
AGENCY: South Carolina State University and Department of Administration, Executive Budget Office

SUBJECT: South Carolina State University – New Residence Hall

The Authority is asked to approve the establishment of Phase II full construction budget to finance the new construction of a 400-500 bed student housing facility to be located on the campus of South Carolina State University. The new residential facility will include an exercise room, computer lab, study area, and small canteen and refreshment area. This Phase will be funded from revenue bonds and student housing improvement funds.

The Authority is further asked to adopt a resolution making provision for the borrowing of not exceeding \$60,000,000 under the Higher Education Revenue Bond Act and Part D of the Title III of the Higher Education Act of 1965.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the borrowing of not exceeding \$60,000,000 under the Higher Education Revenue Bond Act and Part D of the Title III of the Higher Education Act of 1965 and approve the Phase II full construction budget to finance the new construction of a 400-500 bed student housing facility to be located on the campus of South Carolina State University.

ATTACHMENTS:

1. Agenda Item Worksheet for the Permanent Improvement Project
2. Debt Summary
3. Opinion Letter to SFAA
4. SFAA Resolution
5. Bond Resolution and Exhibits
6. Bond Transmittal Form
7. September 8, 2025, Transmittal Letter from Gary T. Pope, Jr.

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 10/14/2025

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
(b) Authorized Official Signature:


Kevin Etheridge, Executive Budget Office

2. Subject: South Carolina State University – New Student Residence Hall

3. Summary Background Information:

Project: South Carolina State University
H24.9668: New Student Residence Hall

Request: Establish Phase II Full Construction Budget to construct a residence hall.

Included in CPIP: Yes – 2024 CPIP Priority 1 of 1 in FY28 (estimated at \$15,000,000)
Phase I Approval: October 2024 (estimated at \$40,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Revenue Bonds				50,000,000	50,000,000
Other, Student Housing Improvement	400,000		400,000	(400,000)	
All Sources	<u>400,000</u>		<u>400,000</u>	<u>49,600,000</u>	<u>50,000,000</u>

Summary of Work: The new residential facility will accommodate 400 to 500 students, and will include an exercise room, computer lab, study area and small canteen and refreshment area. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The university has taken off-line and/or demolished seven (7) residential halls due to health and safety concerns. Per the university, due to the increase in enrollment there is an urgent need for additional housing to address the needs of the student body. Currently, the university is only able to provide on-campus housing for 45% of the student body. The other 55% of the student body is forced to seek housing accommodations in the Orangeburg area.

Facility Characteristics: The new residence hall will be a five-story 88,700 square foot building. The facility will be constructed at the rear of campus, at the corner of Buckley and Naylor Street. The current enrollment mix of students is approximately 60% females and 40% males (currently the university has more housing spaces for females). The facility will reflect the housing needs based on the gender mix of the student population (anticipated mix will be 50% males and 50% females). Creating a flexible co-ed living and learning environment is the intent of the university. The new facility will provide housing for 400 to 500 students.

Financial Impact: This phase of the project will be funded from Revenue Bonds to be issued. The project is expected to result in an increase of \$249,800 (years 1 thru 3), in annual operating expenditures. The building will be constructed to meet Two Green Globes certification standards with an anticipated energy savings of \$2,237,760 over 30 years. A portion of tuition is designated for capital improvements, currently \$838 per student per semester, and has decreased from \$1,154 between academic years 2020-2021 to 2024-2025. \$350 of the \$838 will now be pledged for debt service. The balance of the fee, \$488 per student, per semester will be used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$50,000,000 funded from Revenue Bond Funds. Contract execution is expected in March 2026 and completion of construction in May 2027.

4. What is the Authority asked to do? Consider approval of the Permanent Improvement Project establish Phase II request.

5. What is recommendation of the submitting agency involved? The items are complete and ready for SFAA review.

6. Private Participant Disclosure – Check only one:

- ☒ No private participants will be known at the time the Authority considers this agenda item.
- ☐ A Private Participant Disclosure form has been attached for each private participant. As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)?

- (a) Authorized Signature: _____
- (b) Office Name: _____

8. List of Supporting Documents:

- | |
|---|
| 1. Permanent Improvement New Student Residence Hall |
| 2. Bond Information Report |

9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.

South Carolina State University Bond Information Report

Prepared in Connection with the Proposed Authorization of Not Exceeding \$60,000,000 Aggregate Principal Amount Borrowing of South Carolina State University Under the Higher Education Revenue Bond Act

New Residence Hall Project

Amount and Type of Bond. South Carolina State University (the “University”) is seeking review by the Joint Bond Review Committee and approval by the South Carolina State Fiscal Accountability Authority for the borrowing of not exceeding \$60,000,000 under the Higher Education Revenue Bond Act (the “2025 Borrowing”), the proceeds of which may be applied: (i) to pay the costs of the Project (as defined below), (ii) to fund the various funds and accounts described in the loan agreement, and (iii) to pay the costs of issuance incurred in connection with the 2025 Borrowing. The Project is defined to include the construction of a 400-500 bed residence hall.

Revenues Pledged to Pay the 2025 Borrowing. The 2025 Borrowing is payable from, and is secured by a pledge of, the net revenues of the auxiliary facilities of the University (the “Pledged Revenues”). Currently, the only auxiliary facilities operated by the University include food service facilities, bookstore facilities, parking facilities and student housing facilities. Under the loan documents governing the 2025 Borrowing, including an indenture of trust, the University must ensure Pledged Revenues are sufficient to produce Net Income Available for Debt Service at least equal to 120% of maximum annual debt service on all applicable debt outstanding. Pledged Revenues for the fiscal year ended June 30, 2025, totaled \$5,153,000.¹ The estimated debt service requirements on all proposed debt of the University to be incurred under the Higher Education Revenue Bond Act are attached as Exhibit A. The University has no existing or previously authorized debt incurred under the Higher Education Revenue Bond Act. Exhibit B reflects estimated maximum annual debt service of \$5,967,888 in the fiscal year ending June 30, 2037, and a debt service coverage ratio of 2.32 to 2.74 (excluding years of much higher coverage when interest is capitalized or when a debt service reserve fund is released) over the course of the 2025 Borrowing.

New Revenue Generation. Pledged Revenues for Fiscal Year ended June 30, 2025, of \$5,153,000 are currently unpledged and unencumbered. The completion of the Project is expected to result in additional Net Student Housing Revenues estimated to total \$4 million in fiscal year ending June 30, 2028, growing to approximately \$5.2 million by fiscal year ending June 30, 2035. Should the Joint Bond Review Committee and State Fiscal Accountability Authority approve the revision to the scope of the Truth Hall Renovation Project, that project is expected to contribute additional Pledged Revenues of approximately \$3.6 million. Annual adjustments to existing fees are contemplated as described in the footnotes to Exhibit B.

Other Funds Available to Pay Loans. While the University intends to pay debt service on the 2025 Borrowing from the above-recited sources, the University could identify “any other available funds” under Section 59-147-110 of the Higher Education Revenue Bond Act to assist in the repayment of the 2025 Borrowing.² Such funds do not constitute a portion of the Pledged

¹ Preliminary and unaudited.

² Such designation would require Board of Trustees, JBRC, and SFAA approval.

Revenues that secure the 2025 Borrowing, and totaled \$21,771,281 for Fiscal Year ended June 30, 2024. State appropriations and student tuition and fees pledged to the payment of State Institutions Bonds are not and may not be designated as such additional funds.

Special Student Fees. No Credit of the State. No Mortgage. As described above under “New Revenue Generation” and shown in Exhibit B the University plans to revise existing student rates and charges for the use of its Auxiliary Facilities in connection with the 2025 Borrowing. Neither the full faith and credit of the University nor the State of South Carolina has been pledged to the payment of the 2025 Borrowing. Further, no mortgage or lien has been or will be given on any real property of the University.

Prepared August 19, 2025, following August 19, 2025 Joint Bond Review Committee Meeting.

Exhibit A

South Carolina State University Higher Education Revenue Bonds - Debt Service

Fiscal Year	Existing Debt Service	Debt Service On Proposed Truth Hall Bonds*	Debt Service on Proposed Borrowing			Total Composite Debt Service
			Principal	Interest	Capitalized Interest and DSRF Release**	
6/30/2026	\$ -	\$ 7,297	\$ -	\$ 109,433	\$ (72,948)	\$ 43,782
6/30/2027	-	187,638	-	2,814,000	(1,875,812)	1,125,825
6/30/2028	-	187,638		2,814,000	(1,875,812)	1,125,825
6/30/2029	-	994,735	2,184,000	2,788,697	-	5,967,432
6/30/2030	-	994,005	2,288,000	2,685,048	-	5,967,053
6/30/2031	-	994,314	2,396,000	2,576,498	-	5,966,812
6/30/2032	-	994,591	2,510,000	2,462,813	-	5,967,404
6/30/2033	-	994,766	2,629,000	2,343,710	-	5,967,476
6/30/2034	-	994,815	2,754,000	2,218,956	-	5,967,771
6/30/2035	-	994,668	2,884,000	2,088,293	-	5,966,961
6/30/2036	-	995,278	3,021,000	1,951,439	-	5,967,717
6/30/2037	-	994,576	3,165,000	1,808,089	-	5,967,664
6/30/2038	-	994,536	3,315,000	1,657,915	-	5,967,451
6/30/2039	-	994,090	3,472,000	1,500,612	-	5,966,702
6/30/2040	-	994,166	3,636,000	1,335,876	-	5,966,042
6/30/2041	-	993,671	3,810,000	1,163,331	-	5,967,002
6/30/2042	-	994,558	3,990,000	982,555	-	5,967,113
6/30/2043	-	994,686	4,180,000	793,220	-	5,967,906
6/30/2044	-	995,009	4,378,000	594,880	-	5,967,888
6/30/2045	-	994,455	4,585,000	387,160	-	5,966,615
6/30/2046	-	363,354	4,803,000	169,590	(3,157,890)	2,178,055
Totals	\$ -	\$ 17,652,843	\$ 60,000,000	\$ 35,246,116	\$ (6,982,463)	\$ 105,916,496

* Subject to JBRC review and SFAA approval; net of capitalized interest and release of DSRF in FY46

** Capitalized interest through FY28; DSRF release in FY46

Exhibit B

South Carolina State University Higher Education Revenue Bonds - Coverage

Fiscal Year	Composite Debt Service	FY25 Auxiliary Net Revenues*	Coverage Ratio	Pro Forma Net		Total Pro Forma Net Revenue	Pro Forma Coverage Ratio
			Based on FY25 Auxiliary Net Revenues	Revenues - Truth Hall and Existing**	Pro Forma Net Revenues - New Residence Hall***		
6/30/2026	\$ 43,782	\$ 5,153,000	117.70	\$ 636,429	\$ -	\$ 5,789,429	132.23
6/30/2027	1,125,825	5,153,000	4.58	3,598,029	-	8,751,029	7.77
6/30/2028	1,125,825	5,153,000	4.58	3,860,566	3,998,143	13,011,709	11.56
6/30/2029	5,967,432	5,153,000	0.86	4,130,979	4,557,359	13,841,338	2.32
6/30/2030	5,967,053	5,153,000	0.86	4,409,504	4,528,833	14,091,338	2.36
6/30/2031	5,966,812	5,153,000	0.86	4,696,385	4,664,698	14,514,084	2.43
6/30/2032	5,967,404	5,153,000	0.86	4,991,873	4,804,639	14,949,512	2.51
6/30/2033	5,967,476	5,153,000	0.86	5,296,225	4,948,779	15,398,003	2.58
6/30/2034	5,967,771	5,153,000	0.86	5,609,707	5,097,242	15,859,949	2.66
6/30/2035	5,966,961	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2036	5,967,717	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2037	5,967,664	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2038	5,967,451	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2039	5,966,702	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2040	5,966,042	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2041	5,967,002	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2042	5,967,113	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2043	5,967,906	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2044	5,967,888	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2045	5,966,615	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2046	2,178,055	5,153,000	2.37	5,932,594	5,250,159	16,335,754	7.50

* Unaudited, preliminary.

** Assumes Truth Hall comes back online in Fiscal Year 2027, closure of Earle Hall in Fiscal Year 2029, 5% increases in parking fees through 2035, 5% increase in bookstore revenues through 2032, and 3% inflation adjustments in housing through 2035.

*** Assumes New Residence Hall comes online in Fiscal Year 2028 with 3% inflationary increases through 2035.



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201

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September 8, 2025

Mr. Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
South Carolina State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, South Carolina 29201

Re: Not Exceeding \$60,000,000 Aggregate Principal Amount Borrowing of South Carolina State University Under the Higher Education Revenue Bond Act

Dear Delbert:

On behalf of South Carolina State University (the "University"), in connection with the approval of the above-captioned borrowing (the "2025 Borrowing"), and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting scheduled for October 14, 2025, we respectfully enclose the following for consideration by the Authority:

1. A copy of a bond resolution adopted by the Board of Trustees of South Carolina State University on August 5, 2025, authorizing the 2025 Borrowing;
2. A proposed form of opinion of Pope Flynn, LLC, as Bond Counsel to the University;
3. An executed opinion of Pope Flynn, LLC, relating to the sufficiency of the proceedings and information submitted to the Authority in connection with its consideration of the approval of the 2025 Borrowing;
4. A Debt Summary Report;
5. A proposed form of resolution of the Authority (an electronic copy is being provided contemporaneously with this letter); and
6. An executed Bond Transmittal form.

The University will provide the Office of State Treasurer with copies of the Bond Counsel Selection Form and the New Debt Information Form (NDIF) – Initial Form contemporaneously with this submission. Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,

A handwritten signature in blue ink, appearing to read "G. Pope, Jr.", is written over the typed name.

Gary T. Pope, Jr.

c: Dr. Gerald Hubbard Smalls, Vice President of Finance and Administration/CFO, South Carolina State University
Jackie D. Hipes, Director, Debt Management Division, Office of State Treasurer
Enclosures



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 10/14/25

Final Version Date: 00/00/00

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H24 Issuer: South Carolina State University Series: 2025
Borrower (if not Issuer):
Bond Caption: Rice Capital Access Program, LLC Future Advance Proj. Funding Bond, Series A 2025 (SC State Univ.)
Bond Resolution Amount: \$60,000,000 Est. Production/Par Amt: \$57,760,000

(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)

Submitted By:

Final Production/Par Amt: \$0.00

ENTITY: South Carolina State University
BY: Dr. Gerald Hubbard Smalls
ITS: CFO and Vice President, Finance & Admin.
Tel: 803-536-7950
Email: gsmalls1@scsu.edu

Transaction Type/Method of Sale:

☐ Public Offering: Competitive: ☐ Negotiated: ☐
☐ Direct Placement: Competitive: ☐ Negotiated: ☐
☒ Governmental Loan/Governmental Purchaser
☐ Other:

MSRB (EMMA) Continuing Disclosure Requirement (Y/N): N

MSRB (EMMA) Continuing Disclosure Responsible Party: N/A

2. FINANCING (NEW PORTION)

Project #: 9668 Project Name: New Student Resident Hall
Project Address/Location: Main Campus, Orangeburg, SC Amount: \$50,000,000
Project Type: Student Housing County: Orangeburg, SC
Projected Avg Interest Rate: 4.21% (TIC) Final Maturity: 10/01/45

3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

4. FINANCING WORKING GROUP

Financial Advisor: Bretwood Capital Partners Disclosure Counsel: N/A - Direct Placement
Bond Counsel: Pope Flynn, LLC Issuer's Counsel: Nashiba Boyd, Esq.
Underwriter: RCAP as DBA of Dept. of Ed. Trustee: Regions Bank
Paying Agent: Regions Bank Other: Bryant Miller Olive (Program Counsel)

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

The primary purpose of the loan is to finance a \$50MM new residence hall project estimated to provide approximately 500 beds of new student housing. The loan will also finance capitalized interest for two years (through 11/1/2027), required pooled escrow fund deposits (5.26315% of the total loan), and program mandated transaction costs (not to exceed 2.0% of the loan amount). Costs of issuance of the bonds are calculated at the anticipated par amount of the bonds in accordance with the approved fee schedule for counsel and custom and practice regarding the engagement of financial advisors, but are otherwise dictated by the requirements of the HBCU Capital Access Program. Note that to the extent this transaction is combined with a transaction for Truth Hall, certain costs of issuance expenditures would not be duplicated and would result in savings.

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals	Notes:
Issuer/Borrower Approval: 08/05/25	Planned
JBRC Approval: 10/07/25	Proposed
SFAA Approval: 10/14/25	Proposed

Project Approvals - Phase II (State Entities Only)	Notes:
Issuer/Borrower Approval: 08/05/25	Planned
JBRC Approval: 10/07/25	Proposed
SFAA Approval: 10/14/25	Proposed

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes No
☐ ☒

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

☐ ☒

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -
Cost Estimate - \$0

Est. Expenditures - Through 6 Months
 Est. Expenditures - Through 12 Months
 Est. Expenditures - Through 18 Months
 Est. Expenditures - Through 24 Months
 Est. Expenditures - Through 36 Months
 Est. Expenditures - Through 48 Months
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 17,194,139	00/00/00	Initial project costs, Cap-I, Escrow Fund, Costs of Issuance
\$ 13,521,954	00/00/00	Project costs
\$ 20,282,931	00/00/00	Project costs
\$ 6,760,977	00/00/00	Project costs
\$		
\$		
\$ 57,760,000		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par (b) Premium/Accr. Int.	\$ 57,760,000	\$ 50,000,000	Project Fund
(2) Issuer/Borrower Contr.	\$	\$ 3,885,897	Capitalized Interest Fund
(3) Debt Service Fund Trans.	\$	\$ 3,039,995	Debt Service Reserve Fund
(4) Debt Service Reserve Fund Contribution	\$	\$	Redemption Price/Escrow Deposit
(5) Other (Specify)		\$ 833,480	Cost of Issuance (Incl. UW Disc.)
Type -	\$	\$	Accrued Interest
Type -	\$	\$ 628	Rounding Amount
(6) SCHFDA MFHRB Sources		\$	Other
(a) LIHTC	\$	\$	Other
(a) State Housing TC	\$	\$	Other
(c) Owner's Equity/Other	\$	\$	Other
Total Project Sources	\$ 57,760,000	\$ 57,760,000	Total Project Uses
Surplus/Deficit		\$ -	

9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (** Added COI entities beyond the following need an attached description **)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Bretwood Capital Partners			\$ 115,520	\$	\$ 115,520
Bond Counsel	Pope Flynn, LLC			\$ 57,760	\$	\$ 57,760
Disclosure Counsel				\$	\$	\$
Issuer's Counsel	Nashiba Boyd, Esq.			\$	\$	\$
Underwriter's Counsel				\$	\$	\$
Trustee's Counsel	Hunton Andrews Kurth			\$ 7,500	\$	\$ 7,500
D.C. Local Counsel	Eckert Seamans			\$ 10,000	\$	\$ 10,000
HBCU Program Counsel	Bryant Miller Olive			\$ 207,500	\$	\$ 207,500
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation	DBA Fee - RCAP			\$ 433,200	\$	\$ 433,200
Registrar / Paying Agent				\$	\$	\$
Trustee	Regions Bank			\$ 2,000	\$	\$ 2,000
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Printing				\$	\$	\$
Publishing				\$	\$	\$
Advertising				\$	\$	\$
Contingency				\$	\$	\$
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				\$ 833,480	\$	\$ 833,480

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction

Bond Counsel: % of Transaction

Total Legal Costs: % of Transaction

Rating Agencies: % of Transaction

0.20%	#DIV/0!
0.10%	#DIV/0!
0.49%	#DIV/0!
0.00%	#DIV/0!

UW Comp: % of Transaction

Other COI: % of Transaction

Total COI: % of Transaction

0.75%	#DIV/0!
0.00%	#DIV/0!
1.44%	#DIV/0!

BOND TRANSMITTAL FORM

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building (29201)
P.O. Box 12444
Columbia, SC 29211

DATE: 9/8/2025

Submitted for SFAA Meeting on:
10/14/2025

FROM: Pope Flynn, LLC
1411 Gervais Street, Suite 300
Columbia, SC 29201

RE: N/E \$60,000,000 Aggregate Principal Amount Borrowing of South Carolina State University Under the Higher Education Revenue Bond Act

Project Name: New Student Residence Hall Project

Documents enclosed (executed original and two copies of each):

(ALL documents required for state law approval; A and C only for ceiling allocation only; must check K or L)

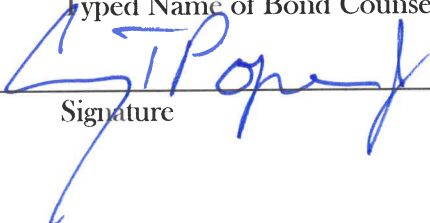
- A. ☐ Petition
- B. ☒ Resolution or Ordinance
- C. ☐ Inducement Resolution or comparable preliminary approval
- D. ☐ Department of Health and Environmental Control Certificate *if required*
- E. ☒ State Fiscal Accountability Authority Resolution and Public Notice *(original)*
Plus 3 copies for certification and return to bond counsel
- F. ☒ Draft bond counsel opinion letter
- G. ☒ Signed SFAA Reliance letter
- H. ☐ DPH Certificate of Need (C.O.N.)
- I. ☐ Debt Questionnaire
- J. ☐ Processing Fee

Amount: \$Click or tap here to enter text. *Check No:* Click or tap here to enter text.

Payor: Click or tap here to enter text.

- K. ☒ No Private Participant will be known at the time the Authority considers this agenda item.
- L. ☐ This agenda item is accompanied by the applicable Private Party Disclosure form for each private participant

Bond Counsel: Gary T. Pope, Jr.
Typed Name of Bond Counsel

By: 
Signature

Debt Summary

October 14, 2025 State Fiscal Accountability Authority Meeting

Not Exceeding \$60,000,000
South Carolina State University
Higher Education Revenue Bonds

A. Executive Overview

1. Bonds

Proposed Financing

South Carolina State University (the “**University**”) is seeking review by the Joint Bond Review Committee and approval by the South Carolina State Fiscal Accountability Authority (the “**Authority**”) for a borrowing of not exceeding \$60,000,000 aggregate principal amount under the Higher Education Revenue Bond Act, Title 59, Chapter 147 of the Code of Laws of South Carolina 1976, as amended (the “**2025 Borrowing**” or “**2025 HBCU Loan**”), the proceeds of which may be applied for the purposes of financing the Project (as defined herein), providing for deposits to certain funds and accounts as provided under the loan agreement, and paying the costs of incurring the 2025 Borrowing. The Project is the construction of a 400-500 bed residence hall. The Authority is requested to approve the 2025 Borrowing under Section 59-147-30 of the Higher Education Revenue Bond Act. No ceiling allocation is involved in the request. No BANs are authorized under the bond resolution as adopted by the Board of Trustees of the University.

Summary of HBCU Program

The Historically Black Colleges and Universities (“**HBCU**”) Capital Financing Program (the “**HBCU Program**”), administered by the United States Department of Education (ED), provides loans to HBCUs to finance or refinance capital projects. The Program was established pursuant to the Title III, Part D of the Higher Education Act of 1965, as amended (the “**HEA**”). The Secretary of Education (the “**Secretary**”) has designated Rice Capital Access Program, LLC (the “**DBA**”) as the designated bonding authority under the HBCU Program. Under the HBCU Program, an HBCU may apply for a loan through the DBA, which evaluates the credit of the HBCU and negotiates the terms and conditions of the loan. If the loan is approved as to credit by the DBA and by the Secretary as to its guarantee risk, the Secretary approves the loan, then the DBA issues a bond under a supplemental indenture, the bond is purchased by the Federal Financing Bank, and then the DBA loans the proceeds of the bond to the HBCU under a loan agreement.¹ The HBCU Program allows the Secretary to guarantee the payment of principal and interest to the Federal Financing Bank, which allows the HBCUs to access capital at the same interest rate as the United States federal government for an equivalent maturity, plus a 22.5 basis point (0.225%) spread. In order for an HBCU to access funds through the Program, it must have the legal and corporate power to enter into a loan with the DBA and must also obtain any necessary state-law borrowing approvals.

