

**UNIVERSITY OF SOUTH ALABAMA
BOARD OF TRUSTEES**

Executive Committee

**September 26, 2023
10:00 a.m.**

A meeting of the Executive Committee of the University of South Alabama (USA) Board of Trustees was duly convened by Ms. Arlene Mitchell, Chair *pro tempore*, on Tuesday, September 26, 2023, at 10:04 a.m. in the Board Room at the USA Health office building located at 207 North Catherine Street. Meeting attendance was open to the public.

Members: Alexis Atkins, Arlene Mitchell, Jimmy Shumock and Jim Yance were present, and Tom Corcoran, Steve Furr and Lenus Perkins participated remotely.

Other Trustees: Ron Jenkins and Bill Lewis.

Administration & Guests: Jo Bonner, Kristin Dukes, Monica Ezell, Bill Grete, Andi Kent, Colin Luke (Holland & Knight), John Marymont, Kristen Roberts and Christina Wassenaar (Faculty Senate).

Chair Mitchell called the meeting to order and thanked everyone for their participation. Following the attendance roll call, **Item 1**, Chair Mitchell called for consideration of the revised agenda, **Item 1.A**. On motion by Mr. Yance, seconded by Mr. Shumock, the Committee voted unanimously to adopt the revised agenda.

Regarding **Item 2**, a report on the closing of the Providence Hospital acquisition, Chair Mitchell called on Provost Kent, who yielded to President Bonner for initial remarks. President Bonner discussed the journey leading to the acquisition of Providence Hospital and its assets and said the guidance received from the leadership of USA Health and from external counsel throughout the process had been extraordinary. He stated the purpose of the meeting was to update the Committee on the impending closing transaction and have the Committee provide final authorization. Provost Kent commented on the excitement concerning the transition demonstrated during a Providence Hospital Foundation Board meeting earlier in the morning. She called on Mr. Bill Grete, USA Health Chief Legal Counsel, who, along with Mr. Colin Luke of the firm Holland & Knight, presented the particulars of the resolutions proposed for the Committee's consideration, as well as of the asset purchase agreement scheduled to close on October 1, 2023, and answered questions.

Chair Mitchell thanked everyone involved for their efforts that led the acquisition of Providence Hospital to fruition, asserting that this endeavor was a positive move for USA Health and the City of Mobile. She called for consideration of **Item 3** as follows. On motion by Mr. Shumock, seconded by Ms. Atkins, the Executive Committee voted unanimously to approve the resolutions:

**RESOLUTIONS OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTH ALABAMA**

WHEREAS, the Board of Trustees ("Board") of the University of South Alabama ("USA") previously adopted resolutions approving an "Expansion Project" that consists of the purchase of the assets of Providence Hospital and related assets pursuant to an Asset Purchase Agreement dated April 18, 2023, by and between the University of South Alabama Health Care Authority ("Authority") and Gulf Coast Health System ("Purchase Agreement"); and

WHEREAS, the Board of Directors of the Authority previously approved the purchase of substantially all of the assets of that certain acute care hospital known as Providence Hospital located in Mobile, Alabama, as well as certain specified related assets, in a transaction anticipated to close on or about October 1, 2023, (the "Transaction") and entered into the Purchase Agreement to effectuate the Transaction; and

WHEREAS, following the execution of the Purchase Agreement, the Authority determined to assign certain rights and interests under the Purchase Agreement to USA and to USA's wholly owned subsidiary USA HealthCare Management, LLC ("USA Management"); and

WHEREAS, the Executive Committee of the Board now desires to ratify and confirm the original approval of the USA Board regarding the Expansion Project and specifically approve the acceptance of the assignment of certain rights and interests by USA and its wholly owned subsidiary, USA Management, and to authorize the officers of USA, as set forth herein, to execute and deliver any and all documents, certificates, and other ancillary items on behalf of USA and USA Management to effectuate the closing of the Transaction and to authorize the undertaking of ancillary actions related to the Transaction and the operation and use of the assigned assets following the closing of the Transaction;

NOW, THEREFORE, BE IT RESOLVED, that the Executive Committee of the Board hereby adopts the following resolutions:

RESOLVED, that the Executive Committee of the Board hereby ratifies, confirms and approves the closing of the Transaction and the entry into the assignment and assumption agreements and pledge agreements effectuating the assignment by the Authority of certain assets thereunder to USA and USA Management; and

FURTHER RESOLVED, that the Executive Committee of the Board specifically authorizes the assumption of the assigned rights, assets and liabilities described below under the Purchase Agreement in accordance with those certain Partial Assignments and Assumptions of the Asset Purchase Agreement between the Authority and each of USA and USA Management, as consented to by Gulf Coast Health System on behalf of itself and each member of the Seller Group (as defined in the Purchase Agreement):

- To **University of South Alabama**, conveyance of: (i) real property and all real estate assets; (ii) all furniture, fixtures and equipment; and (iii) licenses, permits, accreditations, registrations and other approvals necessary to operate the ancillary related healthcare delivery businesses, including outpatient clinics, medical office buildings, physician offices and related properties, facilities, equipment and assets, but specifically excluding the retail pharmacy known as Ascension Rx 1400; and

- To **USA HealthCare Management, LLC**, conveyance of all employment agreements for individuals currently employed by the Seller Group, except for those employees with visas or other immigration approvals which the Assignor determines in its sole discretion to retain as employees of the Assignor; and

FURTHER RESOLVED, that the President of USA, Jo Bonner, and the Secretary of the Board, Lenus Perkins (the "Authorized Officers"), whether acting individually or together, be, and each of them hereby is, authorized and directed, in the name and on behalf of USA and its subsidiary USA Management, to prepare, execute and deliver any and all documents necessary to effectuate the closing of the Transaction and foregoing described assignments and related pledge agreements; and

FURTHER RESOLVED, that the Authorized Officers are authorized and directed to take such further actions and to execute such documents as they believe to be necessary or desirable to fully implement the above resolutions and to operate and use the assigned assets following the closing of the Transaction; and

FURTHER RESOLVED, that any actions taken by any Authorized Officer prior to the date hereof which would have been authorized hereby except that such actions occurred prior to such date be, and each hereby is, ratified, confirmed, approved and adopted; and,

FURTHER RESOLVED, that the Executive Committee of the Board hereby approves the adoption of these resolutions effective as of September 26, 2023.

There being no further business, the meeting was adjourned at 10:16 a.m.

Attest to:



Lenus M. Perkins, Secretary

Respectfully submitted:



Arlene Mitchell, Chair *pro tempore*