the Lessee, for such term (including a term extending beyond the term of this Lease Agreement) and at such rentals and upon such other terms and conditions, including the right to make alterations to the Improvements or any part thereof, as the Issuer may deem advisable, and such reentry and reletting of the Improvements shall not be construed as an election to terminate this Lease Agreement nor relieve the Lessee of its obligations to make payments required by this Lease Agreement and to perform and observe any of its other agreements and covenants under this Lease Agreement, all of which shall survive such reentry and reletting, and the Lessee shall continue to make all payments required by this Lease Agreement until the end of the term of this Lease Agreement, less the net proceeds, if any, of any reletting of the Improvements after deducting all of the Issuer's expenses in connection with such reletting, including, without limitation, all repossession costs, brokers' commissions, attorneys' fees, alteration costs and expenses of preparation for reletting;

(3) so long as the Bond is outstanding, terminate this Lease Agreement, exclude the Lessee from possession of the Improvements not earlier than 60 days after

such termination and, if the Issuer or the Lender elects so to do, lease the same for the account of the Issuer, holding the Lessee liable for all payments due under this Lease Agreement up to the date such lease is made for the account of the Issuer; and

(4) take whatever legal or equitable proceedings may appear necessary or desirable to collect the payments under this Lease Agreement then due, whether by declaration or otherwise, obtain exclusive possession of the Project, and/or to enforce any obligation or covenant or agreement of the Lessee under this Lease Agreement or by law.

**SECTION 7.03 No Remedy Exclusive**

No remedy herein conferred upon or reserved to the Issuer or the Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall, to the extent permitted by law, be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

**SECTION 7.04 Agreement to Pay Attorneys' Fees and Expenses**

If the Lessee should default under any of the provisions of this Lease Agreement and the Issuer or the Lender should employ attorneys or incur other expenses for the collection of payments due under this Lease Agreement or the enforcement of performance or observance of any agreement or covenant on the part of the Lessee herein contained, the Lessee will on demand therefor pay to the Issuer or the Lender (as the case may be) the reasonable fees and expenses of such attorneys and such other expenses so incurred.

**SECTION 7.05 No Additional Waiver Implied by One Waiver**

In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

**SECTION 7.06 Remedies Subject to Applicable Law**

All rights, remedies and powers provided by this Article may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Lease Agreement invalid or unenforceable.

## **ARTICLE 8**

### **OPTIONS**

#### **SECTION 8.01      Option to Terminate**

The Lessee shall have the option to cancel or terminate this Lease Agreement at any time after the Bond has been fully paid, by giving the Issuer notice in writing of such termination. Such termination shall become effective 10 days after such notice is given.

#### **SECTION 8.02      Option to Renew**

The Lessee shall not have the right or option to renew the term of this Lease Agreement for an additional term without the consent of the Issuer.

#### **SECTION 8.03      Option to Purchase Project**

At such time as no Lease Default exists and all principal of and interest on the Bond is fully paid, the Lessee shall have the option to purchase the Project for a purchase price of \$100.00 at any time after the Bond has been fully paid. Such option may be exercised by the Lessee prior to the termination of this Lease Agreement and following the full payment of all principal of and interest on the Bond upon written notice to the Issuer. Such option shall be deemed automatically exercised on the date of termination of this Lease Agreement (provided the principal of and interest on the Bond is paid in full) unless the Lessee notifies the Issuer in writing that it does not intend to exercise such option. The closing for such purchase shall take place on (i) a Business Day designated by the Lessee that is not less than seven (7) days from the date of such notice, or the date of termination of this Lease Agreement, as the case may be, or (ii) such other date as shall be mutually acceptable to the Issuer and the Lessee.