¹ In the context of the 2025 Borrowing, the loan from the DBA to the University is a “bond” for State-law purposes under Article X, § 13 of the State Constitution; the bond issued by the DBA to the Federal Financing Bank is not.

Debt Summary for October 14, 2025 SFAA Meeting
SC State University

Historical Use of the HBCU Program by South Carolina State University

2005 HBCU Loan

In June 2005, the University borrowed \$39,499,549 through the HBCU Program to finance the construction and equipping of new student housing project consisting of 750 beds, known as the Dr. Andrew Hugine Residence Hall, and to refinance \$2,480,000 of Student and Faculty Housing Revenue Bonds (Series 1991) (the “**2005 HBCU Loan**”). The 2005 HBCU Loan was priced at an interest rate of 5.83%. The 2005 HBCU Loan was approved by the Board of Trustees of the University by a bond resolution dated May 18, 2005, and approved by the South Carolina Budget and Control Board on June 14, 2005 as a borrowing by the University under the Higher Education Revenue Bond Act, Title 59, Chapter 147 of the Code of Laws of South Carolina 1976, as amended. Key terms and conditions provided in the loan agreement with respect to the 2005 HBCU Loan (the “**2005 Loan Agreement**”) are as follows:

- Pledge of and lien on Net Revenues of University housing system to secure 2005 HBCU Loan
- Debt service coverage ratio requirement of not less than 1.25x
- Consent of DBA required for additional borrowings for student housing system and requirement of feasibility report demonstrating forecasted compliance with rate covenant
- Letter of Credit from the Secretary to the DBA, University to repay any amount drawn due to a default under the 2005 Loan Agreement
- Escrow Fund of 5.26315% established, held by, and assigned to Program trustee; balance available to secure 2005 HBCU Loan and loans made to other HBCUs under the Program
 - If and when the balance of the 2005 Escrow Fund exceeds 5% of the principal outstanding, the University receives such overage unless the University is in default under the 2005 Loan Agreement, or another HBCU is in default
 - University is obligated to replenish escrow fund to 5% of then outstanding principal amount if a draw is due to its default; there is no obligation to replenish if the Escrow Fund is less than 5% due to default of other HBCUs participating in Program
- Establishment and funding of certain funds and accounts to be held by Program trustee
- Representations, warranties, and supporting documentation accompany all draw requests
- Negative covenant on student housing system; University to keep free of liens and not make other pledges of revenue
- Acknowledgement that Barber Scotia College was in default and that the University’s Escrow Fund monies may be called upon

2016 HBCU Loan

In September 2016, the University borrowed \$36,813,472.99 through the Program to refinance the 2005 HBCU Loan (the “**2016 HBCU Loan**”). The 2016 HBCU Loan resulted in gross debt service savings of \$11.4 million (\$8.4 million NPV), or 24% of refunded principal amount (3% is a typical threshold). The key terms and conditions for the 2016 HBCU Loan were substantially similar to those of the 2005 HBCU Loan.

Debt Summary for October 14, 2025 SFAA Meeting SC State University

2020 Deferment

On March 27, 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (“**CARES Act**”) was signed into law and the provisions thereof, *inter alia*, authorized the deferment of loans facilitated by the federal government through the Program. By resolution dated July 10, 2020, the Board of Trustees of the University authorized an application to the Program for a modification of the 2016 HBCU Loan to access certain concessions and deferments offered in the CARES Act specific to the Program (the “**2020 Deferment**”). On September 15, 2020, the Authority authorized the 2020 Deferment, and the 2020 Deferment closed on September 15, 2020.

2020 Forgiveness

Pursuant to The Consolidated Appropriations Act, 2021 (Pub. L. 116-260) for the federal fiscal year ended September 30, 2021, the Secretary repaid in full the loans of all HBCUs that participated in the Program as of December 27, 2020, including the 2016 HBCU Loan of the University. A formal acknowledgement from the DBA was executed on March 19, 2021.

Proposed 2025 HBCU Loan

The University proposes borrowing not to exceed \$60 million through the Program to finance the Project. The University will be pledging its Auxiliary Net Revenues as that term is defined in the loan agreement for the 2025 HBCU Loan (the “**2025 Loan Agreement**”). Key terms and covenants provided in the 2025 Loan Agreement are as follows:

- Pledge of and lien on Auxiliary Net Revenues of the University’s Auxiliary Facilities to secure 2025 HBCU Loan
- Auxiliary Net Revenues generally comprise all self-generated revenues of the Auxiliary Facilities paid in connection with the use or operation thereof after payment of operating and maintenance expenses
- Auxiliary Facilities currently include food service facilities, bookstore facilities, parking facilities, and student housing facilities, but would include all auxiliary facilities defined at Section 59-147-30(1) of the Higher Education Revenue Bond Act to the extent the University undertakes such activities
- Debt service coverage ratio requirement of not less than 1.20x
- Consent of DBA required for additional borrowings for Auxiliary Facilities and requirement of feasibility report demonstrating forecasted compliance with rate covenant
- Letter of Credit from the Secretary to the DBA, University to repay any amount drawn due to a default under the 2025 Loan Agreement
- Escrow Fund of 5.26315% of 2025 Borrowing amount established, held by, and assigned to Program trustee; balance available to secure 2005 HBCU Loan and loans made to other HBCUs under the Program
 - If and when the balance of the 2005 Escrow Fund exceeds 5% of the principal outstanding, the University receives such overage unless the University is in default under the 2005 Loan Agreement, or another HBCU is in default
 - University is obligated to replenish escrow fund to 5% of then outstanding principal amount if a draw is due to its default; there is no obligation to replenish if the Escrow Fund is less than 5% due to default of other HBCUs participating in Program

**Debt Summary for October 14, 2025 SFAA Meeting
SC State University**

- Establishment and funding of certain funds and accounts to be held by Program trustee, including the capitalized interest account
- Representations, warranties, and supporting documentation accompany all draw requests
- Negative covenant on University property; University to keep free of liens and not make other pledges of Auxiliary Net Revenues; University not to dispose of property outside of the normal course except under circumstances set forth in 2025 Loan Agreement

2. Project

The Project comprises an approximately 70,000 square foot new residential facility to accommodate between 400 and 500 students. The Project is anticipated to include an exercise room, computer lab, study area, and canteen and refreshment area. The Project will be located on the campus of the University in the City of Orangeburg in Orangeburg County, South Carolina.

B. Plan of Finance

1. Source of Funds and Collateral

Limited Revenue Obligation and Not a General Obligation

The 2025 Borrowing will be payable solely from a revenue-producing project or from a special source, which source does not involve revenues from any tax as those terms are used in Article X, Section 13(9) of the State Constitution. The 2025 Borrowing will not be a general obligation borrowing of the University or the State to which the full faith, credit, and taxing power of either entity is pledged.

No New Student Fees Imposed

Charges for the use of Auxiliary Facilities are imposed by the University in connection with the use thereof. The University does not currently charge a special student fee that is not connected to the use of the Auxiliary Facilities. The University will covenant in the 2025 Loan Agreement to set charges each year for the use of Auxiliary Facilities that are sufficient to meet all costs and expenses of the Auxiliary Facilities and the 1.20x debt service coverage ratio. The University will set rates and charges for the Project with reference to its existing student housing facilities and in a manner that reflects its status as the most recent addition to the University's housing portfolio.

Detail Regarding the Auxiliary Net Revenues

The Auxiliary Net Revenues are the sole funds pledged to the repayment of the 2025 Borrowing. Auxiliary Net Revenues are defined as the gross revenues of the Auxiliary Facilities that remain after payment of all operation and maintenance expenses for such facilities. The 2025 Loan Agreement recites that the Board of Trustees may designate "Other Revenues" to make up any shortfall in the Auxiliary Net Revenues. Other Revenues must qualify for designation under Section 59-147-110 of the Higher Education Revenue Bond Act and may only be designated pursuant to a discretionary vote of the Board of Trustees of the University, and would require approval by the Authority. No mortgage has been granted in connection with the 2025 Borrowing. In the event of an Event of Default under the 2025 Loan Agreement, all funds held by the Trustee

**Debt Summary for October 14, 2025 SFAA Meeting
SC State University**

would be available to the lender for repayment of the 2025 Borrowing, which includes moneys deposited for the Project, capitalized interest, debt service reserve fund, and other reserves.

2. Remedies Against the State

Events of Default under the 2025 Loan Agreement include:

- Failure to pay when due principal and interest on the 2025 Borrowing (with a 10-day grace period)
- Failure to perform covenants in the 2025 Loan Agreement and cure the same after 30 days notice (or if not capable of cure in 30 days, failure to undertake to cure such event within a reasonably timely manner)
- False or incorrect representations and warranties in the 2025 Loan Agreement
- Failure to pay when due principal and interest on other indebtedness in excess of \$1 million
- Failure to cure event of default under other borrowings
- Proceedings begin to enforce repayment or covenants under debt secured by Project, Pledged Revenues, or Auxiliary Facilities
- University consents to receiver or similar
- Money judgement goes unpaid, unbonded, or unstayed
- Project is not pursued or completed, or is later abandoned
- Damage to Project is not repaired or replaced

Upon an Event of Default, the DBA may:

- by written notice to the University and the Trustee, to be effective upon dispatch, declare the principal of, and interest on, the 2025 Borrowing immediately due and payable, whereupon the principal of, and interest on, the 2025 Borrowing will become immediately due and payable;
- exercise all rights granted pursuant to any of the loan documents, in such order and in such manner as the Lender may, in its sole and exclusive judgment, determine;
- apply for the appointment of a receiver, trustee, liquidator or conservator of the Pledged Revenues or Auxiliary Facilities, or any portion thereof, without notice and without regard for the adequacy of the security for the 2025 Borrowing and without regard for the solvency of the University or of any person, firm or other entity liable for the payment of the 2025 Borrowing; and
- at the behest of the Department of Education terminate the 2025 Loan Agreement and declare any 2025 Loan Agreement funds which have been provided to the University up until the Event of Default as well as the interest accrued thereon from the date the funds were received at the rate established under the terms of the 2025 Loan Agreement, to be immediately due and payable in full to the DBA.

Debt Summary for October 14, 2025 SFAA Meeting SC State University

The Secretary may also step into the shoes of the DBA to enforce the above provisions and may also independently enforce the terms of the 2025 Loan Agreement and collect any funds due by administrative offset from federal funds due to the University.

3. Limits, Duration, and Preconditions

There are no statutory limits on the amount of indebtedness the University may incur under the Higher Education Revenue Bond Act. Under the 2025 Loan Agreement, the University will be contractually subject to an additional bonds test limiting new debt secured by Auxiliary Revenues to that which can be shown to be incurred with a debt service covenant ratio of Auxiliary Net Revenues to annual debt service of 1.20 to 1.00 on a prospective basis for the immediately following two fiscal years. The University proposes a term of less than 21 years.

C. Related Entities and Transactions

Under the HBCU Program, an HBCU may apply for a loan through the DBA, which evaluates the credit of the HBCU and negotiates the terms and conditions of the loan. If the loan is approved as to credit by the DBA and by the Secretary as to its guarantee risk, the Secretary approves the loan, then the DBA issues a bond (the “**Federal Bond**”) under a supplemental indenture, the Federal Bond is purchased by the Federal Financing Bank, and then the DBA loans the proceeds of the Federal Bond to the HBCU under a loan agreement and note (the “**SC State Bond**”).² The key participants in this 2025 Borrowing are:

- The United States Department of Education – Sponsor of HBCU Program and insurer of Federal Bond
- Regions Bank - Trustee
- Federal Financing Bank – Purchaser of Federal Bond
- Rice Capital Access Program, LLC as DBA – Issuer of the Federal Bond, lender to the University/Purchaser of the note (the SC State bond) from the University
- South Carolina State University – Ultimate Borrower and issuer of the note

The key financing documents include:

- 1996 Trust Indenture
 - Between the DBA and the Trustee
 - Contains the Terms of the Program and Conditions for Issuance of Future Federal Bonds through Supplemental Trust Indentures
 - Provides Mechanics for Debt Service Reserve Fund and Department of Education Insurance
- 2025 Supplemental Trust Indenture
 - Between the DBA and the Trustee
 - Serves as the Lending Document for the Federal Bond
 - Provides for the terms of a specific Federal Bond for a specific borrowing

² In the context of the 2025 Borrowing, the loan from the DBA to the University is a “bond” for State-law purposes under Article X, § 13 of the State Constitution; the bond issued by the DBA to the Federal Financing Bank is not.

**Debt Summary for October 14, 2025 SFAA Meeting
SC State University**

- 2025 Loan Agreement
 - Between the DBA and the University
 - Provides for the Agreement between the DBA and the University regarding the 2025 Borrowing
 - Contains all covenants and agreements between the DBA and the University
 - This document contains all of the key provisions for enforcement, recourse, and remedy as described in Section B.1 - 3 above.
- 2025 Note
 - Instrument Evidencing the Incurrence of Debt by the University
 - Enforceable in accordance with terms and conditions of 2025 Loan Agreement.

D. Other Resolutions; Custom and Practice; Oversight and Delegation

1. Authorizing Resolutions

The Bond Resolution adopted by the Board of Trustees of the University on August 5, 2025 authorizes the 2025 Borrowing. It is the sole University action with regard to the 2025 Borrowing and has not been previously considered by the Authority.

2. Custom and Practice

As described above, the University has previously borrowed funds under the Higher Education Revenue Bond Act through the HBCU Program on similar terms, with notable changes including a pledge of Auxiliary Net Revenues rather than the net revenues of solely the University housing system.

3. Oversight and Delegation

The transaction documents contemplate that the Office of State Treasurer may designate the Trustee as a custodian of University funds in connection with the transaction. The transaction documents further provide for the Office of State Treasurer to receive notices in connection with the transaction and provide a right to the Office of State Treasurer to request program documents. The documents do not provide for any other delegation of Authority powers, duties, or responsibilities.

E. Documents

The significant documents that support the overall financial arrangements include:

- 1996 Trust Indenture
- Proposed 2025 Supplemental Trust Indenture
- Proposed 2025 Loan Agreement
- August 5, 2025 Bond Resolution of the Board of Trustees of South Carolina State University
- Proposed October 14, 2025 Approving Resolution of the South Carolina State Fiscal Accountability Authority

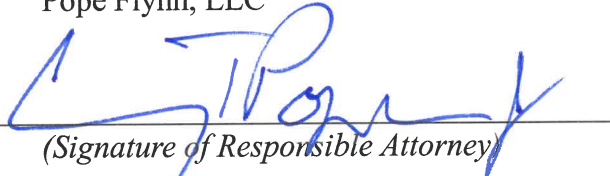
**Debt Summary for October 14, 2025 SFAA Meeting
SC State University**

F. Debt Tables

See Exhibit A. The financial information provided in the debt tables is derived from information provided by the University and its municipal advisor. Bond Counsel has assisted in the compilation of the tables for the purposes of producing this report but has not verified and does not assume any responsibility for the accuracy, completeness, or fairness of the financial information contained in Exhibit A.

Bond Counsel: Gary T. Pope, Jr.
Pope Flynn, LLC

By: _____


(Signature of Responsible Attorney)

Submitted on September 8, 2025

EXHIBIT A
DEBT SERVICE TABLES

South Carolina State University
Higher Education Revenue Bonds - Debt Service

Fiscal Year	Existing Debt Service	Debt Service On Proposed Truth Hall Bonds*	Debt Service on Proposed Borrowing			Total Composite Debt Service
			Principal	Interest	Capitalized Interest and DSRF Release**	
6/30/2026	\$ -	\$ 7,297	\$ -	\$ 109,433	\$ (72,948)	\$ 43,782
6/30/2027	-	187,638	-	2,814,000	(1,875,812)	1,125,825
6/30/2028	-	187,638	-	2,814,000	(1,875,812)	1,125,825
6/30/2029	-	994,735	2,184,000	2,788,697	-	5,967,432
6/30/2030	-	994,005	2,288,000	2,685,048	-	5,967,053
6/30/2031	-	994,314	2,396,000	2,576,498	-	5,966,812
6/30/2032	-	994,591	2,510,000	2,462,813	-	5,967,404
6/30/2033	-	994,766	2,629,000	2,343,710	-	5,967,476
6/30/2034	-	994,815	2,754,000	2,218,956	-	5,967,771
6/30/2035	-	994,668	2,884,000	2,088,293	-	5,966,961
6/30/2036	-	995,278	3,021,000	1,951,439	-	5,967,717
6/30/2037	-	994,576	3,165,000	1,808,089	-	5,967,664
6/30/2038	-	994,536	3,315,000	1,657,915	-	5,967,451
6/30/2039	-	994,090	3,472,000	1,500,612	-	5,966,702
6/30/2040	-	994,166	3,636,000	1,335,876	-	5,966,042
6/30/2041	-	993,671	3,810,000	1,163,331	-	5,967,002
6/30/2042	-	994,558	3,990,000	982,555	-	5,967,113
6/30/2043	-	994,686	4,180,000	793,220	-	5,967,906
6/30/2044	-	995,009	4,378,000	594,880	-	5,967,888
6/30/2045	-	994,455	4,585,000	387,160	-	5,966,615
6/30/2046	-	363,354	4,803,000	169,590	(3,157,890)	2,178,055
Totals	\$ -	\$ 17,652,843	\$ 60,000,000	\$ 35,246,116	\$ (6,982,463)	\$ 105,916,496

* Subject to JBRC review and SFAA approval; net of capitalized interest and release of DSRF in FY46

** Capitalized interest through FY28; DSRF release in FY46

EXHIBIT A

DEBT SERVICE TABLES

South Carolina State University Higher Education Revenue Bonds - Coverage

Fiscal Year	Composite Debt Service	FY25 Auxiliary Net Revenues*	Coverage Ratio	Pro Forma Net		Total Pro Forma Net Revenue	Pro Forma Coverage Ratio
			Based on FY25 Auxiliary Net Revenues	Revenues - Truth Hall and Existing**	Pro Forma Net Revenues - New Residence Hall***		
6/30/2026	\$ 43,782	\$ 5,153,000	117.70	\$ 636,429	\$ -	\$ 5,789,429	132.23
6/30/2027	1,125,825	5,153,000	4.58	3,598,029	-	8,751,029	7.77
6/30/2028	1,125,825	5,153,000	4.58	3,860,566	3,998,143	13,011,709	11.56
6/30/2029	5,967,432	5,153,000	0.86	4,130,979	4,557,359	13,841,338	2.32
6/30/2030	5,967,053	5,153,000	0.86	4,409,504	4,528,833	14,091,338	2.36
6/30/2031	5,966,812	5,153,000	0.86	4,696,385	4,664,698	14,514,084	2.43
6/30/2032	5,967,404	5,153,000	0.86	4,991,873	4,804,639	14,949,512	2.51
6/30/2033	5,967,476	5,153,000	0.86	5,296,225	4,948,779	15,398,003	2.58
6/30/2034	5,967,771	5,153,000	0.86	5,609,707	5,097,242	15,859,949	2.66
6/30/2035	5,966,961	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2036	5,967,717	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2037	5,967,664	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2038	5,967,451	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2039	5,966,702	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2040	5,966,042	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2041	5,967,002	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2042	5,967,113	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2043	5,967,906	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2044	5,967,888	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2045	5,966,615	5,153,000	0.86	5,932,594	5,250,159	16,335,754	2.74
6/30/2046	2,178,055	5,153,000	2.37	5,932,594	5,250,159	16,335,754	7.50

* Unaudited, preliminary.

** Assumes Truth Hall comes back online in Fiscal Year 2027, closure of Earle Hall in Fiscal Year 2029, 5% increases in parking fees through 2035, 5% increase in bookstore revenues through 2032, and 3% inflation adjustments in housing through 2035.

*** Assumes New Residence Hall comes online in Fiscal Year 2028 with 3% inflationary increases through 2035.

BOND RESOLUTION

AUTHORIZING SOUTH CAROLINA STATE UNIVERSITY TO ISSUE OR INCUR INDEBTEDNESS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000 UNDER THE HIGHER EDUCATION REVENUE BOND ACT AND PART D OF TITLE III OF THE HIGHER EDUCATION ACT OF 1965, TO ENTER INTO ONE OR MORE LOAN AGREEMENTS, TO CONSENT TO ONE OR MORE INDENTURES AND SUPPLEMENTAL INDENTURES, AND TO AUTHORIZE AND DIRECT CERTAIN OFFICERS OF THE UNIVERSITY, AND MATTERS RELATED THERETO

As an incident to the adoption of this Bond Resolution (this “Bond Resolution”) and the issuance of the obligations provided for herein, the Board of Trustees (the “Board of Trustees”) of South Carolina State University (the “University”) finds as a fact that each of the statements hereinafter set forth is in all respects true and correct:

WHEREAS, the University is an institution of higher education of the State of South Carolina, authorized by Title 59, Chapter 147 of the Code of Laws of South Carolina 1976, as amended (the “Higher Education Revenue Bond Act”) to issue higher education revenue bonds for the purpose of financing or refinancing the cost of acquisition, construction, reconstruction, renovation and improvement of land, buildings, and other improvements to real property and equipment for the purpose of providing facilities serving the needs of the University including, but not limited to, dormitories, apartment buildings, dwelling houses, bookstores and other university operated stores, laundries, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other non-degree educational facilities and similar auxiliary facilities of the University and any other facilities which are auxiliary to any of the foregoing excluding, however, athletic department projects which primarily serve varsity athletic teams of the University;

WHEREAS, the Board of Trustees is the governing body of the University, constituted pursuant to Section 59-127-20 of the Code of Laws of South Carolina 1976, as amended, and the University is an “eligible institution” as defined in Title 20 of the United States Code Section 1061(2);

WHEREAS, the Board of Trustees hereby determines that there is substantial and critical need for additional student housing on the campus of the University and the Board of Trustees is minded to authorize the financing of new construction and equipping of a 400-500 bed student housing facility to be located on the campus of the University (the “Project”);

WHEREAS, the Board of Trustees finds that the cost of the Project and related financing costs and fees shall require financing not in excess of \$60,000,000 in aggregate principal amount (the “Borrowing”);

WHEREAS, the University has retired all debt outstanding that was previously incurred under the Higher Education Revenue Bond Act, and now seeks to provide for the financing of the Project under the Higher Education Revenue Bond Act;

WHEREAS, the University, in consultation with its financial advisor, has determined that the lowest cost of capital on the most advantageous terms available to the University will be achieved by using the Historically Black College and University Capital Financing Program, under which Rice Capital Access Program, LLC (the “Lender”) acts as the Designated Bonding Authority selected by the Secretary of the United States Department of Education under 20 U.S.C. § 1066a(8); and

WHEREAS, the Board of Trustees has determined that a current need exists for the Project and has determined to approve the Borrowing and other matters related thereto.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY AS FOLLOWS:

1. The purpose of this Bond Resolution is to provide for the authorization of and security for a new loan (the “Loan”) from the Lender to the University for the purposes of financing the Project, providing for deposits to certain funds and accounts as provided under the Loan Agreement, and paying the costs of incurring the Loan under the Higher Education Revenue Bond Act, and to prescribe the terms and conditions upon which the Loan will be made, secured, executed, accepted and held by the Lender.

2. The Vice President for Finance and Administration of the University (the “Vice President for Finance and Administration”) is hereby authorized to make all preliminary arrangements necessary for the Borrowing in consultation with the Office of State Treasurer of the State of South Carolina. The prior actions taken by the Vice President for Finance and Administration to date with respect to the Borrowing are hereby ratified, confirmed, and approved in all respects.

3. The Loan Agreement attached hereto as Exhibit A (the “Loan Agreement”) and the terms, covenants, and agreements contained therein are hereby authorized and approved, provided that the Chairman of the Board of Trustees (the “Chairman”) and the President of the University (the “President”) may negotiate and agree to additional terms and conditions as shall be approved by the Chairman and the President in consultation with the Vice President for Finance and Administration, provided such terms and conditions do not increase the principal amount of the Borrowing, or extend the term of the Borrowing beyond 31 years from the date of the Borrowing, and are determined by the Chairman and the President in consultation with the Vice President for Finance and Administration to be in the best interests of the University. Pursuant to Section 59-147-40(12), the Loan Agreement attached as Exhibit A hereto and incorporated by reference as if fully restated herein, contains covenants and agreements the Board of Trustees finds and declares are necessary to further secure the payment of the principal of and interest on the Note (as defined herein). The Chairman is hereby authorized, empowered and directed to acknowledge, execute, and deliver the Loan Agreement and cause a copy of the Loan Agreement to be filed as a part of a record of proceedings in the office of the Secretary of State of South Carolina, the execution thereof by the Chairman to constitute conclusive evidence of the approval of the Loan Agreement consistent with the provisions hereof.

