

USF FINANCING CORPORATION

MINUTES OF SPECIAL MEETING

BOARD OF DIRECTORS

February 7, 2023

A special meeting of the Board of Directors of the USF Financing Corporation was held on February 7, 2023 as a Microsoft Teams virtual meeting at the University of South Florida, 4202 E. Fowler Avenue, CGS 402, Tampa, Florida, pursuant to the Corporation's Bylaws, for the purpose of authorizing the modification of the variable rate index on the Series 2012B Certificates of Participation from LIBOR to SOFR as a substitute rate and for the transaction of any other business that may properly come before the Board.

The meeting was held pursuant to Notice duly provided on January 24, 2023. A copy of the meeting Notice is attached to these minutes.

The meeting was called to order by Chair Simmons at 2:00 p.m.

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

Mr. Andrew J. Mayts
Mr. Jose E. Valiente
Mr. Richard J. Sobieray
Ms. Linda O. Simmons
Ms. Erin S. Aebel

The following persons were also present:

Mr. Fell L. Stubbs, Executive Director
Ms. Hilary Black, Senior Associate General Counsel
Ms. Dawn M. Rodriguez, Assistant Treasurer
Ms. Virginia Kalil, Chief Internal Auditor
Ms. Mary K. Benton, Assistant Director

Call to Order
and Roll Call

Public Comments Subject
to Procedure for
Appearances before the
Board of Directors

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

Resolution: Authorize the
Modification of the Variable
Rate Index on the Series
2012B Certificates of
Participation from LIBOR to
SOFR as a Substitute Rate

Chair Simmons asked Mr. Stubbs to introduce the resolution. Mr. Stubbs introduced and presented Resolution No. FC 02-07-23 in detail, which authorizes the use of the SOFR index as an alternate index in replacement of the LIBOR index that will cease to be published as of June 30, 2023, the execution and delivery of a Third Amendment to the Series 2012B Supplemental Trust Agreement, the reissuance of the Original Series 2012B Certificates, and the execution and amendment of the Swap to provide for the use of the SOFR index. Mr. Stubbs noted that Public Financial Management, Inc (PFM) was engaged on February 6 to serve as a qualified independent representative related to amending the existing interest rate swap agreement with Royal Bank of Canada.

Mr. Valiente asked what drove the change in index from LIBOR to SOFR. Mr. Stubbs noted that the LIBOR index has a history of controversy involving fines and class-action lawsuits. U.S. regulators stepped in and are requiring that the LIBOR index no longer be used as a benchmark for setting interest rates on different financial products. LIBOR is being replaced by the SOFR index that is set by the Federal Reserve Bank of New York, which allows for greater confidence in use as a pricing benchmark for trading derivatives like swaps. Mr. Stubbs emphasized that an estimated \$300 trillion in derivatives are transitioning from using the LIBOR index.

Mr. Stubbs added that we successfully negotiated with the bank holding the Series 2012B COPs to maintain the existing spread at 73 basis points. SOFR has lower trading costs, and despite the swap counterparty, Royal Bank of Canada,

charging a small hedging cost to the Corporation, the net result will be a slight benefit of 8.2 basis points. If approved, this transaction will close well in advance of the June 30, 2023 deadline when LIBOR will be discontinued.

Chair Simmons asked if there were any other questions from the Board. Hearing none, Chair Simmons requested a motion to authorize Resolution No. FC 02-07-23 authorizing the modification of the variable rate index on the Series 2012B Certificates of Participation from LIBOR to SOFR as a substitute rate. The motion was duly made and seconded, and the following was unanimously approved:

RESOLVED, Resolution FC 02-07-23, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of the meeting.

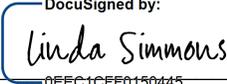
Other Business

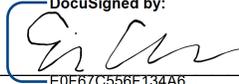
Chair Simmons asked if there were any other items for the Board's consideration. Mr. Stubbs stated that he expects a special board meeting to be called in April or early May to appoint the independent auditor, approve the Corporation's annual financial plan, consider a potential bond refunding for debt service savings, and consider a possible debt issuance to finance the USF Stadium Project.

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

Adjournment

There being no further business to come before the Board, the meeting was adjourned on motion duly made and carried at 2:22 p.m.

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Linda O. Simmons, Chair

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Erin S. Aebel, Secretary/Treasurer