#### **SECTION 8.04      Conveyance on Exercise of Option to Purchase**

Upon the exercise of any option to purchase granted herein, the Issuer will deliver to the Lessee a statutory warranty deed and/or bill of sale conveying to the Lessee the property with respect to which such option was exercised, as such property then exists, subject to the following: (i) all rights, if any, required to be reserved by the Issuer under the terms and provisions of the option being exercised by the Lessee; (ii) those liens and encumbrances, if any, to which title to said property was subject when conveyed to the Issuer; (iii) those liens and encumbrances created by the Lessee or to the creation or suffering of which the Lessee consented; and (iv) those liens and encumbrances resulting from the failure of the Lessee to perform or observe any of the agreements or covenants on its part contained in this Lease Agreement. All such conveyance documents shall be prepared at the expense of the Lessee.



**ARTICLE 9**

**MISCELLANEOUS**

**SECTION 9.01 Issuer's Liabilities Limited**

(a) The covenants and agreements contained in this Lease Agreement shall never constitute or give rise to a personal or pecuniary liability or charge against the general credit of the Issuer, and in the event of a breach of any such covenant or agreement, no personal or pecuniary liability or charge payable directly or indirectly from the general assets or revenues of the Issuer shall arise therefrom. Nothing contained in this Section, however, shall relieve the Issuer from the observance and performance of the covenants and agreements on its part contained herein.

(b) No recourse under or upon any covenant or agreement of this Lease Agreement shall be had against any past, present or future incorporator, officer or member of the governing body of the Issuer, or of any successor corporation, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Lease Agreement is solely a corporate obligation, and that no personal liability whatever shall attach to, or is or shall be incurred by, any incorporator, officer or member of the governing body of the Issuer or any successor corporation, or any of them, under or by reason of the covenants or agreements contained in this Lease Agreement.

(c) The liability of the Issuer for the payment of any money due under any contract or purchase order entered into by it, or for any other costs incurred in connection with the acquisition, construction, installation or improvement of, or other work on, the Improvements shall be limited solely to (i) the available proceeds of the Bond, if and when issued for Project costs, (ii) any money made available to the Issuer for such purpose by the Lessee, and (iii) any revenues or other receipts derived by the Issuer from the Improvements, subject to prior encumbrances and in no event consisting of Additional Rent or payments respecting reimbursement of the Issuer.

**SECTION 9.02 Corporate Existence of Issuer**

The Issuer shall not consolidate with or merge into any other corporation or transfer its property substantially as an entirety, except as provided in the Financing Agreement.

**SECTION 9.03 No Warranty**

THE LESSEE IS LEASING THE PROJECT FROM THE ISSUER "AS IS", "WHERE IS" AND "WITH ALL FAULTS." THE ISSUER MAKES NO WARRANTY OR REPRESENTATION AS TO THE PROJECT, EITHER EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE PROJECT, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO THE DESIGN, WORKMANSHIP, OPERATION, CONDITION, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, FREEDOM FROM CLAIMS OF INFRINGEMENT. THE LESSEE WAIVES,



RELEASES, RENOUNCES, AND DISCLAIMS EXPECTATION OF OR RELIANCE ON ANY SUCH REPRESENTATIONS OR WARRANTIES.

**SECTION 9.04 Issuer and Lessee Representatives**

Whenever under the provisions of this Lease Agreement the approval of the Issuer or the Lessee is required or the Issuer or the Lessee is required to take some action at the request of the other, such approval or such request shall be given for the Issuer by its Project Supervisor (Issuer), as appropriate, and for the Lessee by its Project Supervisor (Lessee).

**SECTION 9.05 Notices**

(a) Any request, demand, authorization, direction, notice, consent, or other document provided or permitted by this Lease Agreement to be made upon, given or furnished to, or filed with, the Issuer, the Lessee or the Lender must (except as otherwise expressly provided in this Lease Agreement) be in writing and be delivered by one of the following methods: (i) by personal delivery at the hand delivery address specified pursuant to Section 12.7 of the Financing Agreement, (ii) by first-class, registered or certified mail, postage prepaid, addressed as specified pursuant to Section 12.7 of the Financing Agreement, or (iii) if facsimile transmission facilities for such party are identified in Section 12.7 of the Financing Agreement or pursuant to a separate notice from such party, sent by facsimile transmission to the number specified in Section 12.7 of the Financing Agreement or in such notice. Any of such parties may change the address for receiving any such notice or other document by giving notice of the change to the other parties named in this Section.