4. To provide for the authorization of and to secure the Loan under the Higher Education Revenue Bond Act, and to prescribe the terms and conditions upon which the Loan is to be made, secured, executed, accepted and held by the Lender, the form, terms and provisions of

a new promissory note or notes of the University with respect to the Loan (collectively, the “Note”) to the Lender, in the principal amount of not to exceed \$60,000,000, and the Note shall be substantially in the form included as an exhibit to the Loan Agreement. The Chairman is hereby authorized, empowered and directed to execute, acknowledge and deliver the Note and cause a copy of the Note to be filed as a part of a record of proceedings in the office of the Secretary of State of South Carolina. The Note may include such covenants, rates, terms, and conditions, subject to the parameters of this Bond Resolution, as shall be approved by the Chairman as the Chairman deems necessary or expedient in consultation with the Vice President for Finance and Administration. The execution by the Chairman of the same to constitute conclusive evidence of such approval. The Secretary of the Board of Trustees (the “Secretary”) is hereby authorized, empowered and directed to attest the signature of the Chairman on the Note.

5. The form, terms and provisions of the Trust Indenture dated as of September 19, 1996, by and between the Lender and Regions Bank, as successor Trustee (the “Trust Indenture”) and the form of the Supplemental Trust Indenture between the Lender and Regions Bank, attached hereto as Exhibit B, be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Trust Indenture were set out in this Bond Resolution in its entirety. Changes consistent with the authorizations herein may be made to the forms of such documents necessary to effectuate the Loan and the issuance of the Note, and the execution and delivery of the Loan Agreement contemporaneously with the Supplemental Trust Indenture shall constitute conclusive evidence of the consent and approval of the University. Subject to the approval of this Bond Resolution and the terms thereof by the State Fiscal Accountability Authority, pursuant to Sections 11-13-125 and 59-147-40, as applicable, of the Code of Laws of South Carolina, 1976 as amended, the use and custody of funds of the University under the terms of the Trust Indenture and Loan Agreement are found to be justified and approved, and such funds shall be held with the Trustee under the conditions provided in the Trust Indenture and Loan Agreement, provided that the State Treasurer designates the Trustee prior to the closing of the Loan.

6. The payment obligation under the Loan Agreement and the Note shall be a limited obligation of the University, the principal and interest on which shall be payable by the University solely out from a pledge of revenues derived from the auxiliary facilities of the University as the same may be further defined in the Loan Agreement, and such other revenues as may be designated by the Board of Trustees from time to time under Section 59-147-110 of the Higher Education Revenue Bond Act. The Board of Trustees hereby designates all University property and services that are eligible for designation under Section 59-147-20 and -30 as “facilities” under the Higher Education Revenue Bond Act, subject to the following: the scope of the “facilities” may be reduced and shall be defined in the Loan Agreement prior to the execution thereof upon a finding by the Chairman and President that such scope is in the best interests of the University. Furthermore, the Chairman and President may pledge the revenues derived from the facilities on a gross basis or net basis, and set forth the scope of the Pledged Revenues in the Loan Agreement prior to the execution thereof upon a finding by the Chairman and President that such scope is in the best interests of the University. Nothing in this Bond Resolution, the Loan Agreement or the Note shall be construed as an obligation or commitment by the University to expend any of its funds other than (i) the proceeds of the Loan Agreement or (ii) the Pledged Revenues.

THE LOAN AGREEMENT AND THE NOTE SHALL NOT IN ANY EVENT CONSTITUTE AN INDEBTEDNESS OF THE STATE WITHIN THE MEANING OF ANY PROVISION, LIMITATION, OR RESTRICTION OF THE CONSTITUTION OR STATUTES OF THE STATE OF SOUTH CAROLINA (OTHER THAN ARTICLE X, SECTION 13 OF THE SOUTH CAROLINA CONSTITUTION AUTHORIZING OBLIGATIONS PAYABLE FROM A REVENUE PRODUCING PROJECT OR SPECIAL SOURCE NOT INVOLVING REVENUES FROM ANY TAX). THE FULL FAITH AND CREDIT OF THE STATE OF SOUTH CAROLINA ARE NOT PLEDGED FOR THE PAYMENT OF PRINCIPAL OR INTEREST ON THE LOAN. THE UNIVERSITY IS NOT OBLIGATED TO PAY THE PRINCIPAL AND INTEREST ON THE LOAN SAVE AND EXCEPT FROM THE PLEDGED REVENUES. THE UNIVERSITY DOES NOT HAVE TAXING POWER.

7. The Chairman, the Secretary, and the President, for and on behalf of the University, are hereby each authorized, directed and empowered to do any and all things necessary to effect the execution and delivery of the Loan Agreement and the Note, any related transaction documents, and the performance of all obligations of the University under and pursuant to any of the foregoing or the transactions contemplated therein. In the event the Chairman or President are unable or unavailable to perform any duties or undertake any actions hereunder for any reason, the Vice Chairman and Vice President for Finance and Administration, respectively, are fully empowered to act in lieu of such officials.

8. This Bond Resolution is hereby authorized and directed to be provided to the State Fiscal Accountability Authority along with a request for the approval by the State Fiscal Accountability Authority of the proposal of the University for the Borrowing pursuant to the provisions of the Higher Education Revenue Bond Act.

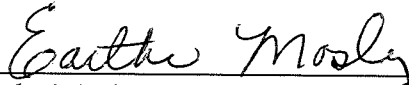
9. No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the University contained in this Bond Resolution, the Loan Agreement, the Note or any of the transactions contemplated herein and therein, as applicable, against any member of the Board of Trustees, any officer or employee, as such, in his or her individual capacity, past, present or future, of the University, either directly or through the University, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that the Loan and the Note are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member of the Board of Trustees, officer or employee as such, past, present or future, of the University, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the University and the participants to the transactions contemplated herein or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the adoption of this Bond Resolution and the execution of the Loan Agreement and the Note, and as a condition of, and as a part of the consideration for, the adoption of this Bond Resolution and the execution of the Loan Agreement and the Note, expressly waived and released. The immunity of officers and employees of the University under the provisions contained in this paragraph 9 shall survive the payment of the Note and the termination of this Bond Resolution.

10. This Bond Resolution shall be construed and interpreted in accordance with the laws of the State of South Carolina and all suits and actions arising out of this Bond Resolution shall be instituted in a court of competent jurisdiction in the State of South Carolina.

11. No approvals granted in connection with the Loan or the request for approval of the State Fiscal Accountability Authority have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

IN WITNESS WHEREOF, I have set my hand and affixed the corporate seal.

(SEAL)



Eartha Mosley, Administrative Coordinator
and Recorder

Dated: August 5, 2025

EXHIBIT A

FORM OF LOAN AGREEMENT

SOUTH CAROLINA STATE UNIVERSITY

as “Borrower”

and

RICE CAPITAL ACCESS PROGRAM, LLC

as “Lender”

CAPITAL PROJECT LOAN AGREEMENT

Dated as of _____, 2025

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CAPITAL PROJECT LOAN AGREEMENT

THIS CAPITAL PROJECT LOAN AGREEMENT, dated as of _____, 2025 is made between **SOUTH CAROLINA STATE UNIVERSITY** (the “Borrower”), an Eligible Institution (as defined in 20 U.S.C. §1061(2)), and **RICE CAPITAL ACCESS PROGRAM, LLC** (the “Lender”), as Designated Bonding Authority (within the meaning of 20 U.S.C. §1066a(8)).

ARTICLE 1

DEFINITIONS

Section 1.1. Words and Phrases. All terms defined in this Agreement (hereinafter defined) have the meanings so given wherever used in this Agreement and wherever used in any other Loan Document (hereinafter defined). Capitalized terms used herein and not otherwise defined in this Agreement have the meanings ascribed thereto in the Agreement to Insure (hereinafter defined) or the Indenture (hereinafter defined). In the event of a conflict between how a term is defined in the Agreement to Insure and in the Indenture, the definition of such term in the Indenture shall prevail. Such meanings are equally applicable to both the singular and plural forms of the terms defined. Accounting terms not otherwise defined herein or in the Indenture or the Agreement to Insure shall be interpreted in accordance with generally accepted accounting principles. The following terms have the following meanings:

“Accounts Receivable” means any and all right to payment for services rendered or for goods sold or leased which is not evidenced by an instrument or chattel paper, whether or not it has been earned by performance.

“Act” means Part B of title VII of the Higher Education Act of 1965, as added by section 704 of the Higher Education Amendments of 1992 (Pub. L. No. 102-325, § 704, 106 Stat. 448, 741), and redesignated as part D of title III by section 301(a)(3) and (4) of the Higher Education Amendments of 1998 (Pub. L. No. 105-244, § 301(a) (3), (4), 112 Stat. 1581, 1636), as amended by section 314 of the Higher Education Opportunity Act of 2008 (Pub. L. No. 110-315, § 314, 122 Stat. 3078, 3180), codified at 20 U.S.C. § 1066 et seq., as amended.

“Actual Annual Debt Service” means the Long-Term Debt Service Requirements on the Obligations or Debt in question for the then current Fiscal Year.

“Advance” shall have the meaning ascribed thereto in Section 2.1 hereof.

“Agreement” means this Capital Project Loan Agreement as originally executed and as amended or supplemented from time to time.

“Agreement to Insure” means the Agreement to Insure dated as of August 19, 2009, as between the Department of Education of the United States of America and Rice Securities, LLC, d/b/a Rice Financial Products Company, acting as the Designated Bonding Authority, which has been duly and legally assigned in part to the Lender.

“Approved Costs Amount” shall have the meaning ascribed thereto in Section 3.2(b)(1)(B) hereof.

“Approved Disbursement Amount” shall have the meaning ascribed thereto in Section 3.2(b)(1)(D) hereof.

“Architect” means a licensed and qualified architect for the design of the Project, which Architect shall be acceptable to the Lender, in its sole discretion. Initially, the Architect shall be _____.

“Architect’s Certificate of Completion” means a certificate executed by the Architect in the form and substance reasonably satisfactory to the Lender certifying completion of any new construction or rehabilitation portions of the Project. Such certificate shall state that the applicable portions of the Project have been completed substantially in accordance with the plans and specifications applicable to the Project and the applicable portions of the Project are ready for use or occupancy, and shall specify the date of completion. In the event no portion of the Project is new construction or rehabilitation such that the Loan is funded in a single Advance, the Architect’s Certificate of Completion shall not be required.

“Auxiliary Enterprises” means the enterprises of the Borrower named in the definition of Auxiliary Facilities.

“Auxiliary Facilities” means the buildings, equipment and other properties, whether real, personal, tangible (including cash) or intangible, wherever situated and whether now owned or acquired after the effective date of this Agreement, under the control, operation or supervision of the following Auxiliary Enterprises owned, operated or contracted for by the Borrower, as the same may be modified from time to time: all food services (including, but not limited to the dining hall, meeting rooms and other related facilities), all student center facilities (including, but not limited to, the bookstore and other related facilities), all Student Housing Property (including, but not limited to, dormitories, apartments, other residences occupied by students, faculty or staff dining hall, meeting rooms and other related facilities) and all campus services (including, but not limited to, cleaning and maintenance services); *provided*, that in the event Auxiliary Revenue producing activities of any such Auxiliary Enterprise are transferred to any other enterprise of the Borrower, such transferred enterprise shall be deemed to be an Auxiliary Facility hereunder; and *provided, further*, that in no event shall the definition of Auxiliary Facilities exceed the scope of the following: dormitories, apartment buildings, dwelling houses, bookstores and other university operated stores, laundries, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other nondegree educational facilities and similar auxiliary facilities of the university and any other facilities which are auxiliary to any of the foregoing. Currently, the only Auxiliary Facilities operated by the University include food service facilities, bookstore facilities, parking facilities and Student Housing Property.

“Auxiliary Facilities Proceeds” means all proceeds from the sale or other disposition of any Property constituting part of the Auxiliary Facilities or owned directly or beneficially by the Borrower in connection with the operation of the Auxiliary Facilities.

“Auxiliary Net Revenues” means Auxiliary Revenues less Operating Expenses related to the Auxiliary Facilities.

“Auxiliary Revenues” means the: (a) gross amount of all funds, moneys or revenues and any earnings thereon and including all rights to receive same, derived or to be derived by Auxiliary Enterprises from self-generated revenues from all fees, rates, rentals, charges or other receipts or income received by such Auxiliary Enterprises in connection with any undertaking, utilization or operation of Auxiliary Enterprises or Auxiliary Facilities, including the lease, operation or management thereof by private entities on behalf of the Auxiliary Enterprises; (b) Auxiliary Facilities Proceeds; (c) all interest and other income received directly or indirectly from the investment of any monies or accounts relating to the Auxiliary Facilities; and (d) any other moneys which may be designated from time to time by the Board of Trustees as Auxiliary Revenues.

“Balloon Debt” means Long-Term Debt (i) twenty-five percent (25%) or more of the original principal amount of which matures within a period of twelve (12) consecutive months, which portion of such principal amount is not required by the documents governing such Debt to amortize prior to the commencement of such twelve (12) month period in amounts such that, following such amortization, the principal amount maturing during such twelve (12) month period will be less than twenty-five percent (25%) of such original principal amount, or (ii) any portion of the original principal amount of which (1) may be tendered for purchase or redemption prior to maturity at the option of the holder thereof (including any such Debt which is payable on demand within three hundred sixty-five (365) days from the date of incurrence), or (2) is required to be tendered for purchase or redemption prior to maturity thereof, other than a purchase or redemption required upon the future occurrence of a condition or event.

“Board of Trustees” means the Board of Trustees of South Carolina State University and any successor governing body thereof.

“Bond” or “Series A 2025-4 Bond” means the \$ _____ Rice Capital Access Program, LLC Future Advance Project Funding Bond, Series A 2025-4 (South Carolina State University Project) (Long-Term Fixed-Rate Bond).

“Bond Counsel” means, as of the date hereof, Bryant Miller Olive P.C., or such other qualified law firm selected by the Lender and acceptable to the Secretary in its sole discretion, whose opinions are generally accepted in the field of municipal finance.

“Borrower” has the meaning ascribed thereto in the first paragraph of this Agreement.

“Borrower Representative” means the Chairman of the Board of Trustees, Vice Chairman of the Board of Trustees, Secretary of the Board of Trustees, President of the

Borrower, or Vice President for Finance and Management of the Borrower, or his designee as may be so designated in writing by the President, as its authorized representative, for the purpose of taking all actions and making all certifications required to be taken and made by the Borrower Representative under the provisions of this Agreement.

“Business Day” means any day other than a day on which either the Bondholder or the Federal Reserve Bank of New York is authorized or obligated by law or executive order to remain closed.

“Capital Additions” means all property or interests in property, real, personal and mixed (a) which constitute additions, improvements or extraordinary repairs to or replacements of all or any part of the Property, and (b) the cost of which is properly capitalized under generally accepted accounting principles.

“Closing Date” means _____, 2025.

“Code” means the Internal Revenue Code of 1986, as amended and the regulations, rulings and proclamations promulgated or proposed thereunder from time to time.

“Cost” or “Costs” means all costs determined by the Lender to be necessary in connection with the Project, including, but not limited to:

- (A) the cost of the acquisition of the title or other interest in furniture, computer equipment or real Property, including easements, rights-of-way and licenses;
- (B) the costs of labor and materials and payments to contractors, builders and materialmen, for the repair, renovation, restoration, acquisition, construction or reconstruction of the Project;
- (C) the costs of surety bond and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of the Project and that is not paid by a contractor or otherwise provided for;
- (D) the cost of schematics, design, test borings, surveys, estimates, working drawings, plans and specifications and preliminary investigations therefor, and for supervising work on the Project;
- (E) capitalized interest due on the Capital Project Loan funded with proceeds of the Series A 2025-4 Bond during the period of construction of the Project, including an additional period not to exceed six (6) months after the date of completion of the Project;

- (F) all other costs which the Borrower shall be required to pay for the repair, renovation, restoration, acquisition, construction or reconstruction of the Project;
- (G) any sums required to reimburse the Borrower or the Lender for advances made (or loans obtained and interest thereon) by either for the above items or for other costs incurred for work done by either in connection with the Project; and
- (H) Costs of Issuance.

“Costs of Issuance” means all items of expense incurred in connection with the authorization, sale and issuance of the Series A 2025-4 Bond, which items of expense shall not exceed two percent (2%) of the aggregate principal amount of the Series A 2025-4 Bond and shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee, legal fees and charges, professional consultants’ fees, fees and charges for execution, transportation and safekeeping of the Series A 2025-4 Bond, premiums, fees and charges for insurance of the Series A 2025-4 Bond, costs and expenses of refunding the Series A 2025-4 Bond and other costs, charges and fees, including those of the Lender, in connection with the foregoing.

“Current Assets” means cash and cash equivalent deposits, marketable securities, accrued interest receivable, funds permitted to be designated by the Board of Trustees of the Borrower for any specific purpose and any other intangible assets of the Borrower ordinarily considered current assets under generally accepted accounting principles.

“Debt” means all obligations for payments of principal and interest with respect to money borrowed, incurred or assumed by the Borrower with respect to the Auxiliary Facilities, including without limitation, all obligations issued hereunder, guaranties, purchase money mortgages, capitalized lease obligations, installment purchase contracts or other similar instruments in the nature of a borrowing authorized pursuant to the Code of Laws of South Carolina 1976, as amended, by which the Borrower will be unconditionally obligated to pay.

“Debt Service Coverage Ratio” means, for any period of time, the ratio of the Net Income Available for Debt Service to Maximum Annual Debt Service on all Long-Term Debt of the Borrower.

“Department Insurance” means the letter of credit created by the Secretary pursuant to the Act.

“Eligible Institution” means a “part B institution” as defined in Section 322(2) of the Act; that is, any historically Black college or university that was established prior to 1964, whose principal mission was, and is, the education of Black Americans, and that is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality or training offered or is, according to such an agency or association, making reasonable progress toward accreditation, except

that any branch campus of a southern institution of higher education that, prior to September 30, 1986, received a grant as an institution with special needs under 20 U.S.C. § 1060, and was formally recognized by the National Center for Education Statistics as a Historically Black College or University but was determined not to be a part B institution on or after October 17, 1986, shall be considered a part B institution.

“Enabling Act” means Title 59, Chapters 127 and 147 of the Code of Laws of South Carolina 1976, as amended.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Plan” means any employee benefit plan subject to the provisions of ERISA.

“Event of Default” means any event of default specified in Section 7.1 hereof.

“Feasibility Report” means a report prepared and signed by a Management Consultant setting forth for the forecast period: (i) forecasted financial statements prepared on the same basis as the Borrower’s audited financial statements and (ii) a full explanation of the assumptions and rationale used in preparing such forecasts, including that such forecasts have taken into account the forecasted utilization of the Borrower’s facilities, the rates and charges to students and such other data and information as may be necessary to support the forecasted financial statements.

“FFB Fee” shall have the meaning ascribed thereto in Section 2.5A hereof and shall be a part of each Loan Deposit.

“First Payment Date” shall have the meaning ascribed thereto in the Supplemental Indenture.

“Fiscal Year” means the fiscal year of the Borrower ending June 30, or any other fiscal year designated from time to time in writing by the Borrower to the Lender and the Trustee.

“General Contractor” means a licensed and qualified general contractor for the construction of the Project, which General Contractor shall be acceptable to the Lender, in its sole discretion. Initially, the General Contractor shall be _____.

“Guarantor” means the United States of America pursuant to the Act.

“Indenture” means the Trust Indenture dated as of September 19, 1996, between the Lender and the Trustee, as amended and supplemented.

“Initial Advance” means the first Advance made under the Loan.

“Lender” means Rice Capital Access Program, LLC, as the legal assignee of Rice Securities, LLC, d/b/a Rice Financial Products Company, in its capacity as Designated Bonding Authority under the Agreement to Insure.

“Lien” means any mortgage, pledge, security interest, lien, judgment lien, easement, or other encumbrance on title, including, but not limited to, any mortgage or pledge of, security interest in or lien or encumbrance on any Revenues which secures any Debt or any other obligation of the Borrower, or which secures any obligation of any person other than an obligation to the Borrower.

“Loan” or “Capital Project Loan” means the loan made to the Borrower by the Lender pursuant to Section 2.1 hereof.

“Loan Application” means the application for the Loan completed by the Borrower.

“Loan Deposit Dates” means the first Business Day of each calendar month during which the Loan is outstanding commencing eight (8) months before the First Payment Date.

“Loan Deposits” means the deposits required to be paid by the Borrower to the Trustee on the Loan Deposit Dates in the amounts determined in accordance with Section 2.5A hereof. The Loan Deposits shall not be less than the amounts necessary to ensure that there are sufficient moneys on deposit in the South Carolina State University Debt Service Account (Series A 2025-4) at least sixty (60) days prior to a Payment Date on the Series A 2025-4 Bond to enable the Trustee to make the payment due on such Payment Date.

“Loan Documents” means this Agreement, the Note and any other agreement, document or instrument, made or executed pursuant to the Loan.

“Loan Payments” means the required payments of principal and interest due on the Loan which shall be equal to and due at the same time the corresponding principal and interest payments are due on the Series A 2025-4 Bond. If there has been no default by the Borrower in paying the Loan Deposits to the Trustee, the Loan Payments shall be deemed paid at the time the corresponding payments of principal and interest are paid on the Series A 2025-4 Bond.

“Loan Payment Dates” means each Payment Date on the Series A 2025-4 Bond, commencing on the First Payment Date.

“Long-Term Debt” means all Debt, other than Short-Term Debt, including the following:

(i) Debt with respect to money borrowed for an original term, or renewable at the option of the Borrower for a period from the date originally incurred, longer than one (1) year;

(ii) Debt with respect to leases which are capitalized in accordance with generally accepted accounting principles having an original term, or renewable at the option of the lessee for a period from the date originally incurred, longer than one (1) year; and

(iii) Debt with respect to installment purchase contracts having an original term in excess of one (1) year.

“Long-Term Debt Service Requirements” means, for any period of time, the aggregate of the scheduled payments to be made (other than from amounts irrevocably deposited with the Trustee or otherwise held for the benefit of a lender under terms sufficient to pay all or a portion of the principal of, and premium, if any, and interest on, as the same shall become due or payable upon redemption, any Debt which would otherwise be considered outstanding, including funds held in connection with an advance refunding or a cross-over refunding) in respect of principal of and interest on Long-Term Debt during such period, also taking into account (i) with respect to Balloon Debt, the provisions set forth in Section 6.3 hereof pertaining to debt service on Balloon Debt, (ii) with respect to Variable Rate Debt, the provisions set forth in Section 6.4 hereof pertaining to debt service on Variable Rate Debt, and (iii) with respect to Debt represented by a guaranty of obligations of a person, the provisions set forth in Section 6.2 hereof pertaining to restrictions on Guaranties. In addition, for the purposes of the computation of Long-Term Debt Service Requirements, there shall be subtracted from interest due on Debt any accrued interest and capitalized interest which is available and is to be applied to make such interest payment in the year such interest becomes due.

“Management Consultant” means an independent consulting firm which is appointed by the Borrower for the purpose of passing on questions relating to the financial affairs, marketing, management or operations of the Borrower, has a favorable reputation for skill and experience in performing similar services in respect of entities of a comparable size and nature and is not unsatisfactory to the Lender.

“Maximum Annual Debt Service” means the highest Long-Term Debt Service Requirement on the Obligation or Debt in question for the then current or any future Fiscal Year over the remaining term of any such outstanding Debt.

