

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Addition of Stephen F. Austin State University to the Revenue Financing System

August 25, 2023

The following information is being provided by the Board of Regents (the “Board”) of The University of Texas System (the “University System”) as voluntary disclosure and not as a disclosure required by its continuing disclosure undertakings made pursuant to the requirements of SEC Rule 15c2-12 (the “Rule”).

Capitalized terms used in this notice and not otherwise defined herein shall have the meanings ascribed to them in the Board’s Official Statement, dated June 1, 2023, relating to the Board’s Revenue Financing System Bonds, Series 2023A (the “2023A Official Statement”). The 2023A Official Statement is available online for viewing and download on the MSRB’s Electronic Municipal Market Access system (“EMMA”) via the MSRB’s internet website, <https://emma.msrb.org>. The 2023A Official Statement should not be considered to speak as of any date other than the dates indicated in the document.

Senate Bill 1055 (“SB 1055”), enacted by the 88th Texas Legislature, Regular Session and effective as of May 10, 2023, provides for the transfer of Stephen F. Austin State University in Nacogdoches, Texas to the University System. SB 1055 created “Stephen F. Austin State University, a member of The University of Texas System” (“SFA”) as a new university within the University System with Permanent University Fund eligibility and provided that the existing SFA institution will be abolished on September 1, 2023 (the “Transfer Date”). On the Transfer Date, the Board will be automatically substituted for the Board of Regents of the existing SFA institution in all of its contracts and other obligations. Additionally, all admitted or enrolled students of the existing SFA institution are automatically entitled to admission at SFA on the Transfer Date. Pursuant to SB 1055, the Board assumed the management and control of the existing SFA institution effective on July 28, 2023, to facilitate all matters related to the transfer.

The full text of SB 1055 is available online at the following website: <https://capitol.texas.gov/tlodocs/88R/billtext/pdf/SB01055F.pdf>.

On August 24, 2023, the Board adopted the Thirty-Eighth Supplemental Resolution to the Master Resolution (the “Thirty-Eighth Supplement”) which added SFA as a Member of the Financing System under the terms of the Master Resolution effective as of the Transfer Date. All references to the terms “Member” and “Member of the Financing System” in the Thirty-Eighth Supplement and in the Master Resolution include SFA as of the Transfer Date. Accordingly, the Board is authorized to issue Parity Debt on behalf of SFA on and after the Transfer Date.

As provided in SB 1055, the Board becomes the successor to the obligations of existing SFA institution on the Transfer Date, and the outstanding secured obligations thereof constitute Prior

Encumbered Obligations as of the Transfer Date in accordance with Section 2(b) of the Master Resolution. A schedule of such Prior Encumbered Obligations is attached hereto as Exhibit A.

In accordance with SB 1055 and the Thirty-Eighth Supplement, the Revenue Funds attributable to SFA automatically become part of Pledged Revenues on the Transfer Date subject only to the superior lien thereon securing the Prior Encumbered Obligations.

More information about SFA, including its operations, finances and obligations, can be found on EMMA under the CUSIP prefix 858620.

This notice speaks only as of its date. This notice is not made in connection with a purchase or sale of securities and accordingly is not intended to contain all information material to a decision to purchase or sell obligations of the Board secured by Pledged Revenues. In providing this notice the Board makes no representation with respect to the materiality of the information herein to any investor. The Board makes no commitment to provide any notice (advance or otherwise) of any amendment, modification, redemption, cancellation or other event or circumstance with respect to the information contained in this filing except as may otherwise be required pursuant to its existing continuing disclosure undertakings pursuant to the Rule.

EXHIBIT A
OUTSTANDING PRIOR ENCUMBERED OBLIGATIONS OF
STEPHEN F. AUSTIN STATE UNIVERSITY

<u>Prior Encumbered Obligation</u>	<u>Amount Outstanding as of September 1, 2023</u>
Revenue Financing System Revenue Refunding Bonds, Series 2013	\$ 3,455,000
Revenue Financing System Revenue Refunding Bonds, Series 2015	15,355,000
Revenue Financing System Revenue Refunding and Improvement Bonds, Series 2016	41,685,000
Revenue Financing System Revenue Bonds, Series 2019A	90,140,000
Revenue Financing System Revenue Bonds, Taxable Series 2019B	13,195,000
Revenue Financing System Refunding Bonds, Series 2020	15,230,000
Equipment Lease Purchase dated as of December 4, 2014	<u>6,433,520</u>
	\$ 185,493,520