(b) Any such notice or other document shall be deemed delivered when actually received by the party to whom directed (or, if such party is not an individual, to an officer, partner or other legal representative of the party) at the address or number specified pursuant to this Section, or, if sent by mail, 3 days after such notice or document is deposited in the United States mail, addressed as provided above.

**SECTION 9.06 Successors and Assigns**

Neither party may assign this Lease Agreement without the prior written consent of the other party. All covenants and agreements in this Lease Agreement by the Issuer or the Lessee shall bind their respective successors and assigns, whether so expressed or not.

**SECTION 9.07 Benefits of Lease Agreement**

Nothing in this Lease Agreement, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, and the Lender, any benefit or any legal or equitable right, remedy or claim under this Lease Agreement.

**SECTION 9.08 Complete Agreement**

This Lease Agreement contains the complete agreement and understandings of the parties hereto. Neither party has made any representations or promises, except as contained herein, or in some further writings, signed by the party making such representation or promise. No waiver of

any breach of covenant herein shall be construed as a waiver of the covenant itself or any subsequent breach thereof.

**SECTION 9.09        Amendments, Changes and Modifications**

Except as provided in this Lease Agreement or the Financing Agreement, subsequent to the initial issuance of the Bond and prior to their payment in full, or provision for such payment having been made as provided in the Financing Agreement, this Lease Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the Lender.

**SECTION 9.10        Term of the Agreement**

This Lease Agreement shall be in full force and effect from the date hereof and shall continue in effect as long as the Bond remains outstanding.

**SECTION 9.11        Absolute Net Lease**

This Agreement shall be deemed an "absolute net lease," and the Lessee shall pay the Rentals and other amounts specified herein, without abatement, deduction or set-off.

**SECTION 9.12        Hazardous Materials**

(a) For the purposes hereof, the term "Hazardous Materials" shall include, without limitation, hazardous or toxic substances, wastes, or materials, including oil and petroleum derivatives and products, asbestos, lead paint, radon, mercury containing light fixtures and polychlorinated biphenyls (PCBs) and PCB containing equipment and biohazardous waste, or medical waste.

(b) The Lessee covenants that, except as herein set forth, it will not generate, use, store or dispose of any Hazardous Materials in, on or from the Project Site. Notwithstanding any provision of this Lease to the contrary, the Issuer agrees that the Lessee may use household and commercial cleaners and chemicals to maintain the Project.

(c) If, at any time during the term of this Lease, Hazardous Materials shall be found in or on the Project Site, then the Lessee shall remove or remediate same to the extent required by all laws, statutes, ordinances, and regulations regarding Hazardous Materials (herein collectively, "Environmental Laws"), and in compliance with such Environmental Laws, and at the Lessee's sole cost and without an abatement of Basic Rent or other charges.

(d) The Lessee's obligations pursuant to this Article shall survive any expiration and/or termination of this Lease.

**SECTION 9.13        Exemption**

Notwithstanding any other provisions of this Lease Agreement, Lessee does not release

or waive, expressly or by implication, its right to assert sovereign immunity or any other affirmative or defensive claim it may have under law.

**IN WITNESS WHEREOF**, the Issuer and the Lessee have caused this instrument to be duly executed and their respective corporate seals to be hereunto affixed and attested.

**THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF HUNTSVILLE**

By: \_\_\_\_\_  
Chairman of its Board of Directors

[S E A L]

Attest: \_\_\_\_\_  
Its Secretary

**AUBURN UNIVERSITY**

By: \_\_\_\_\_  
Senior Vice President of Business and  
Administration & Chief Financial Officer

Attest:

By: \_\_\_\_\_  
Secretary of its Board of Trustees

STATE OF ALABAMA     )  
                                     :  
MADISON COUNTY        )

I, \_\_\_\_\_, a Notary Public in and for said County in said State, hereby certify that \_\_\_\_\_, whose name as Chairman of the Board of Directors of THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF HUNTSVILLE, a public corporation, 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 said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the \_\_\_\_ day of \_\_\_\_\_, 2024.