“Net Income Available for Debt Service” means with respect to any period of calculation, the Pledged Revenues less bad debt and other allowances and adjustments, adjusted as follows:

(i) minus amortization of deferred revenues from non-refundable advance fees, plus proceeds from advance fees and deposits, minus refunds of advance fees and deposits of the Borrower;

(ii) plus depreciation, amortization and interest on Long-Term Debt (including the current portion thereof); and

(iii) plus all federal, state, and local taxes assessed with respect to the income of the Borrower if and to the extent that such income shall not have been included

in the determination of Pledged Revenues (but only to the extent such taxes do not exceed excluded income), all as determined in accordance with generally accepted accounting principles consistently applied and applied in the manner set forth in this Agreement.

The adjustments made under (i), (ii) and (iii) above shall exclude: (a) all insurance proceeds payable as a result of casualty or other similar circumstances (other than the proceeds of casualty insurance, but only to the extent that the loss resulting from the casualty is included in the total expense of the Borrower with respect to the period in question, and the proceeds of business interruption insurance); (b) gains and losses from the sale of property, plant and equipment (other than capital assets sold in the ordinary course of business of the Borrower); (c) gains and losses attributable to refundings, advance refundings and other early extinguishment of Debt; (d) all other items classified as extraordinary by the Borrower's Accountant; and (e) unrealized gains and losses on investments. For the avoidance of doubt, an example of the calculation of Net Income Available for Debt Service for Fiscal Year 2024, including an example of historical/proforma debt service coverage based on audited Fiscal Year 2024, is included as Exhibit F attached hereto.

"Note" shall have the meaning ascribed thereto in Section 2.2 hereof.

"Notice of Noncompliance" shall have the meaning ascribed thereto in Section 5.15 hereof.

"Obligation" means any liability of the Borrower to the Lender or to the Guarantor for the payment of money, arising under any Loan Document (other than Loan Deposits and the principal of, and interest on, the Loan), including, but not limited to, the amounts that must be paid pursuant to Section 2.13 hereof to replenish the South Carolina State University Escrow Account (Series A 2025-4).

"Operating Expenses" means (i) those operating and maintenance expenses incurred in the normal course of the operations of the Borrower, and shall not include Replacement Expenses and (ii) with respect to the Auxiliary Facilities, those operating and maintenance expenses incurred in the normal course of the operations of the Auxiliary Facilities, as applicable, and, in each instance, shall not include Replacement Expenses.

"Other Revenues" shall mean such revenues as may be designated by the Board of Trustees pursuant to Section 59-147-110 of the Enabling Act.

"Overdue Note Amount" shall have the meaning ascribed thereto in Section 2.4 hereof.

"Overdue Note Amount Late Charge" shall have the meaning ascribed thereto in Section 2.4 hereof.

"Overdue Note Amount Late Charge Rate" means: (i) one and one-half (1.5) times the Short-Term Treasury Rate if applicable state law permits the Overdue Note

Amount Late Charge to be applied to the entire Overdue Note Amount, and (ii) three (3) times the Short-Term Treasury Rate if applicable state law does not permit the Overdue Note Amount Late Charge to be applied to the portion (if any) of the Overdue Note Amount comprised of interest.

“Overdue Obligation Amount” shall have the meaning ascribed thereto in Section 2.4 hereof.

“Overdue Obligation Amount Late Charge” shall have the meaning ascribed thereto in Section 2.4 hereof.

“Overdue Obligation Amount Late Charge Rate” means one percent (1%) per annum in excess of the Prime Rate in effect from time to time.

“Payment Date” means any “Principal Payment Date” or any “Interest Payment Date,” and includes the “First Payment Date” as such terms are defined in the Supplemental Indenture.

“Permitted Liens” means, with respect to the Property:

(a) any lien arising by reason of any good faith deposit with the Borrower in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);

(b) any lien arising by reason of any deposit with or giving of security to any governmental agency as a condition to the transaction of any business or the participation by the Borrower in any funds established to cover insurance risk or in connection with worker’s compensation, unemployment insurance, pension plans or other social security;

(c) any judgment lien against the Borrower that does not exceed the greater of \$1,000,000 or three percent (3%) of total unrestricted current fund revenues of the Borrower for the then most recent Fiscal Year, so long as such judgment is being contested in good faith or is fully bonded or covered by insurance and execution thereof is stayed;

(d) any right reserved to any municipality or other public authority by the terms of any franchise, grant, license or provision of law affecting any Property and any lien thereon for taxes, assessments or other municipal charges so long as such charges are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);

(e) mechanics’, materialmen’s and brokers’ liens in connection with any Property so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such liens is stayed);

(f) any lien arising pursuant to the Indenture or this Agreement;

(g) any lien on property received by the Borrower through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), *provided* that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Borrower unless it would otherwise qualify as a Permitted Lien;

(h) such easements, rights-of-way, servitude, restrictions and other defects, liens and encumbrances as are determined not to impair the use of the Borrower's facilities for their intended purposes or the value of such facilities, such determination to be made in a certificate of a Borrower Representative supported by an opinion of independent counsel or a report or opinion of an independent Management Consultant (unless the Lender shall waive the requirement of such supporting opinion or report);

(i) liens incurred or assumed primarily for the acquisition or use of other personal property and equipment (including equipment which is not treated as personal property under applicable state law) under the terms of installment purchase contracts, loans secured by purchase money mortgages or security interests in the financed property, lease purchase agreements or capital leases of the financed property; and

(j) liens and security interests permitted by Section 6.1(d) hereof.

In addition, encumbrances in existence as of the date of issuance of the Series A 2025-4 Bond and set forth as Exhibit A are qualified as Permitted Liens, it being understood that the Debt being secured thereby may not be extended, increased or renewed without compliance with the terms hereof for incurrence of Debt.

"Pledged Revenues" means Auxiliary Net Revenues.

"Prime Rate" means, on any date, the rate of interest per annum as reported by the Board of Governors of the Federal Reserve System for such date in Statistical Release H.15 (519) under the instrument entitled "Bank Prime Loan." For any date for which H.15 (519) does not report a rate (such as a day on which the market is closed or a weekend day), the Prime Rate will be the rate of interest then most recently reported under the instrument entitled "Bank Prime Loan". If such publication is no longer published, the Prime Rate shall be a fluctuating rate of interest per annum equal to the prime lending rate or base interest rate of any substantial commercial bank, or an average of such rates, selected by the Lender, as such rate shall change from time to time. The determination by the Lender of the Prime Rate shall be conclusive and binding on the Borrower, absent manifest error.

“Program Financing Agreement” means the agreement dated as of September 24, 2009, as amended, among the Federal Financing Bank, the Secretary and Rice Capital Access Program, LLC.

“Project” means the financing or refinancing of those certain capital projects described in Exhibit B hereto.

“Properties” or “Property” means any and all rights, title and interests in and to any and all of the Borrower’s property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or acquired after the effective date of this Agreement. The term “Properties” or “Property”, without intending to limit the generality of the foregoing, as of any particular time, shall include any revenues (including the Pledged Revenues) all buildings (including the Auxiliary Facilities), structures, fixtures, furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in moveable and immovable property owned, leased, subleased or otherwise acquired by the Borrower and used or useful in connection with or incident to such facilities, or used or useful by the Borrower in connection with or incident to its providing educational services or related services to the public, without regard to race, creed, color or national origin.

“Rate Covenant” is the covenant set forth in Section 5.15(a) hereof.

“Replacement Expenses” means the costs of the repair, renewal and replacement of furnishings, fixtures, mechanical and structural systems and any other major components of the Property.

“Requisitioned Amount” shall have the meaning ascribed thereto in Section 3.2(b)(1)(A) hereof.

“Resolution” means the Resolution by the Board of Trustees of South Carolina State University Authorizing the HBCU Capital Financing Program, adopted on _____, 2025, and authorizing the Borrower to enter into the Loan.

“Retention Amount” shall have the meaning ascribed thereto in Section 3.2(b)(1)(C) hereof.

“Revenues” means all receipts, revenues, income, rents, fees and charges, and other money received by the Borrower from any source and all rights to receive the same (including, without limitation, the Pledged Revenues, all rights of the Borrower to receive tuitions for educational purposes and fee revenues, endowment funds, other operating revenues (including Student Housing Revenues) and non-operating revenues determined in accordance with generally accepted accounting principles), whether in the form of accounts, accounts receivable, contract rights, chattel paper, instruments or other rights, and the proceeds thereof, whether cash or non-cash, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Borrower; *provided, however*, that gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated at the time of

making thereof in writing by the donor or maker as being for certain specific purposes, which purposes exclude repayment of the Loan, and the income derived therefrom, to the extent required by such designation, shall be excluded from Revenues.

“Secretary” means the Secretary of Education of the United States.

“Series A 2025 Annual Replacement Reserve Requirement” means, initially, One Million Two Hundred Thousand and 00/100 Dollars (\$1,200,000); *provided* that commencing July 1, 2025, such requirement shall be increased on July 1st of each year by three percent (3%) for each such Fiscal Year.

“Series A 2025-4 Bond Escrow Requirement” means, in the case of each Advance, an amount equal to 5.26315% of the amount of funds approved by the Lender for disbursement to pay Costs of the Project.

“Servicing Fee” shall have the meaning ascribed thereto in Section 2.5A hereof and shall be part of each Loan Deposit.

“Short-Term Debt” means all Debt, other than Long-Term Debt (including Long-Term Debt in the form of Balloon Debt), including the following:

(i) Debt with respect to money borrowed payable on demand or for an original term, or renewable at the option of the Borrower for a period from the date originally incurred, of one (1) year or less; and

(ii) Debt with respect to installment purchase contracts having an original term of one (1) year or less (other than contracts entered into in the ordinary course of business).

“Short-Term Treasury Rate” means the rate to be determined by the Secretary of the Treasury taking into consideration the prevailing market yield on the remaining maturity of the most recently auctioned thirteen (13)-week United States Treasury bills.

“South Carolina State University Liquidity Reserve Account (Series A 2025-4)” means the account referenced in Section 5.18 hereof.

“South Carolina State University Replacement Fund (Series A 2025-4)” means the account referenced in Section 5.19 hereof.

“State” means the State of South Carolina.

“Student Housing Property” means any and all rights, title and interests in and to the Property comprising the Borrower’s student housing system, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or acquired after the effective date of this Agreement. The term “Student Housing Property,” without intending to limit the generality of the foregoing, as of any particular time, shall include all or any portion of the Student Housing Property, whether real or personal, tangible (including cash) or intangible, and all buildings, structures, fixtures,

furnishings, equipment and other property, movable and immovable, and all franchises, land, rights-of-way, privileges, servitudes, easements, licenses, rights and any other interests in immovable property owned, leased, subleased or otherwise acquired by the Borrower and used or useful in connection with or incident to such facilities, or used or useful by the Borrower in connection with or incident to its providing educational services or related services to the public, without regard to race, creed, color or national origin.

“Student Housing Property Proceeds” means all proceeds from the sale or other disposition of any property constituting part of the Student Housing Property or owned directly or beneficially by the Borrower in connection with the operation of the Student Housing Property.

“Student Housing Revenues” means: (a) all receipts, revenues, income, rents, fees, charges and other moneys derived, received or accrued from the operation of the Student Housing Property, whether in the form of accounts, accounts receivable, contract rights, chattel paper, instruments or other rights, and the proceeds thereof, whether cash or non-cash, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Borrower; (b) Student Housing Property Proceeds; (c) all interest and other income received directly or indirectly from the investment of any moneys or accounts relating to the Student Housing Property; and (d) any other moneys which may be designated from time to time by the Board of Trustees as Student Housing Revenues.

“Subsidiary” means any corporation of which the Borrower, the Borrower and one or more Subsidiaries, or one (1) or more Subsidiaries either (i) has the power or right to appoint, or (ii) owns or controls, directly or indirectly, more than fifty percent (50%) of the outstanding stock having by its terms ordinary voting power to elect, a majority of the Board of Directors of such corporation (without regard to whether or not at the time capital stock of any other class or classes of such corporation has or might have voting power upon the occurrence of any contingency).

“Supplemental Indenture” means the Ninety-Ninth Supplemental Trust Indenture dated as of _____, 2025, between the Lender and the Trustee, supplementing the Indenture and authorizing the issuance of the Series A 2025-4 Bond to obtain funds for making the Loan hereunder.

“Total Operating Revenues” means the aggregate of all tuition and other operating revenues of the Borrower less applicable deductions from operating revenues (but before deduction of Operating Expenses) as determined in accordance with generally accepted accounting principles consistently applied.

“Trustee” means Regions Bank, a banking corporation duly organized and existing under the laws of the State of Alabama and authorized to exercise corporate trust powers in the State, as successor trustee to The Bank of New York Mellon Trust Company, N.A., which was successor trustee to TD Bank, National Association (formerly Commerce Bank, National Association), which was successor trustee to U.S. Bank,

National Association, which was successor trustee to SouthTrust Bank of Georgia, N.A., the original trustee under the Indenture.

“Variable Rate Debt” means Debt that bears interest at a variable, adjustable or floating rate.

Section 1.2. Headings; Table of Contents. The various headings used in this Agreement and the Table of Contents are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

(End of ARTICLE 1)

ARTICLE 2

AMOUNT AND TERMS OF LOAN - SECURITY

Section 2.1. Loan Commitment. Subject to the terms and conditions of this Agreement and in reliance on the representations and warranties of the Borrower set forth herein, the Lender agrees to make to the Borrower, and the Borrower agrees to borrow from the Lender, a loan in the maximum aggregate principal amount of \$_____ for the purpose of financing or refinancing the Costs of the Project. Loan funds will be advanced to the Borrower (each such advance of funds being an “Advance”) as provided in Article 3 hereof.

Section 2.2. The Note. The Borrower will execute and deliver to the Lender a Promissory Note in the maximum principal amount of \$_____ (relating to the Series A 2025-4 Bond) (the “Note”). The Loan will be evidenced by the Note dated the date of the Loan, with interest on each Advance being determined as provided in Section 2.3 hereof and payable on the dates provided in Sections 2.3 and 2.4 hereof, providing for payments of principal on the dates and in the amounts provided in Section 2.5 hereof, and stated to mature on _____ 1, 20__.

Section 2.3. Interest. Interest on the Note will be equal to, and payable at the same time as, interest is due on the Series A 2025-4 Bond. Accordingly, interest on each Advance will accrue from the date on which the respective Advance is made to the date on which the principal amount of such Advance is due. Interest on each Advance will be computed on the basis of (a) actual days elapsed from (but not including) the date on which the respective Advance is made (for the first payment of interest due under the Note) or the date on which the payment of interest was last due (for all other payments of interest under the Note), to (and including) the date on which payment is due, and (b) a year of three hundred sixty-five (365) days. The respective interest rate that will apply to each Advance will be established in accordance with the terms of the Series A 2025-4 Bond at the time such Advance is made. Except as provided in the next sentence, interest accrued on the outstanding principal balance of each Advance will be payable on each Loan Payment Date, beginning on the first such Loan Payment Date to occur after the date on which the respective Advance is made, and on the day when the principal of the Loan becomes finally due (whether by acceleration, final maturity or otherwise). For each Advance made before the First Payment Date, the amount of accrued interest that would otherwise be payable on each Loan Payment Date occurring before such date will be capitalized as provided in the Series A 2025-4 Bond.

Section 2.4. Late Payments. In the event that any amounts of principal, interest or premium due and payable under the Note are not paid when and as due (any such amount being then an “Overdue Note Amount”), the amount payable shall be such Overdue Note Amount plus interest thereon at the Overdue Note Amount Late Charge Rate to the extent permitted by applicable law (such interest being the “Overdue Note Amount Late Charge”) computed in accordance with this Section 2.4. The Overdue Note Amount Late Charge shall accrue from the scheduled date of payment for the Overdue Note Amount (or, if the scheduled date of payment is not a Business Day, then from the

next succeeding Business Day) to the actual date on which payment is made. The Overdue Note Amount Late Charge shall be computed on the basis of (i) actual days elapsed from (but not including) the scheduled date of payment for such Overdue Note Amount (or, if the scheduled date of payment is not a Business Day, then from the next succeeding Business Day) to (and including) the date on which payment of the Overdue Note Amount and all Overdue Note Amount Late Charges accrued thereon is made, and (ii) a year of three hundred sixty-five (365) days. The Overdue Note Amount Late Charge shall accrue at the Overdue Note Amount Late Charge Rate. For so long as any Overdue Note Amount remains unpaid, the amount of the accrued Overdue Note Amount Late Charge will be capitalized to the extent permitted by applicable law, and the Overdue Note Amount Late Charge Rate shall be redetermined at ninety-one (91) day intervals. In the event that any amount due and payable on account of any Obligation is not paid when and as due (any such amount being then an “Overdue Obligation Amount”), then the amount payable shall be such Overdue Obligation Amount plus interest thereon at the Overdue Obligation Amount Late Charge Rate (such interest being the “Overdue Obligation Amount Late Charge”) computed on the basis of (i) actual days elapsed from (and including) the scheduled date of payment for such Obligation (or, if the scheduled date of payment is not a Business Day, then from the next succeeding Business Day) to (but not including) the day on which such payment of the Overdue Obligation Amount and all Overdue Obligation Amount Late Charges accrued thereon is made, and (ii) a three hundred sixty (360) day year of twelve (12) thirty (30) day months. The Overdue Obligation Amount Late Charge shall accrue at the Overdue Obligation Amount Late Charge Rate. Nothing in this section shall be construed to authorize the collection of, or require the payment of, interest on overdue interest or compounded interest if the collection or payment of interest on overdue interest or compounded interest is not permitted by applicable law.

Section 2.5. Principal Payments. Subject to Section 2.5A below, the principal of the Loan will be due and payable in the amounts and on the dates that principal is due on the Series A 2025-4 Bond.

Section 2.5A. Loan Deposits. (a) On each Loan Deposit Date, with respect to the Series A 2025-4 Bond, the Borrower shall pay to the Trustee for deposit to the South Carolina State University Revenue Account (Series A 2025-4) an amount such that after the Trustee distributes such moneys in accordance with Section 502 of the Indenture and pays the Servicing Fee and the FFB Fee to the Department of Education, both fees as described in subsection (b) below of this Section 2.5A: (i) the amount on deposit in the South Carolina State University Interest Subaccount (Series A 2025-4) is equal to the product of (A) the number of months since the last Interest Payment Date on the Series A 2025-4 Bond plus two (2) months, and (B) one-sixth (1/6th) the amount of interest payable on the Series A 2025-4 Bond on the next applicable Interest Payment Date, and (ii) the amount on deposit in the South Carolina State University Principal Subaccount (Series A 2025-4) is equal to the product of (A) the number of months since the last Principal Payment Date on the Series A 2025-4 Bond plus two (2) months, and (B) one-sixth (1/6th) of the amount of principal payable on the Series A 2025-4 Bond on the next applicable Principal Payment Date, such that the aggregate amount of Loan Deposits which shall be due sixty (60) days in advance of such Payment Date, is not less than the

amount of the interest and principal due on the Series A 2025-4 Bond on such Payment Date.

(b) On each Loan Deposit Date, the Borrower shall also pay to the Trustee for deposit to the South Carolina State University Revenue Account (Series A 2025-4) an amount (the “Servicing Fee” which shall be included as part of the Loan Deposit) equal to the product of (i) 0.0010 (ii) the actual number of days elapsed from the last Loan Deposit Date to the current Loan Deposit Date divided by three hundred sixty-five (365) and (iii) the principal amount of the Loan outstanding on the day prior to such Loan Deposit Date; plus an amount (the “FFB Fee” which shall be included as part of the Loan Deposit) equal to the product of (A) 0.00125, (B) the actual number of days elapsed from the last Loan Deposit Date to the current Loan Deposit Date divided by three hundred sixty-five (365) and (C) the principal amount of the Loan outstanding on the day prior to such Loan Deposit Date. The Trustee shall pay: (1) to the Lender the portion of each Loan Deposit comprising the Servicing Fee and (2) to the Department of Education the portion of the Loan Deposit comprising the FFB Fee.

Section 2.6. Loan Payments, Loan Deposits and Other Obligations. The Borrower shall use the Pledged Revenues to make the Loan Deposits and Loan Payments. All Loan Deposits and Loan Payments will be made in lawful money of the United States, in immediately available funds at the designated corporate trust office of the Trustee or such other agent of the Lender (designated in writing by the Lender to the Borrower from time to time) by not later than 12:00 noon (in the time of the place of payment) on the applicable Loan Deposit Dates and Loan Payment Dates. If any such payment falls due on a Saturday, Sunday or other day banks are required or authorized to close at the place of payment, such payment will be due on the next succeeding Business Day at such place, and such extension of time will be included in the computation of interest. All other Obligations shall be payable in lawful money of the United States to the persons and at the times indicated herein. Loan Deposits and Loan Payments received by the Lender or Trustee under any Loan Document (whether made by the Borrower, or otherwise) will be applied as provided in Section 502 of the Indenture. Loan Payments shall be deemed paid at the time the corresponding payments of principal and interest are paid on the Series A 2025-4 Bond to the extent that such payments on the Series A 2025-4 Bond are attributable to Loan Deposits or investment earnings thereon.

Section 2.7. Absolute Obligation to Pay. The obligation of the Borrower to pay the principal of, and interest on, the Loan and to pay the Obligations shall be absolute and unconditional, shall be binding and, to the extent permitted by law, enforceable in all circumstances whatsoever and shall not be subject to set off, recoupment or counterclaim. This Agreement shall be a limited obligation of the Borrower, the principal and interest on which shall be payable by the Borrower solely out of the Pledged Revenues derived hereunder, and moneys derived from Article VII of this Agreement. THIS AGREEMENT SHALL NOT IN ANY EVENT CONSTITUTE AN INDEBTEDNESS OF THE STATE WITHIN THE MEANING OF ANY PROVISION, LIMITATION, OR RESTRICTION OF THE CONSTITUTION OR STATUTES OF THE STATE OF SOUTH CAROLINA (OTHER THAN ARTICLE X, SECTION 13 OF THE SOUTH CAROLINA CONSTITUTION AUTHORIZING OBLIGATIONS PAYABLE FROM A

REVENUE PRODUCING PROJECT OR SPECIAL SOURCE NOT INVOLVING REVENUES FROM ANY TAX). THE FULL FAITH AND CREDIT OF THE STATE OF SOUTH CAROLINA ARE NOT PLEDGED FOR THE PAYMENT OF PRINCIPAL OR INTEREST ON THE LOAN. THE BORROWER IS NOT OBLIGATED TO PAY THE PRINCIPAL AND INTEREST ON THE LOAN SAVE AND EXCEPT FROM THE PLEDGED REVENUES. THE BORROWER DOES NOT HAVE TAXING POWER.

Section 2.8. Optional Prepayment. The Borrower may prepay the Loan in whole or in part, at any time that the Series A 2025-4 Bond is pre-payable pursuant to Section 6.1 of the Supplemental Indenture but subject to the conditions that:

(a) the Borrower has given the Lender and the Trustee written notice of its intention to prepay the Loan, specifying the amount of the prepayment and the date of prepayment, at least ten (10) Business Days prior to the date of prepayment; and

(b) the Borrower pays to the Trustee on behalf of the Lender on the date of prepayment an amount equal to the premium, if any, required to be paid on the Series A 2025-4 Bond that is called as a result of such prepayment as well as any expenses due under any Loan Document.

The Borrower will be obligated to prepay the Loan in accordance with the terms and conditions of this Section 2.8 if it gives a prepayment notice as provided above, unless the Borrower delivers a written notice rescinding its prepayment notice before 3:30 p.m. (Washington, D.C. time), three (3) Business Days before the date of prepayment, and the Lender thereupon rescinds its prepayment notice (with respect to the Series A 2025-4 Bond that the Lender issued to fund the Loan to the Borrower) before 3:30 p.m. (Washington, D.C. time) two (2) Business Days before the date of prepayment. All amounts prepaid and allocable to principal will be applied to the principal payments due on the Loan in the inverse order of maturity. If the Borrower prepays the Loan in full, all amounts outstanding under this Agreement or under any other Loan Document will be due and payable on the date of prepayment.

In the event the Borrower shall give timely and proper notice rescinding its prepayment notice under this Section 2.8, the Lender shall indemnify and hold the Borrower harmless from and against any and all claims, demands, liabilities, expenses or costs of any kind, incurred as a result of the Lender's failure to properly rescind its prepayment notice.

Section 2.9. Use of Proceeds of the Loan Prepayment. The Lender and the Borrower agree that the proceeds received by the Lender as a result of a prepayment of the Loan pursuant to Section 2.8 above shall be used to call the Series A 2025-4 Bond pursuant to Section 6.1 of the Supplemental Indenture and Article VII of the Indenture.

Section 2.10. Usury. Notwithstanding anything to the contrary contained in this Agreement, all rates of interest chargeable pursuant to this Agreement will not exceed the maximum rate of interest permitted by applicable law.

Section 2.11. Punctual Payment. The Borrower agrees to pay Loan Deposits and Loan Payments to the Lender on the applicable Loan Deposit Dates and Loan Payment Dates and to pay any other amounts payable hereunder, or under any Loan Document, punctually on the date and at the times and to the persons agreed to hereunder or under any Loan Document.

Section 2.12. Use of Loan Proceeds. The Borrower agrees to use the proceeds of the Loan solely to pay or refinance Costs of the Project, including Costs of Issuance, and to deposit amounts equal to the Series A 2025-4 Bond Escrow Requirement into the South Carolina State University Escrow Account (Series A 2025-4) as provided in Section 2.13 hereof.

Section 2.13. Escrow Fund. The Borrower hereby acknowledges and agrees that, in connection with each disbursement of funds that is made or caused to be made under the Loan to pay Costs of the Project, an amount of funds equal to the applicable Series A 2025-4 Bond Escrow Requirement will be disbursed or caused to be disbursed under the Loan for deposit into the South Carolina State University Escrow Account (Series A 2025-4), unless the Borrower has elected to make a deposit in such amount from its own funds. Each disbursement of the funds under the Loan to pay or refinance Costs of the Project, together with the related disbursement of funds in an amount equal to the applicable Series A 2025-4 Bond Escrow Requirement for deposit to the South Carolina State University Escrow Account (Series A 2025-4), shall constitute one (1) Advance under the Loan. Moneys in the South Carolina State University Escrow Account (Series A 2025-4) and in the other accounts and subaccounts established under other supplemental indentures will be applied as provided in the Indenture. If, as a result of a payment default under this Agreement, a deficiency occurs in the South Carolina State University Debt Service Account (Series A 2025-4) causing a draw on the Escrow Fund (as defined in the Indenture), the Borrower will replenish the Escrow Fund on or before the next Loan Deposit Date. Amounts on deposit in the South Carolina State University Escrow Account (Series A 2025-4) will be examined by the Trustee at least once during each twelve-(12) month period. If the balance (based on the fair market value of any investments on deposit therein) of the South Carolina State University Escrow Account (Series A 2025-4) exceeds an amount equal to five percent (5%) of the then outstanding principal balance of the Loan, then the amount of such excess will be returned to the Borrower as provided in the Indenture; *provided, however*, that the amount of such excess will not be returned to the Borrower to the extent that the return of such amount would cause the sum of the balances of all accounts of the Escrow Fund to be less than an amount equal to five percent (5%) of the sum of the then outstanding principal balances of all capital project loans made by the Lender under the HBCU Capital Financing Program and any of the deficiencies. Following the payment in full by the Borrower of all amounts owed by the Borrower on account of the Loan and all other amounts owed by the Borrower under any Loan Document, the balance of the South Carolina State University Escrow Account (Series A 2025-4) will be promptly returned to the Borrower as provided in the Indenture.

Section 2.14. Federal Insurance. If a default under this Agreement results in a draw on the Department Insurance, the Borrower shall repay such amount to the

Secretary on demand in writing. Any such payment by the Borrower to the Secretary shall constitute a credit against amounts due and unpaid under this Agreement and such credit shall be applied in the same priority set forth in Section 2.6 hereof.

Section 2.15. Security Interest in Pledged Revenues. As security for the obligation of the Borrower to make all payments due, and to perform all obligations, under this Agreement, the Note and any other Loan Documents, and for the benefit and security of all Bonds issued on behalf of the Borrower under the Indenture, the Borrower irrevocably grants to the Lender a first lien on and security interest in its Pledged Revenues and any rights to receive such Pledged Revenues, subject to any lien listed on Exhibit A hereof, but the existence of the Lender's security interest shall not prevent the Borrower from expending, depositing or commingling Pledged Revenues so long as all required payments hereunder are made. Without limiting any of the Lender's or the Secretary's remedies under Article 7 of this Agreement, if an Event of Default occurs hereunder and for so long as it continues to exist, upon notice to the Borrower by the Lender, any Pledged Revenues shall be transferred or paid over immediately to the Trustee, as assignee of the Lender, without being commingled with other funds and any Pledged Revenues thereafter received shall upon receipt be transferred to the Trustee in the form received (with necessary endorsement if necessary for negotiability or good delivery) to the extent necessary to cure the deficiency. The Borrower represents and warrants that the lien granted hereby with respect to the Pledged Revenues are and at all times will be a first lien, subject only to Permitted Liens.

Section 2.16. Assignment and Pledge of the Lender. The Lender assigns and pledges to the Trustee, without recourse, in trust upon the terms hereof and grants to the Trustee a continuing security interest in (a) the rights, title and interest of the Lender under this Agreement, (b) all of the Lender's rights, whether currently existing or hereafter acquired, to enforce any loan or loans of proceeds of the Series A 2025-4 Bond made by the Lender to the Borrower pursuant to the terms of this Agreement, and (c) all Pledged Revenues to be received from the Borrower; but not including funds received by the Lender for its own use, whether as administrative fees, reimbursement or indemnification, and the rights thereto. The Borrower joins in the pledge of and grant of a security interest in such Pledged Revenues to the extent of its interest therein.

Section 2.17. Further Assurances. Notwithstanding the foregoing, the Lender, the Borrower and the Trustee shall, to the extent required by law after the effective date of this Agreement, cause a financing statement or memorandum relating to this Agreement to be filed, registered and recorded in such manner and at such places as may be required by the Lender with a copy of such financing statement or memorandum being retained by the Trustee. Concurrently with the execution and delivery hereof and thereafter from time to time, as reasonably requested by the Lender or the Trustee, the Borrower shall obtain or, at the written request and expense of the Borrower, the Lender or the Trustee shall obtain, an opinion of counsel and furnish a signed copy thereof to the Lender and the Trustee, setting forth what, if any, actions by the Borrower, the Lender or the Trustee should be taken to preserve the security interest granted herein. The Borrower shall perform or shall cause to be performed any such acts, and execute and cause to be executed any and all further instruments as may be required by law or as shall

reasonably be requested by the Lender or the Trustee for such protection of such security interests.

(End of ARTICLE 2)

ARTICLE 3

ADVANCES UNDER THE LOAN

Section 3.1. Conditions Precedent to Making the Initial Advance under the Loan. In addition to the conditions specified in Section 3.2 hereof as being conditions precedent to making every Advance under the Loan, the obligation of the Lender to make the Initial Advance under the Loan is subject to the satisfaction of the following conditions precedent:

(a) The applicable selection criteria pursuant to Section 2.1 of the Agreement to Insure and conditions precedent pursuant to Section 2.2 of the Agreement to Insure shall have been satisfied;

(b) The Lender has received the following, in form and substance satisfactory to the Lender:

- (1) The Note duly executed by the Borrower substantially in the form attached hereto as Exhibit C and dated the Closing Date.
- (2) UCC Financing Statements which, when filed, will provide notice of Lender's interest in the Pledged Revenues.
- (3) The favorable written opinion of legal counsel to the Borrower substantially in the form attached hereto as Exhibit D and dated the Closing Date.
- (4) Financial Statements of the Borrower for the prior five (5) Fiscal Years certified by a firm of independent certified public accountants and pro forma statements for the subsequent five (5) Fiscal Years.
- (5) Evidence satisfactory to the Lender that any zoning, permits and other approvals necessary in connection with the Project have been obtained.
- (6) The Borrower's organizational documents.
- (7) Certificates of the Borrower regarding lobbying required to be filed by recipients of federal loans and/or federal guarantees or insurance under 31 C.F.R. Part 21.
- (8) A Certificate as to Insurance executed by the Borrower, along with certificates of the State evidencing all of the Borrower's coverage.

- (9) A guaranteed maximum price construction contract, in the form approved by the Lender, in its sole discretion, between the Borrower and the General Contractor, under which such General Contractor agrees to construct the Project for a guaranteed maximum price equal to \$_____.
- (10) An architect contract(s), in the form(s) approved by the Lender, in its sole discretion, for design of the Project, between the Borrower and the Architect(s).
- (11) This Agreement, duly executed by the Borrower.
- (12) Such other items as may be reasonably requested by the Lender or the Guarantor.

(c) No event has occurred and is continuing, or would occur by the borrowing of the Loan or the execution, filing or recordation of any of the Loan Documents, which constitutes an Event of Default or which, upon the giving of notice, the lapse of time, or both, would constitute an Event of Default; and

(d) Any Loan Document deemed necessary by the Lender to be recorded or filed to create or perfect the liens and security interests intended to be created for the benefit of the Lender pursuant to the Loan Documents will have been delivered to Lender in recordable form or filed; and all taxes and other charges, if any, required in connection with the execution of any of the Loan Documents or the recording or filing thereof have been duly paid in full by the Borrower.

Section 3.2. Conditions Precedent to All Advances. The obligation of the Lender to make any Advance under the Loan is subject to the satisfaction of the following conditions precedent applicable to each such Advance:

(a) The Lender has received the following documents, in form and substance satisfactory to the Lender:

- (1) a requisition for payment (substantially in the form of the requisition attached hereto as Exhibit E), signed by a Borrower Representative and identifying the building or payment obligation to which the requisition pertains and stating the following:

(A) the total amount of funds that the Borrower is requisitioning at that time under this Agreement and to whom the funds requested therein are to be paid;

(B) the amount of funds that the Borrower is requisitioning at that time for Costs of Issuance;

(C) that the total of the amount requisitioned for Costs of Issuance and all amounts requisitioned previously for Costs of Issuance does not exceed two percent (2%) of the aggregate principal amount of the Series A 2025-4 Bond;

(D) the total amount of the requisition qualifies as Costs; and

(E) all amounts previously requisitioned have actually been applied to finance or refinance Costs.

(2) upon request of the Lender, copies of invoices relating to and substantiating any requested Advance;

(3) a certificate, signed by a Borrower Representative, setting forth the following:

(A) Costs paid and/or incurred as of the end of the most recent calendar month prior to the date of such certificate;

(B) the then-current projection as to final costs of completing the Project; and

(C) all materialmen, mechanics and suppliers have been paid in full or have waived or released all liens for services and material rendered or delivered to date in connection with the Project.

(4) an Architect's Certificate of Completion, setting forth the following:

(A) satisfactory assurances that, the repair, renovation, restoration, acquisition, construction or reconstruction of the Project, to the extent completed, has been completed in a good and workmanlike manner and in conformity with good construction and engineering practice and the provisions of the plans in all respects; and

(B) satisfactory assurances that, to such Architect's best knowledge after due inquiry (which may include a certification of the General Contractor with respect to zoning approvals, if applicable), the repair, renovation, restoration, acquisition, construction or reconstruction, to the extent completed, has been completed in accordance with all applicable laws, ordinances, rules, regulations and orders, including,

but not limited to, any of the same relating to building, safety, zoning or environmental protection;

For purposes of this paragraph (4), an AIA Document G-702-1992 (Application and Certificate for Payment) (the “AIA Document”), signed by the Architect and the Borrower’s General Contractor for the Project, shall constitute such certification; *provided* that the Contract Documents referenced in the AIA Document provide for substantially similar standards as set forth in this paragraph (4);

- (5) solely with respect to any Advance intended for Costs of construction and upon request by the Lender: (i) a budget and an estimate of the total costs of such construction provided by an Architect or a contractor reputable in this particular area of construction and, (ii) to the extent such costs exceed the amounts available to, or allocable for, such construction, under the Loan, satisfactory evidence, solely in the Lender’s discretion, that the Borrower has obtained funds or legally binding commitments for the same in an amount equal to the excess cost of such construction. Such funds may be derived from donations or gifts to the Borrower, endowment funds of the Borrower, grants obtained by the Borrower or, to the extent approved by the Lender, the elimination of a portion of the construction proposed hereunder and the use of the moneys allocable to the cost of construction therefor towards the balance of the construction. No architect’s or contractor’s estimate shall be required for any advance for design or architect’s fees and costs to any of the above construction; and
- (6) any construction permits related to the Project to be financed with the proceeds of the Series A 2025-4 Bond.

(b) The Lender has delivered to the Trustee a request for an Advance:

- (1) setting forth the following:
 - (A) the total amount of funds that the Borrower requisitioned for paying Costs (such amount being the “Requisitioned Amount”);
 - (B) the portion of the Requisitioned Amount that the Lender approves as being “Costs of the Capital Project” under the Act and the Agreement to Insure payable from the proceeds of an Advance under the Series A 2025-4 Bond (such portion being the “Approved Costs Amount”);

- (C) the portion of the Approved Costs Amount that is to be retained by the Holder of the Series A 2025-4 Bond in accordance with Sections 402 (b) and 402(d) of the Indenture (such portion being the “Retention Amount”) until the Trustee shall receive an Architect’s Certificate of Completion;
 - (D) the balance of the Approved Costs Amount that the Lender approves to be disbursed to the Borrower to pay Costs of the Project (such balance being the “Approved Disbursement Amount”);
 - (E) the amount of the Series A 2025-4 Bond Escrow Requirement applicable to the Approved Disbursement Amount;
 - (F) the total amount of funds that are requested to be disbursed as an Advance (being the sum of the Approved Disbursement Amount and the applicable Series A 2025-4 Bond Escrow Requirement);
 - (G) the date on which the requested Advance is requested to be made (which shall not be earlier than five (5) Business Days after the Borrower’s requisition is delivered to the Trustee); and
 - (H) the bank accounts designated by the Borrower to which funds constituting the requested Advance are to be disbursed; and
- (2) certifying that:
- (A) the Lender has reviewed the Borrower’s requisition and accompanying certificates and determined that such documents are in order;
 - (B) the Lender has determined that the Borrower has incurred costs that are “Costs of the Capital Project” under the Act and the Agreement to Insure eligible for payment from the proceeds of an advance made under the Series A 2025-4 Bond;
 - (C) the amount of Costs of the Capital Project that the Borrower has incurred and not paid from the proceeds of an advance of funds previously made is at least equal to the Approved Costs Amount specified by the Lender in its request for an advance;

- (D) the total of (a) the portion of Approved Costs Amount of the advance for Costs of Issuance and (b) the portions of all previous Approved Costs Amounts for Costs of Issuance does not exceed two percent (2%) of the aggregate principal amount of the Series A 2025-4 Bond; and
 - (E) solely with respect to any Advance intended for Costs of construction of any facility, the Lender has reviewed the Borrower's books and a budget and an estimate of the total costs of construction for such facility provided by an Architect or a contractor reputable in this particular area of construction and, to the extent such costs exceed the amounts available to, or allocable for, such respective building, under the Loan, the Lender has ascertained with reasonable certitude that the Borrower has obtained funds or legally binding commitments for the same in an amount equal to the excess cost of the respective facility. Such funds may be derived from donations or gifts to the Borrower, endowment funds of the Borrower, grants obtained by the Borrower or, to the extent approved by the Lender, the elimination of one (1) or more of the facilities proposed hereunder and the use of the moneys allocable to the cost of construction therefor towards another of the foregoing facilities instead. No architect's or contractor's estimate shall be required for any advance for design or architect's fees and costs to any of the above facilities.
- (c) (1) forthwith after the Closing Date, but in any event not later than thirty (30) days after the Closing Date, the Borrower shall deliver to Lender for review and approval the following, to the extent not previously delivered to the Lender:
- (A) construction and/or installation contract(s) for any new construction and any rehabilitation portions of the Project by and between the Borrower and the licensed and qualified General Contractor(s) selected by the Borrower;
 - (B) Architect contract(s) for any new construction and any substantial rehabilitation portions of the Project by and between the Borrower and the licensed and qualified Architect(s) selected by the Borrower;

- (C) preliminary construction schedule(s) approved by the General Contractor; and
 - (D) evidence of submission to the applicable governmental authorities for the permits necessary to construct or rehabilitate the Project;
- (2) in addition to the foregoing requirements listed in paragraph (1) above, monthly, not later than the fifteenth (15th) of each month beginning July 15, 2025, until such time as the construction schedule and required permits have been delivered to the Lender, the Borrower shall deliver to the Lender a report detailing the status of the required deliverables; and
- (3) notwithstanding anything in this Agreement or any other Loan Document to the contrary, the obligation of the Lender to make any Advance under the Loan related to Costs of construction is conditioned upon the delivery to the Lender of (x) plans and specifications with respect to the Project and the approval of such plans and specifications by the Lender, with the consent of the Secretary and (y) evidence satisfactory to the Lender that any zoning and other approvals necessary in connection with the Project have been or will be obtained. For purposes of this paragraph (c), “construction” shall not include pre-construction activities, including, but not limited to, (i) engagement of the Architect, General Contractor, inspectors and such other third parties as may be reasonably required to prepare for and manage construction of the Project, (ii) commercially reasonable due diligence activities, (iii) acquisition of permits and other approvals, (iv) any remediation reasonably required as a prerequisite to construction and (v) such other activities as are determined in the sole discretion of the Lender.

(d) The Trustee has reviewed, and conclusively relied upon, the foregoing documents and determined, in accordance with Section 404 of the Indenture, that such documents are in order, that the conditions precedent to making payments from or for the account of the South Carolina State University Project Account (Series A 2025-4) have been satisfied, and that the requested advance is authorized to be made.

Section 3.3. Making Advances. Each Advance under the Loan shall be made from the proceeds of an advance of funds caused to be made under the Series A 2025-4 Bond that the Lender issued to fund a portion of the Loan, and each advance of funds that is made under the Series A 2025-4 Bond shall be deemed to be an Advance made under the Loan in an equal amount. Upon receipt of the documents required by Section 3.2 hereof to be delivered in connection with each request for Advance and, in the case of the Initial Advance, upon receipt of the documents required by Section 3.1 hereof to be

delivered in connection with the request for the Initial Advance, the Lender will make, or cause to be made, the requested Advance as herein provided.

(a) With respect to each requested Advance, the Lender shall, FIRST, retain, or cause to be retained, an amount of funds equal to the Retention Amount, until such time as the Lender receives an Architect's Certificate of Completion; and, SECOND, disburse, or cause to be disbursed, by wire transfer an amount of funds equal to the Approved Disbursement Amount to the account specified by the Borrower in its requisition delivered to the Lender, and, THIRD, disburse, or cause to be disbursed, an amount equal to the Series A 2025-4 Bond Escrow Requirement applicable to the Approved Disbursement Amount for deposit to the credit of the South Carolina State University Escrow Account (Series A 2025-4), as required by Section 2.13 hereof, unless the Borrower has elected to make a deposit in such amount from its own funds.

(b) With respect to the request for the final Advance to be made under the Loan from the Retention Amounts retained in accordance with subsection (a) above, the Lender will make such final Advance subject to the satisfaction of the following conditions precedent:

- (1) The Lender has received the following documents, in form and substance satisfactory to the Lender:
 - (A) each of the documents required by Section 3.2 hereof to be delivered in connection with each request for an Advance; and
 - (B) for the request for the final Advance under the Note, an Architect's Certificate of Completion.
- (2) The Lender has delivered to the Trustee a certificate stating that Lender has reviewed the foregoing documents and determined that such documents are in order and that the requested final Advance should be made.
- (3) The Trustee has reviewed the foregoing documents and determined, in accordance with Section 404 of the Indenture, that such documents are in order, that the conditions precedent to making the final payment from or for the account of the South Carolina State University Project Account (Series A 2025-4) established by the Supplemental Indenture have been satisfied, and that the requested final Advance is authorized to be made.

Upon receipt of the documents required by the preceding sentence to be delivered in connection with the request for the final Advance, the Lender will, FIRST, disburse, or cause to be disbursed, by wire transfer the sum of the Retention Amounts retained in

accordance with subsection (a) above, to the account specified by the Borrower in its requisition delivered to the Lender, and, SECOND, disburse, or cause to be disbursed, an amount equal to the Series A 2025-4 Bond Escrow Requirement applicable to the sum of such Retention Amounts, for deposit to the credit of the South Carolina State University Escrow Account (Series A 2025-4), as required by Section 2.13 hereof, unless the Borrower has elected to make a deposit in such amount from its own funds.

Section 3.4. Office of the State Treasurer. In accordance with discharging its responsibilities pursuant to Section 11-13-125 of the Code of Laws of South Carolina 1976, as amended, the Office of State Treasurer of South Carolina shall have the right, for a period equal to the term of the Capital Project Loan and six (6) years following payment in full thereof, upon reasonable notice, to review and inspect all of the documents set forth under this Article III that have been provided to the Trustee or the Lender by or on behalf of the Borrower, or to the Borrower from the Trustee or the Lender.

(End of ARTICLE 3)

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE BORROWER

The Borrower makes the following representations and warranties to the Lender, which will be deemed to be continuing representations and warranties until payment in full of the principal of and interest on the Loan and the Obligations:

Section 4.1. Existence and Rights. The Borrower is an Eligible Institution (as defined in 20 U.S.C. §1061(2)). The Borrower has the power and adequate authority, rights and franchises to own its property and to carry on its business as now conducted, and the Borrower is duly chartered, validly existing and in good standing under the laws of the State of South Carolina. The Borrower is duly qualified to transact operations in all places where such qualification is necessary. The Borrower has the power, adequate authority and legal right to enter into this Agreement and each of the other Loan Documents and to perform its obligations hereunder and thereunder pursuant to the Enabling Act.

Section 4.2. Organization for Educational Purposes. The Borrower is a public institution of higher learning created pursuant to the Code of Laws of South Carolina 1976, as amended and is organized and operated exclusively for educational purposes and not for pecuniary profit, and no part of the net income of the Borrower inures to the benefit of any person, private stockholder or individual. There is no fact which adversely affects, or in the future may so affect (so far as the Borrower can now foresee) the Borrower's eligibility under Title IV of the Higher Education Act of 1965, as amended. The Borrower is accredited by the Southern Association of Colleges and Schools.

Section 4.3. Loan Documents Authorized. The making and performance by the Borrower of this Agreement and each of the other Loan Documents: (i) have been duly authorized by all necessary action of the Board of Trustees, (ii) do not require the consent or approval of, or any declaration or filing with, any governmental body, regulatory authority, court or official, not already obtained, (iii) do not violate or contravene or constitute a default under any provision of law or regulation or the charter or bylaws of the Borrower or of any judgment, injunction, order, or mortgage, security agreement, indenture or other agreement or instrument, to which the Borrower is a party or by which the Borrower, the Project, the Pledged Revenues or any of its other Property may be bound or affected, and (iv) will not result in the creation or imposition of any lien or security interest on any property of the Borrower, other than the lien created pursuant to this Agreement. This Agreement and each of the other Loan Documents are the valid, legal and binding obligations of the Borrower enforceable against it in accordance with their terms subject to bankruptcy, insolvency, liquidation and similar laws generally affecting creditor's rights and general principles of equity and judicial discretion.

Section 4.4. Financial Condition. The audited financial statements of the Borrower as of June 30, 2023 and June 30, 2024, respectively, and the related statements of revenues and expenses, changes in fund balances and changes in financial position for

the period then ended, a copy of which has been delivered to the Lender, fairly present, in conformity with generally accepted accounting principles consistently applied (subject to normal year end adjustments for fiscal year ended June 30, 2024 statements), the financial position of the Borrower as of such date and its results of operations and changes in financial position for such period. The Borrower does not have any contingent liabilities, liabilities for taxes, or unusual forward or long-term commitments not disclosed by, or adequately reserved against, in said financial statements or the notes thereto, and there are no unrealized or anticipated losses from any commitment of the Borrower. Since June 30, 2024, there has been no adverse change in the assets, liabilities or financial condition of the Borrower from that shown by such financial statements as of that date.