[NOTARIAL SEAL]

\_\_\_\_\_  
Notary Public

My Commission Expires:\_\_\_\_\_

STATE OF ALABAMA     )  
                                     :  
LEE COUNTY                )

I, \_\_\_\_\_, a Notary Public in and for said County in said State, hereby certify that Kelli D. Shomaker, whose name as Senior Vice President of Business and Administration & Chief Financial Officer of AUBURN UNIVERSITY, a public corporation and instrumentality of the State 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 said instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

**Description of Real Property**

**EXHIBIT B**

**Description of Equipment**



**EXHIBIT C**

**Plans and Specifications**



AUBURN  
UNIVERSITY

FACILITIES MANAGEMENT  
M E M O R A N D U M

TO: CHRISTOPHER B. ROBERTS, President  
THROUGH: KELLI D. SHOMAKER, Senior V.P. Business and Administration and Chief Financial Officer  
FROM: STEVEN TAYLOR, SENIOR V.P. RESEARCH AND ECONOMIC DEVELOPMENT  
MARK STIRLING, Director of Real Estate  
SUBJECT: JOINT PROPERTY AND FACILITIES COMMITTEE AND FINANCE COMMITTEE

**AUBURN UNIVERSITY APPLIED RESEARCH LABORATORY  
HUNTSVILLE, ALABAMA. APPROVAL OF LEASE AGENTS, FINANCING  
AND ADVANCE AGREEMENT, AND RELATED AGREEMENTS**

DATE: OCTOBER 30, 2024

I am writing to request that the following item be added to the Board of Trustees' agenda for consideration at the **November 15, 2024** meeting.

**Proposal:**

It is requested that the Lease and Finance Agreement with the Huntsville Industrial Development Board for a new Auburn University Applied Research Laboratory in Huntsville, Alabama be submitted to the Board of Trustees for approval through the joint Property and Facilities and Finance Committees.

**Review and Consultation:**

Auburn University's 2024 Strategic Plan outlines key goals and commitments designed to increase Auburn University's research-based educational programming. As indicated in the plan, Auburn's academic, research, outreach and extension activities continue to provide valuable resources to the state in the form of interdisciplinary activities and unique community partnerships.

In Spring of 2022 Auburn University purchased the Logixcore Facility in Cummings Research Park (CRP) in Huntsville, AL and opened the Auburn University Research and Innovation Campus (AURIC) in Huntsville. The following year the University created the Applied Research Institute (ARI), based out of AURIC, to further the strategic goal of doubling its research program. The Huntsville area provides key opportunities for Auburn University to expand due to the presence of the Redstone Arsenal, NASA, numerous Department of Defense agencies, and a multitude of private sector partners with research and development needs.

Since its creation, ARI has grown its research program in key areas such as advanced manufacturing for aviation and missile systems, design for additive manufacturing, Army Pathfinder program, and radiation hardening testing for spaceflight hardware, and this has led to the acquisition of research equipment with needs beyond what AURIC can provide. This equipment includes items such as a Big Area Additive Manufacturing (BAAAM) printer, an EOS M-400 metal 3D printer for rapid prototyping, and a cyclotron (planned purchase) for radiation hardening research, each of which have unique site, operational and security needs. With this growth, there is a need for additional research space and Auburn University is seeking a solution to meet this immediate need and the project schedules required by our sponsors, while also creating a phased approach to accommodate future research endeavors.

The City of Huntsville Industrial Development Board (the "Huntsville IDB") has actively worked with staff

to locate a site and develop a building to lease to AU for the Auburn University Applied Research Laboratory. University representatives have visited Huntsville over the past three months to evaluate potential sites and discuss the Huntsville IDB's plan to design, build, and lease a facility to Auburn University. The proposed site is located in Cummings Research Park, on Mark C. Smith Boulevard, on a 14.5-acre parcel roughly a mile from the AURIC facility.

Similar to facilities Auburn University has leased from the City of Auburn Industrial Development Board, The Huntsville IDB will finance and develop the new research facility on a parcel of real property owned by the Huntsville IDB (the "Project Site"). Under a Financing and Advance Agreement between Auburn University, the Huntsville IDB, and an affiliate of Regions Bank (the "Lender"), the Lender would advance of funds, up to approximately \$18.0 million (the "Loan") to the Huntsville IDB, to cover the costs of the Project Site and the costs of developing, constructing and equipping the new research facility (such facility, together with the Project Site, the "Project"). At all times the Project would be leased by the Huntsville IDB, as lessor, to Auburn University, as Lessee, under a Lease Agreement (the "Lease"). Per the Lease, there would be an unconditional obligation of Auburn University to make basic rental payments equal to maturing installments of principal and interest on the Loan owed to the Lender ("Basic Rent Payments"). As evidence of the obligation to pay principal and interest on the Loan, the Huntsville IDB would issue a limited obligation revenue bond to the Lender payable solely out of Basic Rent Payments. Auburn University would also be obligated for payment and performance of all other obligations respecting the Project, such as maintenance, operational costs, insurance costs, etc. At no time would the Huntsville IDB have any obligation to make payments on the Loan. The sole source of payment and collateral for the Loan would be Basic Rent Payments made by Auburn University under the Lease.

During the construction period, the Loan would bear interest at a variable rate. Following that construction period, the total of all advances (representing principal on the Loan) would be payable, along with interest calculated at a fixed rate, for a period of approximately ten (10) years. Such payments would be made on a monthly basis. At such time as all principal and interest on the Loan has been paid (*i.e.*, through Basic Rent Payments made by Auburn University under the Lease), then Auburn University would have the right to purchase the Project for nominal consideration (e.g., \$100.00).

**Recommendation:**

We request that the Board of Trustees of Auburn University authorize and empower Christopher B. Roberts, President, or such person as may be acting as President be and the same, to take such action as is necessary and desirable to complete the design, construction, and leasing of a suitable facility in Huntsville, Alabama for the Auburn University Applied Research Laboratory, including approval of the Lease, the Financing and Advance Agreement and all other documents and instruments in connection therewith. All documents consummating the Financing and Advance Agreement, the Lease and the other instruments and agreement shall be reviewed, as to form, by General Counsel for Auburn University.

**Executive Committee**

Chairperson Dumas reported that the single item presented to the Executive Committee was a list of proposed awards and namings. Chairperson Dumas moved for approval of the item. The motion was seconded by Mr. Pratt, and the resolutions were approved by a voice vote.

The following resolutions were approved:



EXECUTIVE COMMITTEE

RESOLUTION

NAMING THE INSTRUCTIONAL COMPUTER LABORATORY  
IN THE COLLEGE OF EDUCATION AS THE  
ELIZABETH GREGORY ST. JEAN INSTRUCTIONAL COMPUTER LABORATORY

November 15, 2024

WHEREAS, Elizabeth (Beth) Gregory St. Jean was born in Birmingham, Alabama and graduated with a Bachelor's degree in Elementary Education from Auburn University in 1970 and a Master's degree in Curriculum and Instruction from the University of Houston in 1973; and

WHEREAS, Beth has 30 years of classroom experience, specializing in gifted education, ESL, reading, social studies, and special education, she has been recognized with numerous awards and honors throughout her career, including Who's Who in American Education, the International Educator to Japan Award, and the World Finalist/Sponsor of the Odyssey of the Mind Creativity Team; and

WHEREAS, in retirement she served as the President of the Cobb-Marietta Retired Educator's Association, a reading coordinator, and co-authored a teacher's guide for Warner Books, Beth also served on the National Alumni Council for the Auburn University College of Education; and

WHEREAS, Beth has a passion for our natural resources and gardening, in 2011 she founded the Chattahoochee National Parks Conservancy, has served as the President of the Georgia Master Gardener's Association, and at the age of 74 received a Harrison Fellowship to attend the University of Virginia's Historic Landscape Institute in Charlottesville; and

WHEREAS, Beth exemplifies the Auburn Creed, professionally and personally, in that she believes "in education, which gives me the knowledge to work wisely and trains my mind and my hands to work skillfully".