Section 4.5. Permits and Licenses. The Borrower has made diligent inquiry, and has obtained or will obtain (and knows no reason why such cannot be obtained) all necessary permits, licenses, accreditations, zoning and other certifications or other necessary approvals to conduct its business as it is presently being conducted. In addition, the Borrower has made diligent inquiry and has obtained or will obtain (and knows no reason why such cannot be obtained) all necessary permits, licenses, accreditations, and zoning and other certifications or other necessary approvals to construct, complete and occupy the Project, subject to minor exceptions and deficiencies that are not material and do not affect the conduct of its business.

Section 4.6. Litigation. After due inquiry, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, threatened against or affecting the Borrower: (a) wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by or the validity of this Agreement or any other Loan Document, (ii) the tax exempt status of the Borrower, (iii) the status of the Borrower as an Eligible Institution, or (iv) the Property, assets, operations or condition, financial or otherwise of the Borrower or the ability of the Borrower to perform its obligations under this Agreement and the other Loan Documents, or (b) which in any way contests the existence, organization or powers of the Borrower or the titles of the officers of the Borrower to their respective offices.

Section 4.7. No Event of Default. After due inquiry, no Event of Default or other event which, with the giving of notice or the lapse of time or both, would become an Event of Default, has occurred and is continuing or will occur by reason of the execution, filing or recordation of any of the Loan Documents or the borrowing of the Loan.

Section 4.8. Taxes. The Borrower has filed all federal, state, and local income, sales and other tax returns required to have been filed by it and has paid all taxes which have become due pursuant to such returns and the Borrower does not know of any basis for additional assessment in respect of such taxes.

Section 4.9. Nondiscrimination. The Borrower does not, and the Borrower will not, discriminate on the basis of race, sex, color, religion, disabling condition or national origin.

Section 4.10. Religious Activity Prohibition. The Borrower will not use any part of this Loan for any educational program, activity or service related to sectarian instruction or religious worship or provided by a school or department of divinity. The Borrower is not an institution in which a substantial portion of its functions is subsumed in a religious mission.

Section 4.11. Prohibition on Grants. The Borrower is not in receipt of assistance under Section 123 of Title 20 of the United States Code (entitled “Annual Appropriations; inspection by Secretary of Education”) and will not apply for, or accept such a grant or assistance prior to repayment in full of the Loan.

Section 4.12. ERISA Plans. Each ERISA Plan maintained by the Borrower, if any, (i) has been established and maintained in compliance with ERISA and the Code, (ii) has not engaged in a prohibited transaction, (iii) has not had any accumulated funding deficiency, whether or not waived, and (iv) is not in risk of being terminated by the Pension Benefit Guaranty Corporation. With respect to any ERISA Plan subject to Title IV of ERISA (x) the Borrower has not incurred, and does not expect to incur, any liability, other than premium payments, to the Pension Benefit Guaranty Corporation, and (y) as determined as of the most recent evaluation date by the ERISA Plan’s enrolled actuary under actuarial assumptions normally used in connection with such ERISA Plan, the present value of all vested accrued benefits did not exceed the value of such ERISA Plan’s assets (less all liabilities, other than those attributable to accrued benefits) allocable to such vested accrued benefits by more than \$50,000 in the aggregate. Neither the Borrower nor any common control entity has incurred any withdrawal liability in connection with a Multi-employer Plan. Any term used in this Section and not defined in this Agreement is used as defined in ERISA.

Section 4.13. The Property. The Borrower is and will continue to be the sole beneficial owner of all of the Property in fee simple absolute. The Property is and will continue to be in the sole possession, control and enjoyment of the Borrower, subject to the right of students to occupy residence halls. The Property is not subject to any mortgages, deeds of trust, pledges, security interests, or other encumbrances of any kind, other than created by the Loan Documents or as set forth in Exhibit A hereto. The Property is exempt from real property taxation.

Section 4.14. Hazardous Substances. No “Hazardous Substance” is located on or in any part of the Property except as permitted by law. The term “Hazardous Substance” means: (a) any oil, flammable substance, explosive, radioactive material, hazardous waste or substance, toxic waste or substance or any other waste, material or pollutant which (i) poses a hazard to the Property or to persons on or about the Property, or (ii) causes the Property to be in violation of any applicable law; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of “hazardous substances,” “hazardous waste,” “restricted hazardous waste,” or “toxic substances” or words of similar import under any applicable local, state or federal law or under the regulations adopted or publications promulgated pursuant

thereto, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801; the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Property or the owners and/or occupants of property adjacent to or surrounding the Property, or any other person coming upon the Property or adjacent property; and (e) any other chemical, material or substance which may or could pose a hazard to the environment. The term "Hazardous Substance" shall include, without limitation, raw materials, building components, the products of any manufacturing or other activities at the Property and wastes.

Section 4.15. Wetlands. No part of the Property consists of or is classified as wetlands, tidelands or swamp and overflow lands or is located in a federally designated "flood area". The Borrower shall be responsible for any claims (including without limitation third party claims for personal injury or real or personal property damage) against the Borrower, actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities (including sums paid in settlements of claims), interest or losses, attorneys' fees, consultant fees, and expert fees that arise directly or indirectly from or in connection with the presence on the Property of wetlands, tidelands or swamp and overflow lands, or any breach of the foregoing representation and warranty, and which are asserted against or represent a claim against the Borrower. The defense of any such claims or liabilities asserted against the Borrower shall be the obligation of the Borrower. Neither the Lender nor the Trustee, nor their successors and assigns, shall be obligated to assume or defend any claim whether asserted against the Borrower or otherwise. The provisions of this Section 4.15 shall survive the repayment of the Loan.

The Borrower has determined that pursuant to the South Carolina Constitution and Code of Laws of South Carolina 1976, as amended, certain prohibitions relating to obligations in subsequent fiscal periods and principles of sovereign immunity applicable to the Borrower render the Borrower unable to enter into any binding agreement to pay amounts in a subsequent fiscal period, discharge, indemnify, hold harmless or defend the Lender or the Trustee as described below in this Section 4.15. NOTWITHSTANDING THE FOREGOING, IN THE EVENT OF A CHANGE IN LAW THE EFFECT OF WHICH IS TO ALLOW THE BORROWER TO ENTER INTO SUCH A BINDING AGREEMENT, THE BORROWER AGREES TO NOTIFY THE LENDER ON A TIMELY BASIS OF SUCH CHANGE IN LAW AND, UPON REQUEST OF THE LENDER, PRESENT TO ITS BOARD OF TRUSTEES FOR CONSIDERATION AN AMENDMENT TO THIS AGREEMENT SUPPLEMENTING THE LANGUAGE CONTAINED IN THIS SECTION 4.15 WITH THE FOLLOWING LANGUAGE OR SIMILAR LANGUAGE TO BE APPENDED TO SUCH SECTION (PROVIDED THAT THE CONSIDERATION OF SUCH AMENDMENT SHALL BE IN THE SOLE DISCRETION OF THE BOARD OF TRUSTEES ACTING ON THE DATE OF CONSIDERATION AND FAILURE BY THE BOARD OF TRUSTEES TO APPROVE SUCH AMENDMENT SHALL NOT CONSTITUTE A DEFAULT HEREUNDER):

The Borrower agrees to indemnify the Lender, protect and defend with counsel acceptable to the Lender, and hold the Lender harmless from and against any claims (including without limitation third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities (including sums paid in settlements of claims), interest or losses, attorneys' fees (including any fees and expenses incurred in enforcing this indemnity), consultant fees, and expert fees that arise directly or indirectly from or in connection with the presence on the Property of wetlands, tidelands or swamp and overflow lands, or any breach of the foregoing representation and warranty. The Borrower shall promptly reimburse the Lender and the Trustee for their respective costs of defense of any such claim, including reasonable expenses and attorney's fees.

Section 4.16. Capital Project. The Project is a "Capital Project" within the meaning of the Act.

Section 4.17. Loan Application. All information provided by the Borrower in the Loan Application and any other written information provided by the Borrower in connection with the Loan is true and accurate in all material respects as of the date hereof.

Section 4.18. Title to Pledged Revenues. The Borrower has good and marketable title to its Pledged Revenues. The Pledged Revenues are not subject to any mortgage, deed of trust, pledge, security interest or other encumbrance, other than in the Loan Documents, Permitted Liens or as set forth on Exhibit A. The Pledged Revenues are assets of the Borrower that are permitted to be pledged and applied in accordance with the Loan Documents. Except for the security interests and encumbrances created by the Loan Documents, as set forth on Exhibit A, or Permitted Liens, the Pledged Revenues are not subject to any prior pledge or lien. The pledge of the Pledged Revenues is valid, binding and enforceable against the Borrower. The Borrower is and will continue to be the sole beneficial owner of the Pledged Revenues, subject to the rights of the Lender pursuant to this Agreement.

Section 4.19. No Default or Other Events.

(a) The Borrower (i) within the past five (5) years, (A) has not been delinquent on any payment obligation with respect to any debt; (B) has not been delinquent on any payment obligation, in default or failed to cure any obligation on any loan or loan agreement previously made under the Act or the HBCU provisions; (ii) has not been in default of any payment obligation under any Federal program, (iii) is financially solvent in both the legal and equitable sense and (iv) has the capacity to comply fully with the payment schedule set forth herein.

(b) The Borrower represents and warrants that (i) there are no judgment liens against any of the Borrower's Property for a debt owed to the United States of America, and (ii) the Borrower has no outstanding debts owed to the United

States of America or any agency thereof that is in delinquent status, as the term “delinquent status” is defined in 31 C.F.R. § 285.13(d).

Section 4.20. Exceptional Circumstances. All capital projects under the HBCU Capital Financing Program are subject to Section 1066(b) of the Act. As permitted by Section 2.1 of the Agreement to Insure, the Lender has determined, and the Secretary has agreed, that the Project is justified based on the Borrower’s Needs Survey, dated February 14, 2025 and signed by the Borrower, and the Architect’s Needs Surveys, each dated February 13, 2025, and signed by the Architect for each portion of the Project, each of which provides that the Project is justified over renovation of existing facilities because there is a demonstrated lack of suitable existing facilities on the Borrower’s campus to renovate in order to accommodate the Project, combined with current space utilization at or in excess of capacity.

(End of ARTICLE 4)

ARTICLE 5

COVENANTS OF THE BORROWER

The Borrower covenants and agrees that until payment in full of the principal of and interest on the Loan and the Obligations, the Borrower will do all of the following:

Section 5.1. Information Reporting. Furnish to the Lender at the Borrower's expense:

(a) as soon as available and in any event within one hundred eighty (180) days after the end of each Fiscal Year, audited financial statements, setting forth in comparative form the figures for the previous Fiscal Year (including, but not limited to, the aggregate capital expenditures on Replacement Expenses as a line item or in the notes), all certified as to fairness of presentation, generally accepted accounting principles and consistency by any independent public accountants of nationally recognized standing;

(b) simultaneously with the delivery of the set of financial statements referred to in clause (a) above, (i) a certificate of the Borrower Representative (A) setting forth in reasonable detail the calculations required to establish whether the Borrower was in compliance with the requirements of Section 5.15 hereof on the date of such financial statements, and (B) stating whether there exists on the date of such certificate any Event of Default and, if any Event of Default then exists, setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto, and (ii) pro forma projections of the Borrower's income and expenses for three (3) years;

(c) as soon as available, and in any event within ninety (90) days after the end of each Fiscal Year, annual unaudited financial statements of the Borrower, setting forth in comparative form the figures for the previous Fiscal Year;

(d) as soon as available, and in any event within forty-five (45) days after the end of each second fiscal quarter (Q2) and the end of each fourth fiscal quarter (Q4) of the Borrower, quarterly unaudited financial statements of the Borrower, setting forth in comparative form the figures for the same fiscal quarter of the previous Fiscal Year;

(e) as soon as possible, and in any event not later than December 1 of each of the Borrower's academic years, a statement of a Borrower Representative showing the enrollment as of November 1 of such academic year and comparative figures for the previous year, including the total number of freshman, sophomore, junior, and senior applications received, number of transfer student applications received for each group, number of acceptances for each group, the number of matriculations for each group, graduate and undergraduate full-time equivalent and part-time equivalent (on a basis of full-time student not carrying less than

twelve (12) credit hours or its equivalent for undergraduate students and nine (9) credit hours or its equivalent for graduate students), tuition rates for undergraduate and graduate, as well as number of undergraduate and graduate degrees conferred in the immediately prior academic year;

(f) as soon as possible, and in any event not later than July 1 of each calendar year, a statement of a Borrower Representative showing the final enrollment for the most recently concluded academic year, including a breakdown of enrollment for each academic period (whether semesters or quarters, as applicable, and each summer or winter session, as applicable), and comparative figures for the previous year, including the total number of freshman, sophomore, junior, and senior applications received, number of transfer student applications received for each group, number of acceptances for each group, the number of matriculations for each group, graduate and undergraduate full-time equivalent and part-time equivalent (on a basis of full-time student not carrying less than twelve (12) credit hours or its equivalent for undergraduate students and nine (9) credit hours or its equivalent for graduate students), tuition rates for undergraduate and graduate, as well as number of undergraduate and graduate degrees conferred in the most recently concluded academic year;

(g) as soon as possible, and in any event within thirty (30) days before the beginning of each Fiscal Year, the Borrower's operating budget for the next Fiscal Year as approved by the Board of Trustees. Such budget shall be accompanied by a certificate of a Borrower Representative as to the information in Section 5.16 hereof;

(h) forthwith upon the occurrence of any Event of Default, a certificate of the Borrower Representative setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto; and

(i) promptly upon the request of the Lender, such other information regarding the Borrower's financial condition and affairs, as the Lender may reasonably request from time to time.

Section 5.2. Books and Records; Rights of Visitation. Maintain appropriate books and records in respect of the Project, other Auxiliary Facilities, the Revenues, the Properties, and the Capital Project Loan for a period equal to the term of such Capital Project Loan and six (6) years following payment in full thereof; upon reasonable notice, permit representatives of the Lender, the Secretary, the Inspector General, and/or the Comptroller General during normal business hours, to inspect, examine and audit the Borrower's activities, books and records and to make abstracts and memoranda from the Borrower's books and records; permit representatives of the Lender, the Secretary, the Inspector General, and/or the Comptroller General during business hours, to inspect the Project or the Properties, and make available its employees, officers, independent contractors and advisors who have a relationship to the Project, the Revenues or the Properties during business hours with representatives of the Lender, the Secretary, the

Inspector General, and/or the Comptroller General as the Lender, the Secretary, the Inspector General, and/or the Comptroller General, respectively, may request.

Section 5.3. Preservation of Corporate Existence, Tax Exempt and Eligible Institution Status. Preserve and keep in full force and effect (i) its corporate existence, rights and franchises; (ii) its accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools; (iii) its status as an Eligible Institution as defined in 20 U.S.C. §1061(2)); and (iv) all approvals, consents, licenses and permits necessary for the continued operation of the Borrower as an institution of higher education.

Section 5.4. Compliance with Applicable Law. Comply with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all governmental bodies, federal, state and local, in respect of the conduct of its business, repair, maintenance and the ownership of the Property, including, without limitation, applicable statutes, regulations, orders and restrictions relating to environmental protection and occupational health or safety standards; *provided, however*, that the Borrower will not be required to comply with any such statute, standard, regulation or order if the applicability or validity thereof will be or is being contested in good faith and by appropriate proceedings diligently conducted, *provided* that such contest does not create any significant risk of forfeiture.

Section 5.5. Insurance.

(a) As of the date hereof, procure and, thereafter, during the term of this Agreement, maintain, or cause to be procured and maintained, insurance or self-insurance as approved by the Lender, against such risks and in such amounts customarily maintained by prudently managed institutions of higher education in the ordinary course of their business, and reasonably acceptable to the Lender (the “Insurance Requirements”).

(b) Each insurance policy evidencing any Insurance Requirement (the “Insurance Policies”) shall be carried by insurance companies which are financially responsible and capable of fulfilling the requirements of such policies or, in lieu of such insurance companies, via self-insurance or State insurance, if approved, in writing, by the Lender. Insurance through the South Carolina Insurance Reserve Fund is approved. All Insurance Policies (except liability policies) shall name the Borrower, the Lender and the Trustee as insured parties, beneficiaries or loss payees as their interest may appear. Each Insurance Policy shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved and shall contain a provision to the effect that the insurer shall not cancel or substantially modify the policy provisions without first giving at least thirty (30) days written notice thereof to the Borrower, the Lender and the Trustee. In lieu of separate policies, the Borrower may maintain blanket policies which cover any one or more risks required to be insured against so long as the minimum coverages required herein are met.

(c) No Insurance Policy can be canceled or coverage reduced by the Borrower for any reason unless the Lender and the Trustee receive at least a thirty (30) day written notice of such cancellation and the Lender has agreed to such cancellation in writing, with a copy to the Trustee. The Lender shall not unreasonably withhold its consent to any such cancellation if another comparable policy replaces it.

(d) Evidence of insurance acceptable to the Lender shall be provided to the Lender and the Trustee by the Borrower on or prior to the Closing Date and, thereafter, within five (5) Business Days after a request is made to the Borrower by the Lender or the Trustee. The Borrower shall, upon the request of the Trustee or the Lender, deliver to the Trustee or the Lender a certificate certifying that the terms, conditions and covenants of this Section 5.5 have been satisfied (the "Borrower's Insurance Certificate"). The Trustee and the Lender shall be entitled to rely upon the contents of the Borrower's Insurance Certificate without further investigation.

(e) The Borrower shall engage a qualified insurance consultant to review each Insurance Policy from time to time, but not less frequently than once every three (3) years, commencing not later than three (3) years after the Closing Date. If such review indicates that the Borrower should increase any of the coverages provided by the Insurance Policies in order to maintain compliance with the Insurance Requirements, the Borrower shall review such recommendation with the governing body of the Borrower and shall increase such coverage; *provided, however*, that such coverage is available from reputable insurance companies on the open market.

(f) The Borrower covenants and agrees to use its best efforts to apply for any grants, loans or other relief available from the State or federal government to obtain amounts necessary to rebuild any portion of the Properties destroyed or damaged in connection with an uninsured or underinsured calamity causing destruction or damage; *provided, however*, that the Borrower shall not be required to accept such amounts if doing so would jeopardize the integrity of the Borrower's programs.

(g) The Borrower shall at all times comply with the Workers' Compensation Law of the State, or any successor statute or statutes.

(h) The provisions of this Section 5.5 are in addition to the insurance requirements required by the laws of the State or required to maintain the Borrower's academic accreditation.

Section 5.6. Taxes and Other Liabilities. Pay and discharge, before the same become delinquent and before penalties accrue thereon, all taxes, assessments and governmental charges upon or against it, its Subsidiaries or any of its Property or its Subsidiaries' property, and all its other liabilities at any time existing, except to the extent and so long as:

(a) the same are being contested in good faith and by appropriate proceedings in such manner as not to cause any adverse effect upon its financial condition or the loss of any right of redemption from any sale thereunder; and

(b) it has set aside on its books reserves (segregated to the extent required by sound accounting practice) adequate with respect thereto.

Section 5.7. ERISA Compliance. Fund all current and past service pension liabilities under all of the ERISA Plans, if any, maintained by the Borrower so that, if all ERISA Plans maintained by the Borrower were terminated at the same time by the Borrower, the aggregate dollar amount of any liens imposed on the Property pursuant to ERISA would not have an adverse effect on the business, financial position, operations or prospects of the Borrower. Comply in all other respects with the provisions of ERISA, the Code and the regulations thereunder which are applicable to the ERISA Plans maintained by the Borrower.

Section 5.8. Use of Proceeds of the Loan.

(a) Ensure that proceeds of the Loan will not be used to pay Costs of Issuance in excess of an amount equal to two percent (2%) of the principal amount of the Loan.

(b) Ensure that all of the proceeds of the Loan will be used for Costs and for the deposit to the South Carolina State University Escrow Account (Series A 2025-4) required under Section 2.13 hereof.

Section 5.9. Completion of the Project. Promptly upon completion of the Project, deliver to the Lender (i) a certificate signed by the Borrower's Representative stating that such the Project has been completed, which certificate shall be delivered as soon as practicable after the date of completion of the Project, and (ii) an Architect's Certificate of Completion for the Project.

Section 5.10. Administrative Expenses. Pay to or for the account of the Lender within thirty (30) days after notice thereof all reasonable costs and expenses incurred by the Lender in connection with the financing and administration of the Project, except such as may be paid out of the proceeds of the Series A 2025-4 Bond, including, without limitation, the costs of administering this Agreement and the reasonable fees and expenses of attorneys, consultants and others.

Section 5.11. Indemnity Against Claims. THE BORROWER HAS DETERMINED THAT PURSUANT TO THE SOUTH CAROLINA CONSTITUTION AND CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, CERTAIN PROHIBITIONS RELATING TO OBLIGATIONS IN SUBSEQUENT FISCAL PERIODS AND PRINCIPLES OF SOVEREIGN IMMUNITY APPLICABLE TO THE BORROWER RENDER THE BORROWER UNABLE TO ENTER INTO ANY BINDING AGREEMENT TO PAY AMOUNTS IN A SUBSEQUENT FISCAL PERIOD, DISCHARGE, INDEMNIFY, HOLD HARMLESS OR DEFEND THE LENDER OR THE TRUSTEE AS DESCRIBED BELOW IN THIS SECTION 5.11. NOTWITHSTANDING THE FOREGOING, IN THE EVENT OF A CHANGE IN LAW THE EFFECT OF WHICH IS TO ALLOW THE BORROWER TO ENTER INTO SUCH A BINDING AGREEMENT, THE BORROWER AGREES TO NOTIFY THE LENDER ON A TIMELY BASIS OF SUCH CHANGE IN LAW AND, UPON

REQUEST OF THE LENDER, PRESENT TO ITS BOARD OF TRUSTEES FOR CONSIDERATION AN AMENDMENT TO THIS AGREEMENT REPLACING THE THEN EXISTING LANGUAGE CONTAINED IN THIS SECTION 5.11 WITH THE FOLLOWING LANGUAGE (PROVIDED THAT THE CONSIDERATION OF SUCH AMENDMENT SHALL BE IN THE SOLE DISCRETION OF THE BOARD OF TRUSTEES ACTING ON THE DATE OF CONSIDERATION AND FAILURE BY THE BOARD OF TRUSTEES TO APPROVE SUCH AMENDMENT SHALL NOT CONSTITUTE A DEFAULT HEREUNDER): TO THE MAXIMUM EXTENT PERMITTED BY LAW, PAY AND DISCHARGE AND INDEMNIFY AND HOLD HARMLESS THE LENDER AND THE TRUSTEE FROM (A) ANY LIEN OR CHARGE UPON AMOUNTS PAYABLE HEREUNDER BY THE BORROWER TO THE LENDER (OTHER THAN THE LIEN OF THE INDENTURE) OR (B) ANY TAXES, ASSESSMENTS, IMPOSITIONS AND OTHER CHARGES IN RESPECT OF ALL REVENUES (INCLUDING THE PLEDGED REVENUES) OR THE PROPERTY. IF ANY CLAIM OF ANY SUCH LIEN OR CHARGE UPON PAYMENTS, OR ANY SUCH TAXES, ASSESSMENTS, IMPOSITIONS OR OTHER CHARGES, ARE SOUGHT TO BE IMPOSED, THE LENDER OR THE TRUSTEE, AS THE CASE MAY BE, WILL GIVE PROMPT NOTICE TO THE BORROWER, AND THE BORROWER SHALL HAVE THE SOLE OBLIGATION AND DUTY TO ASSUME, AND SHALL ASSUME, THE DEFENSE THEREOF, WITH FULL POWER TO LITIGATE, COMPROMISE OR SETTLE THE SAME IN ITS SOLE DISCRETION. THE COVENANTS OF THE BORROWER CONTAINED IN THIS SECTION 5.11 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Section 5.12. Release and Indemnification.