NOW, THEREFORE, BE IT RESOLVED that the Instructional Computer Laboratory in the College of Education be named the Elizabeth Gregory St. Jean Instructional Computer Laboratory in recognition of her generous support of Auburn University and the College of Education.

EXECUTIVE COMMITTEE

RESOLUTION

NAMING THE INSTRUCTIONAL COUNSELING LABORATORY  
IN THE COLLEGE OF EDUCATION AS THE  
GLENDA FAYE EARWOOD INSTRUCTIONAL COUNSELING LABORATORY

November 15, 2024

WHEREAS, Dr. Glenda Earwood was a first generation college student from Birmingham, AL. She received her bachelor's degree and master's degree in education from Auburn University and her doctorate degree from Florida State University; and

WHEREAS, Dr. Earwood made significant contributions to higher education and student services through her dedicated career, including her tenure as Dean of Student Services at Southeast Missouri State University; and

WHEREAS, she served with distinction for over 18 years as the Executive Director of Alpha Lambda Delta Honor Society, becoming only the third person to hold this prestigious position in the society's 90-year history; and

WHEREAS, she played a key role in advocating for and effecting change in women's rights, contributing significantly to the advancement of gender equality; and

WHEREAS, Dr. Earwood dedicated 10 years of service on the Girl Scouts board, helping to shape the organization's policies and programs, she authored numerous publications, secured grants, and received awards and research recognition focused on students' perceptions, student affairs, and student satisfaction, thereby enriching the field of educational research; and

WHEREAS, she exemplifies the Auburn Creed, professionally and personally, in that, "I believe that this is a practical world and that I can count only on what I earn. Therefore, I believe in work, hard work. I believe in education, which gives me the knowledge to work wisely and trains my mind and my hands to work skillfully".

NOW, THEREFORE, BE IT RESOLVED that the Instructional Counseling Laboratory in the College of Education be named the Glenda Faye Earwood Instructional Laboratory in recognition of her generous support for Auburn University and the College of Education.

EXECUTIVE COMMITTEE

RESOLUTION

NAMING THE ACADEMIC AND RESEARCH FACILITY  
FOR THE COLLEGE OF HUMAN SCIENCES AS THE  
BARBARA DRUMMOND THORNE ACADEMIC AND RESEARCH FACILITY

November 15, 2024

WHEREAS, Auburn University and the College of Human Sciences have initiated a project to construct a facility to co-locate related disciplines from current buildings on campus, and provide a newly constructed home for operations that will also house classrooms, laboratories, studios and gallery space; and

WHEREAS, Barbara Drummond Thorne graduated from Auburn University in 1958 with a Bachelor of Science degree in Home Economics; and

WHEREAS, the study of home economics at Auburn University evolved from a program, to a school and ultimately into the College of Human Sciences, with nationally ranked and recognized programs in three departments, one school, and other programmatic areas of study and research; and

WHEREAS, Barbara reconnected with her alma mater after raising four children and became engaged with the College of Human Sciences, its Harris Early Learning Center and founding of the Women's Philanthropy Board among other areas of interest; and

WHEREAS, Barbara's daughters Beth Thorne Stukes, Rebecca (Becky) Thorne Carroll, and Barbara (Babs) Thorne Anderson followed their mother's engagement with the College of Human Sciences, in addition to active involvement across Auburn University; and

WHEREAS, Beth, Becky and Babs wish to honor their mother's legacy as an alumna of Auburn University and the program that evolved into the College of Human Sciences through a leadership gift to support the construction of a new academic and research facility.

NOW, THEREFORE, BE IT RESOLVED that the Academic and Research Facility for the College of Human Sciences be named the Barbara Drummond Thorne Academic and Research Facility in her honor and in recognition of her daughters' generous support of the College of Human Sciences and Auburn University.