The Borrower has determined that pursuant to the South Carolina Constitution and Code of Laws of South Carolina 1976, as amended, certain prohibitions relating to obligations in subsequent fiscal periods and principles of sovereign immunity applicable to the Borrower render the Borrower unable to enter into any binding agreement to pay amounts in a subsequent fiscal period, discharge, indemnify, hold harmless or defend the Lender or the Trustee as described below in this Section 5.12. NOTWITHSTANDING THE FOREGOING, IN THE EVENT OF A CHANGE IN LAW THE EFFECT OF WHICH IS TO ALLOW THE BORROWER TO ENTER INTO SUCH A BINDING AGREEMENT, THE BORROWER AGREES TO NOTIFY THE LENDER ON A TIMELY BASIS OF SUCH CHANGE IN LAW AND, UPON REQUEST OF THE LENDER, PRESENT TO ITS BOARD OF TRUSTEES FOR CONSIDERATION AN AMENDMENT TO THIS AGREEMENT REPLACING THE THEN EXISTING LANGUAGE CONTAINED IN THIS SECTION 5.12 WITH THE FOLLOWING LANGUAGE (PROVIDED THAT THE CONSIDERATION OF SUCH AMENDMENT SHALL BE IN THE SOLE DISCRETION OF THE BOARD OF TRUSTEES ACTING ON THE DATE OF CONSIDERATION AND FAILURE BY THE BOARD OF TRUSTEES TO APPROVE SUCH AMENDMENT SHALL NOT CONSTITUTE A DEFAULT HEREUNDER):

(a) To the extent permissible under State law, the Borrower (the “Indemnitor”) hereby agrees to indemnify and save harmless the Lender and the Trustee

from and against all liabilities, obligations, suits, actions, claims, judgments, demands, damages, penalties, fines, assessments, losses, expenses, fees (including all fees of attorneys, auditors, and consultants), taxes (including rebate to the United States) but exclusive of income taxes on fees earned by the Trustee and the Lender, contributions, and costs of every kind and nature (including litigation and court costs, amounts paid in settlement by or with the approval of the Borrower and amounts paid to discharge judgments) (collectively, "Claims") incurred by, asserted or imposed against an Indemnified Party (hereinafter defined) (excluding such claims arising from the gross negligence and willful misconduct of such Indemnified Party), the Indemnitor or any other person directly or indirectly resulting from or arising out of or relating to:

- (i) the issuance, offering, sale, delivery or prepayment of the Bonds;
- (ii) the design, construction, installation, operation, use, occupancy, maintenance, repair, management or ownership of the Project;
- (iii) the enforcement of (a) the provisions of this Agreement, the Indenture and the other Loan Documents and any other document executed by the Borrower in connection with issuance of the Bonds and the making of the Loan and (b) the obligations of the Borrower imposed hereby or thereby;
- (iv) any untruthful, misleading or inaccurate information supplied by the Borrower relating to the Project, the Borrower, the Project manager or to the terms of financing relating to the Project, including, but not limited to, any breach of any representation or warranty of the Borrower set forth in the Loan Documents, the Indenture or any certificate delivered pursuant thereto, and any representation, or warranty of the Borrower, or any information provided by the Borrower that contains or contained any untrue or misleading statement of fact or omits or omitted to state any fact necessary to make the statements made therein not misleading in light of the circumstances under which they were made;
- (v) any breach or alleged breach (except in the case of a breach alleged by the Lender or the Trustee and such alleged breach is not found by a court of competent jurisdiction) by the Borrower of the covenants contained herein;
- (vi) any injury to or death of any person or damage to Property in or upon the Project or growing out of or connected with the repair, management, ownership, operation, use, non-use, maintenance, construction, design, installation, condition or occupancy of the Project or any part thereof, including any and all acts or operations relating to any construction, operation, use, non-use, design, management, ownership, condition, occupancy, maintenance, installation or repair performed by the Borrower in connection with the Project;
- (vii) violation or breach of any agreement, covenant, representation, warranty or condition of this Agreement (except in the case of a breach alleged by the Lender or

the Trustee and such alleged breach is not found by a court of competent jurisdiction) or the Note, except by the Lender or the Trustee;

(viii) any determination that the Project was ineligible under the Act (“Determination of Ineligibility”), including, but not limited to, the fees and expenses of the Lender or the Trustee and their counsel with respect to such Determination of Ineligibility;

(ix) the deposit, storage, disposal, burial, dumping, injecting, spilling, leaking, or other placement or release in on or from the Project of a Hazardous Substance or the violation or alleged violation of any Hazardous Materials Law or official interpretation thereof in connection with the Project or the land on which it is located arising out of or as a result of events prior to the later of the full and final payment of the Bonds or the date of a transfer by the Borrower of all of its interests in the Project, as applicable;

(x) all expenses reasonably incurred in the investigation of, preparation for or defense of any litigation, proceeding or investigation of any nature whatsoever related to the Project or the Bonds, commenced or threatened against the Project or an Indemnified Party;

(xi) any action, suit, claim, demand or proceeding contesting or affecting title to the Project;

(xii) any suit, action, administrative proceeding, enforcement action, or governmental or private action of any kind whatsoever commenced against the Project or an Indemnified Party that might adversely affect the validity or enforceability of the Bonds, the Loan Documents, the Indenture or the performance by the Borrower or by any Indemnified Party of their respective obligations under the Loan Documents, the Indenture or any other document executed in connection therewith by the Borrower or any Indemnified Party; and

(xiii) information provided by the Borrower or required and failed to be furnished by the Borrower relating to the Borrower or the Project, including, without limitation, information provided by the Borrower for inclusion in any offering document used in connection with the sale of bonds, any information furnished, or required and failed to be furnished, by the Borrower in accordance with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (if applicable), any information furnished by the Borrower for, and included in, or used as a basis for preparation of, any certifications, information statements or reports furnished by the Lender, any other information or the transactions contemplated by the Indenture, the Bonds, and the Loan Documents and the carrying out by the Borrower of any of the transactions contemplated by the Bonds, the Indenture and the Loan Documents.

All references to the Lender and the Trustee in this Section shall be deemed to include all their respective past, present, and future officers, directors, members,

employees, commissioners, and agents and their permitted successors and assigns (also referred to herein as “Indemnified Parties”).

The Indemnitor shall indemnify and save each Indemnified Party harmless from any such Claims and upon notice from such Indemnified Party, the Indemnitor shall defend them or either of them in any such action or proceeding as provided below.

Any Indemnified Party, after receipt of notice of the existence of a Claim in respect of which indemnity hereunder may be sought or of the commencement of any action against an Indemnified Party in respect of which indemnity hereunder may be sought, shall notify the Indemnitor in writing of the existence of such Claim or commencement of such action. The Indemnitor shall undertake promptly to defend, at their sole cost and expense, any and all Claims against an Indemnified Party in connection with any of the matters indemnified against in this Section. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought under this Agreement, the Indemnitor, upon receipt by either of written notice from the Indemnified Party, shall assume the investigation and defense of the Claims, including the employment of counsel selected by the Indemnitor, subject to the approval of the Indemnified Party in such party’s sole discretion. The Indemnitor shall pay all expenses related to the action or proceeding, with full power to litigate, compromise or settle the same, provided that the Lender and the Trustee, as appropriate, shall have the right to review and approve or disapprove any such compromise or settlement. If (i) an Indemnified Party determines that a potential conflict of interest exists or may arise as a result of any of the Indemnitor assuming the investigation and defense of any claims, (ii) an Indemnified Party shall have been advised by counsel that there may be legal defenses available to it which are different from or additional to those available to the Indemnitor, or that a conflict exists that could affect the zealous defense of such Claims by the Indemnitor or (iii) the Indemnitor shall not have assigned the defense of such action and employed counsel therefor satisfactory to the Indemnified Party within a reasonable time after notice of commencement of such action, such Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense of the action or proceeding, and the Indemnitor shall pay the fees and expenses of such separate counsel.

(b) Notwithstanding the fact that it is the intention of the parties hereto that the Lender shall not incur any pecuniary liability by reason of the terms of this Agreement or the Note or the undertakings required of the Lender hereunder, by reason of the issuance of the Bonds, the execution of the Indenture or the performance of any act requested of the Lender by the Borrower, including all claims arising in connection with the violation of any statutes or regulation pertaining to the foregoing; nevertheless, if the Lender should incur any such pecuniary liability, then in such event the Indemnitor shall indemnify and hold the Lender harmless against all such claims (but excluding such Claims arising from the gross negligence and willful misconduct of the Lender) whatsoever, by or on behalf of any person, firm or corporation or other legal entity arising out of the same or lack of any offering statement in connection with the sale, resale or prepayment of the Bonds and all costs and expenses incurred in connection with

any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Lender, the Borrower shall defend the Lender in any such action or proceeding.

(c) Failure of an Indemnified Party to provide notification to the Indemnitor required under this Section shall not operate as a waiver of the Indemnitor's indemnification obligations in this Section.

(d) Upon demand by any Indemnified Party, the Indemnitor must defend any investigation, action or proceeding involving any Indemnified Costs that is brought or commenced against any Indemnified Party, whether alone or together with the Borrower or any other person, all at the Borrower's own cost and by counsel approved by the Indemnified Party. In the alternative, any Indemnified Party may elect to conduct its own defense at the Borrower's expense. The Lender shall use best efforts to provide the Borrower with timely notice of any claim made or threatened for Indemnified Costs to allow the Borrower adequate time to defend any investigation, action or claim; *provided, however*, that any failure of the Lender to provide the Borrower with timely notice shall not affect any rights of the Lender herein.

(e) The obligations of the Indemnitor under this Section 5.12 are joint and several and are in addition to and shall not be limited by any other provisions hereof and shall survive the termination of this Agreement.

Section 5.13. Operation, Maintenance and Management. To maintain the Property in good condition and repair, reasonable wear and tear excepted, and in compliance with all statutes, ordinances, codes, regulations and orders of any governmental authority or court and will operate and manage the Auxiliary Facilities as a part of the college operations of the Borrower, and as a revenue-producing enterprise, in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof.

Section 5.14. Consent of the Borrower to the Indenture. Be bound to the extent applicable by the Indenture and Supplemental Indenture as though incorporated as a part hereof.

Section 5.15. Rate Covenant; Priority of Payment.

(a) With respect to the Pledged Revenues, the Borrower shall set rates and charges such that for each Fiscal Year, Net Income Available for Debt Service is equal to at least one hundred and twenty percent (120%) of Maximum Annual Debt Service (the "Net Income Available for Debt Service Covenant").

(b) In the event the Borrower does not, in the most recently completed Fiscal Year, comply with the Net Income Available for Debt Service Covenant, the Borrower shall provide written notice to the Lender of such noncompliance (each such notice a "Notice of Noncompliance") and may include in such Notice of Noncompliance a request

for waiver of noncompliance. Notwithstanding anything in this Agreement to the contrary, the Borrower shall pay, from Pledged Revenues and any Other Revenues, the Long-Term Debt Service Requirements for the Loan and any other Long-Term Debt secured by a parity lien on and security interest in the Pledged Revenues as a first priority. Upon Borrower's noncompliance with the Net Income Available for Debt Service Covenant, the Lender may do either of the following, subject to the limitations set forth hereafter:

- (i) declare a default under this Agreement pursuant to Section 7.1 hereof;
 - (ii) provide a written waiver of noncompliance to the Borrower, subject to conditions agreed upon by the Borrower and the Lender at the time of such waiver; or
 - (iii) provide a written waiver of noncompliance beginning with the Fiscal Year immediately succeeding the Fiscal Year of Borrower's noncompliance, until such Fiscal Year as the Borrower shall comply with both of the following requirements: (a) the Borrower again complies with the Net Income Available for Debt Service Covenant and (b) the Borrower shall set rates and charges such that for each Fiscal Year, Auxiliary Revenues are equal to at least one hundred and twenty percent (120%) of the sum of Operating Expenses, Maximum Annual Debt Service, the South Carolina State University Escrow Account (Series A 2025) payments required by the Indenture and payments to the South Carolina State University Replacement Fund (Series A 2025-4) required by Section 5.19 hereof.
- (c) In the event that a waiver is provided by the Lender pursuant to item (b)(ii) above, and a determination is thereafter made that Auxiliary Revenues are or will be insufficient to maintain compliance with the requirements described in (b)(iii) above, the Borrower shall provide written notice to the Lender and the Trustee and may immediately designate other Borrower funds which are legally available to be used for such purpose (the "Other Revenues") as may be necessary to achieve compliance with (b)(ii) above; and *provided, further*, that any such designation of Other Revenues (i) shall apply for one (1) Fiscal Year only; and (ii) shall not constitute a pledge of or security interest in Other Revenues. The Borrower's ability to designate Other Revenues shall not restrict or impair its ability to pledge such Other Revenues to any other purpose, and the designation of such Other Revenues under this section shall be subordinate to any other obligation secured by such Other Revenues. All written notices required by this Section 5.15 shall be delivered to Lender within five (5) Business Days of Borrower's knowledge of noncompliance.
- (d) Notwithstanding the foregoing, any waiver of noncompliance provided to the Borrower pursuant to (b)(ii) or (b)(iii) above (each, an "Original Waiver") shall specify an expiration date for such Original Waiver, which expiration date shall, in any event, be the earlier of (a) any Fiscal Year end that is not more than three (3) consecutive Fiscal Years following the Fiscal Year of the Borrower's noncompliance and (b) such Fiscal Year as the Borrower shall comply with the requirements and conditions set forth in the applicable Original Waiver; *provided* that the Lender may, in its absolute and sole discretion and not more than eight (8) months prior to the expiration date of the

applicable Original Waiver or Extended Waiver (as hereafter defined), deliver a subsequent written consent to extend the applicable waiver beyond three (3) consecutive Fiscal Years (each, an “Extended Waiver”); and *provided, further*, that each such consent shall not provide for an extension of the Original Waiver or Extended Waiver then in effect for more than two (2) additional Fiscal Years.

(e) Notwithstanding anything in this Agreement to the contrary, the Borrower shall pay, from Pledged Revenues, the Long-Term Debt Service Requirements for the Loan and any other Long-Term Debt secured by a parity lien on and security interest in the Pledged Revenues as a first priority.

Section 5.16. Budget. As soon as possible, and in any event not later than thirty (30) days before the beginning of each Fiscal Year, the Borrower shall: (a) have adopted an annual budget with respect to its overall operation, and (b) have adopted an annual budget for the operation of the Auxiliary Facilities, and shall provide a copy of such budgets to the Lender. Such budgets shall include enrollment, occupancy projections, projected operations and maintenance expenses, deposits to and withdrawals from the South Carolina State University Replacement Fund (Series A 2025). The budget related to the Auxiliary Facilities shall ensure that the Auxiliary Revenues will be sufficient to satisfy the Rate Covenant set forth in Section 5.15 hereof.

Section 5.17. Utilization and Maintenance of Student Housing Property. The Borrower will ensure that all of the housing units within Student Housing Property facilities are habitable. The Borrower shall fully utilize and maintain as habitable all of the Student Housing Property facilities for purposes of housing students and faculty prior to use by the Borrower of any source of permanent or temporary housing which does not constitute a part of the Student Housing Property. The Borrower will not assign incoming students or faculty to any source of permanent or temporary housing which does not constitute a part of the Student Housing Property if, at that time, habitable housing units are vacant and available for occupancy within the Student Housing Property.

Section 5.18. South Carolina State University Liquidity Reserve Account (Series A 2025-4).

(a) Beginning the first full Fiscal Year after the Closing Date, if the Borrower fails to meet the Rate Covenant during any Fiscal Year, the Borrower shall immediately fund a separate and dedicated account maintained and held by the Trustee under the Supplemental Indenture (the “South Carolina State University Liquidity Reserve Account (Series A 2025)”), annually on the first (1st) day of the Fiscal Year through deposits of two hundred thousand dollars (\$200,000) until the earlier of: (i) the date amounts on deposit in such fund equals one million dollars (\$1,000,000); or (ii) such time as the Borrower has demonstrated compliance with the Rate Covenant in its audited financial statements delivered to the Lender in accordance with Section 5.1(a) hereof (the “Compliance Date”). Such funds shall not be commingled with other funds of the Borrower. Unless a Notice of Compliance has been issued in accordance with Section 5.19(c), upon this Section 5.19 becoming operative, on an annual basis on the first (1st)

day of the Fiscal Year, the Borrower shall transfer to the Trustee for deposit in the South Carolina State University Liquidity Reserve Account (Series A 2025), the two hundred thousand dollar (\$200,000) required amount.

(b) Amounts on deposit in the South Carolina State University Liquidity Reserve Account (Series A 2025) shall be applied in the manner described in Section 5.6 of the Supplemental Indenture.

(c) Not later than five (5) business days following the Compliance Date, the Lender shall deliver a notice to the Borrower and the Trustee indicating that the Borrower has demonstrated compliance with the Rate Covenant to its satisfaction (the “Notice of Compliance”). Upon receipt of the Notice of Compliance, the Borrower may request of the Trustee in writing, and the Trustee shall release to or for the account of the Borrower upon such request, any funds then on deposit in the South Carolina State University Liquidity Reserve Account (Series A 2025).

(d) The South Carolina State University Liquidity Reserve Account (Series A 2025) may neither be included in calculating the operating budget of the Borrower nor in the determination as to whether the Rate Covenant has been satisfied.

Section 5.19. South Carolina State University Replacement Fund (Series A 2025-4).

(a) During each Fiscal Year, the Borrower shall expend amounts not less than the Series A 2025 Annual Replacement Reserve Requirement on Replacement Expenses and any capital improvements to the real Property, subject to obtaining all appropriate approvals for such capital projects from the Joint Bond Review Committee of the State of South Carolina and the South Carolina State Fiscal Accountability Authority under Title 2, Chapter 47 of the Code of Laws of South Carolina 1976, as amended. The inability to obtain such approvals, provided the Borrower diligently pursues them, shall excuse performance under this Section 5.19 to the extent such approval requests are pending.

(b) Not later than June 30 and December 31 of each Fiscal Year, commencing on June 1, 2025, the Borrower shall, deliver to the Lender and the Trustee the following (collectively, the “Report”): (i) a listing of all the Replacement Expenses incurred and capital improvements effectuated with respect to the real Property during the Fiscal Year to such date, as applicable, together with (ii) invoices evidencing completion and satisfaction of payment for each of the same and (iii) a certificate signed by the Borrower Representative, and certifying that (A) the items set forth in items (i) and (ii) are true, correct and commercially reasonable for operation and maintenance of Property for entities substantially similar to the Borrower and (B) the Borrower has been, is and will continue to be in compliance with the requirements of Section 5.13 hereof; *provided that*, in the event the Borrower has not expended at least the Series A 2025 Annual Replacement Reserve Requirement as of the Report, the Borrower may, in addition to providing the information required pursuant to the foregoing item (i), provide a listing of and reasonable evidence of intent to expend the remaining amounts prior to June 30 of such year, and the Lender, in its sole discretion, may direct the Trustee in writing to

accept such information as evidence of compliance with the Series A 2025 Annual Replacement Reserve Requirement for such Fiscal Year; and, *provided, further*, that in such event, the Borrower shall deliver a full report on such anticipated expenditures not later than the July 15 following the direction by the Lender to the Trustee. In any event, the information submitted with respect to item (i) shall include an itemized accounting of, (A) in the event specific equipment was purchased, the quantity and price of each item purchased, (B) in any event, the price of all materials (grouped by type or category), and (C) in any event, the cost of all labor or other services contracted for, if any. Notwithstanding the foregoing, to the extent that, in any Fiscal Year, the Report demonstrates that the Borrower has then complied with the Series A 2025 Annual Replacement Reserve Requirement, the Report may specify the following: (x) the aggregate amount of expenditures for all the Replacement Expenses incurred and capital improvements effectuated with respect to the real Property since the Report to such date, as applicable, and (y) a certificate signed by the Borrower Representative, and certifying that (A) the aggregate amount of expenditures set forth in item (x) is true, correct and commercially reasonable for operation and maintenance of Property for entities substantially similar to the Borrower and (B) the Borrower has been, is and will continue to be in compliance with the requirements of Section 5.13 hereof.

(c) The Trustee shall, based upon the Report provided by the Borrower pursuant to Section 5.20(b) above, aggregate the amounts of Replacement Expenses incurred by the Borrower during the Fiscal Year for which such Report was delivered and determine whether such expenditures equal the Series A 2025 Annual Replacement Reserve Requirement as specified in Section 5.20(a) above. If the Borrower fails to satisfy the provisions of Sections 5.20(a) or (b) hereof during any Fiscal Year, the Trustee shall provide written notice of the same to the Lender and the Borrower not later than eight (8) Business Days following the Borrower's delivery of the Report, and, if so directed in writing by the Lender, with the consent of the Secretary, the Borrower shall fund a separate and dedicated account maintained and held by the Trustee under the Supplemental Indenture (the "South Carolina State University Replacement Fund (Series A 2025)") in the manner hereinafter described. Commencing on June 1 of the Fiscal Year in which the Borrower is determined to have failed to comply with the provisions of Sections 5.20(a) or (b) hereof and in which the Lender has so directed the Borrower in accordance with this paragraph (c), and for so long as the Lender shall so direct, but never exceeding the Maturity Date, the Borrower shall make a monthly deposit equal to one-twelfth (1/12) of the Series A 2025 Annual Replacement Reserve Requirement from Net Income Available for Debt Service until amounts on deposit in such fund equal the Series A 2025 Annual Replacement Reserve Requirement. Such funds shall not be commingled with other funds of the Borrower. Any funds on deposit in the South Carolina State University Replacement Fund (Series A 2025) may not be included as revenue in calculating the operating budget of the Borrower nor in the determination as to whether the Rate Covenant has been satisfied.

(d) Amounts on deposit in the South Carolina State University Replacement Fund (Series A 2025) shall be requisitioned and applied in the manner described in Section 5.7 of the Supplemental Indenture.

(e) In the event the Borrower is required to fund the South Carolina State University Replacement Fund (Series A 2025) pursuant to Section 5.20(c) and the Borrower is not applying funds up to or in excess of the Series A 2025 Annual Replacement Reserve Requirement, the Lender may (i) engage a Management Consultant, at the Borrower's expense to determine if any commercially reasonable Replacement Expenses should be incurred or capital expenditures should be effectuated with respect to the Property, and (ii) at the direction of the Lender, with the consent of the Secretary, to the extent moneys are available in the South Carolina State University Replacement Fund (Series A 2025), withdraw such amounts from the South Carolina State University Replacement Fund (Series A 2025) for expenditure in accordance with the Management Consultant's recommendations for the purpose of satisfying the requirements of Section 5.13 hereof with respect to the Property.

(f) Not later than ten (10) Business Days after learning of the same, the Borrower shall notify the Lender of any changes to the amounts appropriated by the State that may be used for Replacement Expenses which have an adverse effect on the Borrower's ability to comply with Section 5.20(a) above.

(g) Notwithstanding the foregoing, nothing in this Section 5.20 shall, under any circumstances obligate the Lender to permit the Borrower to expend Pledged Revenues for purposes other than payment of Obligations.