EXECUTIVE COMMITTEE

RESOLUTION

NAMING THE STUDIO THEATRE MAIN ENTRANCE  
AT THE JAY AND SUSIE GOGUE PERFORMING ARTS CENTER AS  
THE ROSEMARY AND JOEY PIERSON STUDIO THEATRE MAIN ENTRANCE

November 15, 2024

WHEREAS, Joey Pierson graduated in 1986 from Auburn University with a Bachelor of Science in Business Administration-Accounting Concentration; and

WHEREAS, Upon graduating from Auburn, Joey joined Arthur Young (now Ernst & Young) as a staff accountant in the audit division where he spent almost 15 years practicing both audit and tax; and

WHEREAS, In 2001, Joey joined Tacala, LLC, the largest Taco Bell franchisee in the country as Chief Financial Officer. Backed by a private equity firm, he and his management team bought out Tacala's founders in 2012 with Joey serving as Co-CEO and CFO of the company. To date, Tacala has over 330 Taco Bell locations in the Southeast and Texas; and

WHEREAS, Rosemary moved to Auburn in 1999 and spent 10 years supporting Auburn Athletics as a coach's wife. With a heart for helping others, she is a devoted community volunteer and supports many philanthropic causes in Auburn and across the state; and

WHEREAS, Joey and Rosemary married in October 2021. Joey has a daughter and son, Abby and Nathan. Rosemary has four daughters, Bently, Dillan, Sydney (deceased), and Lucy Gran; and

WHEREAS, This generous gift is to celebrate Rosemary's deep love for the performing arts and its extraordinary impact on Auburn students and the community.

NOW, THEREFORE, BE IT RESOLVED that the name Rosemary and Joey Pierson shall be placed on the Studio Theatre Main Entrance at the Jay and Susie Gogue Performing Arts Center at Auburn University in recognition of their generous support of Auburn University and the performing arts.



EXECUTIVE COMMITTEE

RESOLUTION

NAMING THE BOX OFFICE  
AT THE JAY AND SUSIE GOGUE PERFORMING ARTS CENTER AS  
THE JIM AND SUSAN MCKEE BOX OFFICE

WHEREAS, James “Jim” McKee received a Bachelor of Science degree in Industrial Management from Auburn University while Susan McKee worked for the City of Auburn; and

WHEREAS, Jim embarked on a 41-year career with the Federal Reserve Bank of Atlanta, focusing on operations management, bank financial services, and payment technologies. In 2014, he retired as Senior Vice President; and

WHEREAS, Jim served on the Harbert College of Business Advisory Council from 2005 to 2014, and is active as an *Emeritus* member. Jim also participated as a mentor to students under the Harbert College of Business; and

WHEREAS, Jim and Susan are Life Members of the Auburn Alumni Association as well as members of the Foy Society, 1856 Society and the Harbert College of Business Shareholders’ Club; and

WHEREAS, Jim and Susan have been long-time supporters of Auburn University and have supported the Gogue Center since the original capital campaign; and

WHEREAS, Jim and Susan have been loyal patrons of the Gogue Center and continue to invest in its mission through their generous support of the Ham Amphitheatre, the new Studio Theatre, creating an endowment and their annual sponsorship.

NOW, THEREFORE, BE IT RESOLVED that the Box Office at the Jay and Susie Gogue Performing Arts Center be named the Jim and Susan McKee Box Office in recognition of their generous support of Auburn University and the performing arts.

President *Pro Tempore* Riggins then indicated that with there being no further items for review, the meeting was recessed at 10:15 a.m.

Respectfully Submitted,

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Jon G. Waggoner  
Secretary to the Board of Trustees

## RESOLUTION

### AWARDING OF DEGREES

WHEREAS, Auburn University confers appropriate degrees upon those individuals who have completed requirements previously approved by this Board of Trustees and stated in University Catalogs.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That all degrees to be awarded by the faculty of Auburn University and Auburn University at Montgomery at the end of the Spring 2025 semester, complying with the requirements heretofore established by the Board of Trustees, be and the same are hereby approved.
2. That a list of the degrees awarded be filed and maintained in the records of the University and hereby made an official part of this resolution and of these minutes.