(End of ARTICLE 5)

ARTICLE 6

NEGATIVE COVENANTS OF THE BORROWER

The Borrower covenants and agrees that until payment in full of the Loan and the Obligations, unless the Lender otherwise consents in writing, the Borrower will not do any of the following:

Section 6.1. Permitted Debt. The Borrower covenants and agrees that it will not hereafter incur or assume any additional Debt except as permitted in this Agreement and including as follows:

(a) Long-Term Debt. If no Event of Default shall have occurred and then be continuing, the Borrower may incur or assume additional Long-Term Debt for such lawful purposes of the Borrower as shall be specified in reasonable detail in a certified resolution of the Board of Trustees of the Borrower; *provided* that on or before the date on which any Long-Term Debt, whether secured or unsecured, is to be incurred or assumed, the Borrower shall:

(1) obtain the prior written consent of the Lender and the Secretary for the issuance of such additional Long-Term Debt, which such consent shall not be unreasonably withheld, and

(2) deliver to the Lender and the Trustee the following items:

(i) General Requirements - Opinion of Counsel. In all cases one or more opinions of counsel to the effect that: (A) all conditions prescribed herein as precedent to such incurrence have been fulfilled; and (B) the additional Long-Term Debt has been validly authorized as evidenced by a resolution of the Board of Trustees (or an authorized committee thereof) of the Borrower, which resolution may include information about the Capital Addition, including, without limitation, programming, site plan, uses of funds and schedule (the “Resolution”);

(ii) General Requirements - Architect’s Certificate for Capital Additions. If the purpose of such Long-Term Debt is to finance a Capital Addition, a certificate from either the Architect engaged by the Borrower for the Capital Addition, the Borrower’s campus Architect, a Borrower Representative, or other authorized designee of the Borrower stating that, in its opinion, and as described in the Resolution: (A) such Capital Addition is reasonable and practicable; (B) the construction items and the cost thereof are commercially reasonable; (C) the plans and specifications have been approved by such Architect and all regulatory bodies required to approve them (specifying such regulatory bodies) have been identified; (D) the contracts to be entered into by the Borrower and its agents (which contracts shall be specified) will cover substantially all phases of the construction not being done by employees of the Borrower; and (E) the contractors will be required to furnish payment and performance bonds covering the work to be performed under such contracts;

(iii) Limit Based on Debt Service Coverage. If the purpose of the Long-Term Debt is to finance a Capital Addition, (1) a Feasibility Report (or a certificate of a Borrower Representative in the event the Long-Term Debt to be incurred is not greater than \$1,000,000) stating that the Debt Service Coverage Ratio for the Borrower, as forecasted for the first two (2) full Fiscal Years following the completion of the Capital Addition to be financed with the proceeds of the Long-Term Debt (or in the case of Long-Term Debt assumed or incurred for the purpose of refinancing any Long-Term Debt then outstanding or incurred or assumed for any other purpose not involving construction, the first two (2) full Fiscal Years following the date on which it is incurred or assumed) is forecasted to be at least 1.20, and (B) a certificate of a Borrower Representative which demonstrates that for the last two (2) Fiscal Years for which audited financial statements are available, the Debt Service Coverage Ratio for the Bond and other Long-Term Debt of the Borrower then outstanding and for the Long-Term Debt proposed to be incurred would have been at least 1.20; and

(iv) Refunding Debt. In lieu of the requirements of paragraph (iii) above, in the case of Long-Term Debt incurred to refinance outstanding Long-Term Debt, a certificate of a Borrower Representative showing that the Maximum Annual Debt Service on the proposed Long-Term Debt does not exceed one hundred and ten percent (110%) of the Maximum Annual Debt Service on the Long-Term Debt to be refinanced.

(b) Architect's Certificate for Capital Additions. If the purpose of such Long-Term Debt is to finance a Capital Addition, an Architect's certificate stating that, in its opinion (1) such Capital Addition is reasonable and practicable; (2) the construction items and the cost thereof are reasonable; (3) the plans and specifications have been approved by such Architect and all regulatory bodies required to approve them (specifying such regulatory bodies); (4) the contracts entered into by the Borrower and its agents (which contracts shall be specified) cover substantially all phases of the construction not being done by employees of the Borrower; and (5) the contractors have furnished payment and performance bonds covering the work to be performed under such contracts.

(c) To the extent that any additional Long-Term Debt is incurred by the Borrower pursuant to Section 6.1(a)(2) above, any agreement for the repayment of any additional Long-Term Debt and instruments evidencing or securing the same shall be subject to the approval of the Lender, with written notice to the Trustee, and shall (i) provide that all notices be given to the Trustee and the Lender regarding defaults by the Borrower, (ii) specify the rights of the Trustee and the Lender to pursue remedies upon the receipt of such notice, and (iii) specify the relative rights and remedies of the Trustee, the Lender, the holders of such additional Long-Term Debt and/or the issuer of any credit facility with respect to such additional Long-Term Debt, pursuant to an intercreditor arrangement, the terms of which shall be determined at the time of incurrence of such additional Long-Term Debt.

(d) Short-Term Debt. The Borrower may, from time to time, incur, assume or allow to remain Outstanding at any time Short-Term Debt in an amount not greater than fifteen percent (15%) of Total Operating Revenues for the preceding Fiscal Year so long as (i) the conditions for incurring one dollar of additional Long-Term Debt pursuant to Section 6.1(a)(2)(iii) above would be satisfied with respect to the proposed Short-Term Debt assuming that such Short-Term Debt would amortize over a term of a maximum of ten (10) years with level annual debt service payments at an assumed interest rate equal to the cost of funds to the Borrower, as stated in a letter from a Management Consultant to the Lender and the Trustee, or (ii) the Borrower has obtained a binding commitment to provide financing to pay the Short-Term Debt at maturity and the conditions for incurring the Debt in connection with the provision of such financing would be satisfied, or (iii) the Short-Term Debt is reduced to an amount not greater than five percent (5%) of Total Operating Revenues for a period of thirty (30) consecutive days during each Fiscal Year. So long as any Short-Term Debt is outstanding, the foregoing requirements shall be certified annually pursuant to Section 5.1(b)(i)(B). The Borrower shall deliver an additional debt certificate, executed by the Borrower Representative, to the Lender and the Secretary no more than sixty (60) and no less than fifteen (15) days prior to incurrence or assumption of such additional Short-Term Debt, providing the following: (i) setting forth any calculations and information required to demonstrate compliance with the requirements of this Section 6.1(d); (ii) specifying the proposed security/collateral for such additional Short-Term Debt in accordance with Section 6.1(f) hereof; and (iii) specifying the proposed issuance/incurrence/assumption date for the additional Short-Term Debt.

(e) Non-Recourse Debt. Non-Recourse debt may be incurred without limitation, *provided* that any Property pledged to secure such Debt could have been sold, transferred or disposed of pursuant to Section 6.5 hereof.

(f) Security for Permitted Debt. As long as no Event of Default has occurred and is continuing, any Debt permitted to be incurred or assumed as provided in subsection (a) or (d) may be secured only as hereinafter described.

(i) Secured Long-Term Debt. Any Long-Term Debt incurred pursuant to Section 6.1(a)(2)(iii) or (iv) may be secured only as follows:

(A) by a parity or junior lien on and security interest in the Pledged Revenues; or

(B) by a purchase money security interest in fixtures and equipment or by a security interest given to refinance a purchase money security interest; or

(C) by a lien on and security interest in any personal property other than Pledged Revenues.

(ii) Security for Short-Term and Working Capital Debt. Any Short-Term Debt which is incurred for the purpose of providing working capital may be

secured by a security interest in Accounts Receivable, *provided, however*, that the amount of Accounts Receivable securing such Debt shall not exceed one hundred twenty-five percent (125%) of the principal amount of such Debt and unless the Lender shall approve in writing, such Accounts Receivable shall not include the Pledged Revenues.

Section 6.2. Restrictions on Guarantees.

(a) The Borrower agrees that it will not enter into, or become liable after the date of this Agreement in respect of, any guaranty unless such guaranty could then be incurred as Debt under this Agreement and, except as set forth in Section 6.2(b) below, meet the requirements of Section 6.1 hereof.

(b) For purposes of determination of the ability of the Borrower to enter into or become liable under or provide for a guaranty in connection with the Borrower's incurring of any Debt permitted pursuant to Section 6.1 hereof, the aggregate annual principal and interest payments on, and the principal amount of, any indebtedness (the "Guaranteed Debt") of a person which is not the Borrower, but which person is providing a direct benefit to the Borrower solely in connection with Debt permitted pursuant to Section 6.1 hereof, which is the subject of a guaranty hereunder and which would, if such obligation were incurred by the Borrower, constitute Long-Term Debt, shall be deemed equivalent to twenty percent (20%) of the Actual Annual Debt Service on, and principal amount of, such indebtedness; *provided* that the Actual Annual Debt Service on, and principal amount of, any Long-Term Debt represented by a guaranty shall be deemed equivalent to one hundred percent (100%) of the Actual Annual Debt Service on, and principal amount of, such indebtedness, if any payment has been required to be made by the Borrower on such guaranty (or for so long as the obligor on the Guaranteed Debt has insufficient funds for the payment of debt service and is receiving transfers of operating funds from the Borrower) within the last twenty-four (24) months.

Section 6.3. Debt Service on Balloon Debt. For purposes of the calculation of the Long-Term Debt Service Requirements, Actual Annual Debt Service or Maximum Annual Debt Service on Balloon Debt, whether historical or forecasted, in lieu of using actual debt service requirements on such Debt, the Borrower shall make such calculation by using any one of the following methods:

(a) The principal of such Balloon Debt is amortized from the date of calculation thereof over a term of twenty (20) years with level annual debt service payments at an assumed interest rate equal to the cost of funds to the Borrower, as stated in a letter from a Management Consultant to the Lender and the Trustee; *provided* that the amount of such Balloon Debt is not greater than fifteen percent (15%) of Total Operating Revenues for the preceding Fiscal Year; or

(b) With respect to Balloon Debt for which the Borrower has obtained a binding commitment to refinance, the principal of such Balloon Debt is due and payable in the amounts and at the time specified in such binding commitment; *provided, however*, that (A) if the maturity of any such Balloon Debt is within eighteen (18) months of the date of calculation and is not secured by a letter of credit or similar credit facility, the full

amount of the Balloon Debt shall be taken into account; and (B) if any such Balloon Debt is of the type described in subsection (ii) of the definition of Balloon Debt, it shall be assumed that such Balloon Debt matures on the first date on which it may first be tendered for purchase or redemption at the option of the holder thereof.

Section 6.4. Debt Service on Variable Rate Debt. For purposes of the computation of the interest component of any forecasted (but not historical) Long-Term Debt Service Requirements, Actual Annual Debt Service or Maximum Annual Debt Service, the interest rate on any Variable Rate Debt shall be assumed to be the higher of: (i) one hundred percent (100%) of the average interest rate on such Variable Rate Debt for the preceding two (2) year period (or such shorter period for which such Debt has been outstanding); and (ii) the current interest rate on such Variable Rate Debt; *provided, however*, that in determining the assumed interest rate on Variable Rate Debt which has not been incurred, the Borrower may substitute the interest rate on any other variable rate debt for any other borrower which, in the judgment of a Management Consultant, has the same creditworthiness as the Borrower and the same frequency of interest rate adjustment as the proposed Variable Rate Debt.

Section 6.5. Sale, Lease or Other Disposition of Property or Current Assets. The Borrower shall not transfer, lease, sell or dispose of any portion of its Property to any other person, unless permitted in Section 6.6 or 6.7 hereof, *provided, however*, that so long as no Event of Default has occurred and is continuing hereunder, the Borrower may:

(a) from time to time, remove, sell or otherwise dispose of Property which has been replaced in the ordinary course of its business; *provided* that any Property that replaces Auxiliary Facilities shall constitute Auxiliary Facilities hereunder.

(b) in any Fiscal Year, remove, sell or otherwise dispose of any Property, *provided* that the book value of the Property subject to such transfers during any two (2) consecutive Fiscal Years shall not exceed five percent (5%) of the value of the Property as certified by a Borrower Representative.

(c) from time to time, use Current Assets to acquire new Property, goods and services, or as an investment of funds, in each case in an arm's length transaction, or in the case of transfers to affiliates, upon terms no less favorable to the transferor than an arm's length transaction with a transferee which is not an affiliate.

(d) from time to time, transfer, sell or otherwise dispose of Property other than Auxiliary Facilities if the Borrower files with the Trustee and the Lender a certificate of a Borrower Representative certifying that (1) such Property is obsolete, or (2) (A) if such transfer, sale or disposition had been made immediately prior to the preceding Fiscal Year, the Debt Service Coverage Ratio for such Fiscal Year would have been not less than one hundred twenty-five percent (125%) of the actual Debt Service Coverage Ratio for such Fiscal Year, and (B) such transfer sale or disposition is for fair market value, and the proceeds thereof will be used (i) to retire Debt, (ii) to invest in property plant and equipment, (iii) to purchase investment securities, or (iv) as Board designated funds.

(e) so long as no Event of Default has occurred and is continuing hereunder, transfer, sell or otherwise dispose of Property if the Borrower files with the Lender and the Trustee a Management Consultant's report stating that: (i) assuming such transfer, sale or disposition had occurred immediately prior to the commencement of the two (2) most recent Fiscal Years for which audited financial statements are available, either (A) the Debt Service Coverage Ratio for each such Fiscal Year would not have been less than the actual Debt Service Coverage Ratio for such Fiscal Year, or (B) the conditions set forth in Section 6.1(a)(iii) hereof would be met for the incurrence of one dollar of Long-Term Debt; (ii) the ratio of Long-Term Debt to the value of the Property will not be more than one hundred fifteen percent (115%) of what it was prior to such transfer, sale or disposition, and (iii) the value of the total net assets of the Borrower following such transfer, sale or disposition will not be less than eighty-five percent (85%) of what it was prior to such transfer, sale or disposition.

Nothing in this Section 6.5 shall be interpreted to allow the Borrower to transfer the Project or the Auxiliary Facilities except pursuant to Section 6.7 hereof.

Section 6.6. Consolidation, Merger, Sale or Conveyance. The Borrower covenants that it will not merge or consolidate with any other entity or sell or convey all or substantially all of its Property and assets to any Person unless:

(a) The Borrower is the surviving, resulting or transferee corporation, as the case may be (the "Survivor"), or in the event the Borrower is not the Survivor, the Survivor (A) is a solvent corporation and is an Eligible Institution, (B) such transaction is approved in writing prior to its consummation by the Secretary, (C) is an Eligible Institution and such transaction would not violate the loan limits or any other provision of the Act, and (D) assumes in writing the due and punctual payment of the principal of and premium, if any, and interest on the outstanding Bonds issued under the Indenture according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Agreement, which document shall be delivered by the Survivor to the Lender and the Trustee; and

(b) Immediately upon such merger consolidation or transfer, the conditions described in Section 6.1(a)(ii)(C) hereof are met by the Survivor for the incurrence of one dollar of additional Long-Term Debt; and

(c) The net worth, exclusive of restricted fund balances, of the Survivor immediately following such merger, consolidation or transfer will not be less than ninety percent (90%) of that of the Borrower immediately prior to such merger, consolidation or transfer; and

(d) No Event of Default will have occurred by reason of such merger, consolidation or transfer, and no event will have occurred by reason of such merger, consolidation or transfer which with the passage of time or giving of notice, would constitute an Event of Default; and

(e) Prior to any merger, consolidation or transfer, the Borrower shall deliver to the Lender and the Trustee, a certificate of a Borrower Representative demonstrating that all of the foregoing conditions have been satisfied, which certificate shall be supported by such reports or opinions signed by an independent public accountant of nationally recognized standing and insurance consultant as the Trustee, at the written direction of the Lender may reasonably require.

Section 6.7. Transfer of Auxiliary Facilities. Except as otherwise provided in this Agreement, without the prior written consent of the Secretary, in the Secretary's sole discretion, the Borrower shall not sell, mortgage, encumber, lease (other than student residence hall leases and as described in Exhibit A hereto), transfer or otherwise dispose of the Auxiliary Facilities to any Person during the life of the Loan.

Section 6.8. Limitations on Creation of Liens. Without the prior written consent of the Lender, the Borrower agrees it will not create or suffer to be created or exist any Lien upon any of its Auxiliary Facilities or Pledged Revenues, now owned or hereafter acquired by the Borrower other than Permitted Liens.

(End of ARTICLE 6)

ARTICLE 7

DEFAULTS

Section 7.1. Definition of Event of Default. Each of the following constitutes an Event of Default:

(a) The Borrower fails to pay, when due, any Loan Deposit or any other amount outstanding hereunder *provided* that no Event of Default shall occur under this clause (a) if the amount due is paid by the Borrower within ten (10) days of the date it was due and all Loan Deposits required in the prior twelve (12) months were paid; or

(b) The Borrower fails to perform or observe any other covenant, term or condition hereunder and of any of the Loan Documents applicable to the Borrower, the Project, the Property or the Pledged Revenues and such event or circumstance, if capable of being cured, is not cured within thirty (30) days after written notice thereof is given by the Lender to the Borrower; or if not curable within such thirty (30) day period, the Borrower has failed to undertake to cure such event or circumstance in a reasonably timely manner; or

(c) Any of the Borrower's representations or warranties made hereunder or in any of the Loan Documents, made in any certificate or writing furnished to the Lender pursuant to any of the Loan Documents or furnished by the Borrower to the Lender in connection with the application for, or the negotiation of, this Agreement, is false or incorrect in any respect; or

(d) The principal of, or any interest on, any indebtedness in excess of \$1,000,000 of the Borrower or any Subsidiary is not paid when due, and such non-payment is not cured within the applicable period for cure available under the note evidencing such indebtedness, or any term or covenant binding on the Borrower or any Subsidiary in any note, loan agreement, mortgage, indenture or other agreement relating to any such indebtedness is breached in any respects and such breach is not cured within the applicable period for cure available under such agreement; or

(e) The holder of any obligation having a junior, subordinated or parity lien on the Project, the Pledged Revenues or the Auxiliary Facilities or any part thereof, (without hereby implying the Lender's consent to any junior, subordinated or parity lien obligations), institutes foreclosure or other proceedings for the enforcement of its remedies thereunder; or

(f) The Borrower applies for or consents to the appointment of any receiver, trustee, or similar officer for it, the Pledged Revenues, the Project or the Auxiliary Facilities or for all or any substantial part of its other Property or admits in writing its inability to pay its debts as they mature; or such a receiver, trustee or similar officer is appointed without the application or consent of the Borrower and

such appointment continues undischarged for a period of sixty (60) days; or the Borrower institutes (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding is instituted (by petition, application or otherwise) against the Borrower and remains undismissed for a period of sixty (60) days; or the Borrower makes a general assignment for the benefit of creditors; or

(g) Any money judgment, writ or warrant of attachment or similar process is entered or filed against the Borrower or any of its Property and remains unvacated, unbonded or unstayed for a period of sixty (60) days from filing; or

(h) Any abandonment of the Project which shall be defined as cessation of work on the Project by the Borrower, at any time prior to the completion of any new construction, renovation or capital improvement portion of the Project, for a period of more than thirty (30) days (other than due to circumstances beyond the control of the Borrower), without good cause shown for the delay to the satisfaction of the Secretary; or

(i) The Borrower fails to complete the Project substantially in accordance with the drawings and specifications approved by the Lender in approving the Loan, or makes significant changes to such drawings and specifications without first securing the written approval of the Lender; or

(j) There shall occur any damage or destruction of any part or all of the Project or the Property and the Borrower shall not promptly repair, replace, rebuild or restore the Project or the Property or the part thereof destroyed or damaged to substantially its same condition as prior to such damage or destruction, with such alterations or additions as the Borrower, with the prior written approval of the Lender (which approval shall not be unreasonably withheld) may determine and as will not impair the capacity or character of the Project for the purpose for which it is then being used or is intended to be used.

Section 7.2. Remedies. Upon the occurrence of an Event of Default, the Lender may do any one or more of the following (without presentment, protest or notice of protest, all of which are expressly waived by the Borrower):

(a) by written notice to the Borrower and the Trustee, to be effective upon dispatch, declare the principal of, and interest on, the Loan forthwith due and payable, whereupon the principal of, and interest on, the Loan will become forthwith due and payable;

(b) exercise all rights granted pursuant to any of the Loan Documents, in such order and in such manner as the Lender may, in its sole and exclusive judgment, determine;

(c) apply for the appointment of a receiver, trustee, liquidator or conservator of the Pledged Revenues or Auxiliary Facilities, or any portion thereof, without notice and without regard for the adequacy of the security for the Loan and without regard for the solvency of the Borrower or of any person, firm or other entity liable for the payment of the Loan; and

(d) at the behest of the Department terminate this Agreement and declare any Loan funds which have been provided to the Borrower up until the Event of Default as well as the interest accrued thereon from the date the funds were received at the rate established under the terms of this Agreement, to be immediately due and payable in full to the Lender.

Section 7.3. Other Remedies.

(a) Upon the occurrence and continuance of an Event of Default, the Lender may pursue any available remedy, at law or in equity to enforce the performance of or the compliance with any obligation of this Agreement, the Indenture or the Supplemental Indenture.

(b) No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence in it, and every such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) No waiver of any Event of Default shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent to such Event of Default.

Section 7.4. Secretary's Rights.

(a) Notwithstanding any provision herein to the contrary, the Secretary shall have the right to enforce any of the provisions herein including Lender's rights under the Loan Documents against the Lender and the Borrower.

(b) Upon the occurrence of an Event of Default the Secretary may enforce any rights accruing to it under the UCC Financing Statements and otherwise by law. The Secretary's exercise of its rights under this Section 7.4(b) shall be subject to the provisions of Section 2.12 of the Agreement to Insure which provisions are hereby incorporated herein by this reference thereto; *provided, however*, that no provisions hereof in any way limits the Secretary's rights to administrative offset as provided under Federal law.

(c) In the event that an Event of Default shall have occurred and be ongoing under this Agreement and the Secretary exercises its option to declare any funds which have been provided to the Borrower and the interest accrued thereon to be a debt immediately payable in full to the Secretary, the Secretary may collect such funds by administrative offset against Federal program payments due to the Borrower. In

instituting administrative offset, the Secretary will transfer the Borrower from the advance payment method of payment of Federal program funds to a reimbursement payment basis so that the Borrower will only be permitted to receive credit against this debt or payment of Federal funds on documented expenditures of institutional funds for program purposes.

(d) In the event that the Secretary seeks to collect due to an Event of Default above, by administrative offset, as provided for in clause (c) above, the Borrower hereby waives both administrative and judicial review of the Secretary's use of administrative offset to collect such amounts as may be owed by the Borrower to the Secretary.

(e) In the event that the Secretary seeks to collect due to an Event of Default, the Borrower shall be responsible for any legal fees and expenses and/or collection costs incurred by the Trustee or the Federal government in the course of collecting the debt or in the course of any enforcement proceeding instituted by the Trustee or the Federal government in its effort to collect this debt; waives the issuance of service of process upon the Borrower in any suit on this debt; and waives any venue requirement in such suit.

Section 7.5. Rescission of Declaration. If the Lender makes a declaration pursuant to Section 7.2(a) above, the Lender may rescind such declaration and the consequences thereof at any time by written instrument.

(End of ARTICLE 7)

ARTICLE 8

MISCELLANEOUS

Section 8.1. Further Assurance. At any time and from time to time upon the request of the Lender, the Borrower will promptly give, execute, deliver, file and record any notice, statement, instrument, document, agreement or other paper and do such other acts and things as the Lender reasonably may request in order to effect fully the purposes of the Loan Documents, which purposes include, without limitation, the creation, preservation, perfection or validation of any lien or security interest of the Lender in the Auxiliary Facilities or Pledged Revenues.

Section 8.2. Notices. All notices, requests, demands, and other communications herein shall be in writing, and, except as otherwise specifically provided in this Agreement, shall be deemed given (i) if hand delivered or delivered by courier, when delivered to the appropriate notice address, or (ii) if mailed by first class mail, postage prepaid, six (6) Business Days after deposit in the United States mail addressed to the appropriate notice address. The parties listed below may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice required or permitted hereunder shall be directed to the following notice addresses:

(a) If to the Lender:

Rice Capital Access Program, LLC
1202 West Peachtree Street, NW, 23rd Floor
Atlanta, GA 30309
Attn: Managing Director

With a copy to:

The Secretary of Education
c/o Executive Director
Historically Black Colleges and Universities
Capital Financing Program
U.S. Department of Education
400 Maryland Avenue, S.W., 5th Floor
Washington, D.C. 20202

Bryant Miller Olive, P.C.
1100 13th Street, N.W., Suite 910
Washington, D.C. 20005
Attn: Keirston R. Woods, Esq.

If to the Borrower: South Carolina State University
300 College Street, N.E.
Orangeburg, SC 29117
Attn: President

With a copy to: Office of State Treasurer
State of South Carolina
122 Wade Hampton Building
Capital Complex
Columbia, SC 29201
Attn: Debt Division

With a copy to: Pope Flynn, LLC
P.O. Box 11509
Columbia, SC 29211
Attn: Gary T. Pope, Jr., Esq.

If to the Trustee: Regions Bank
1180 West Peachtree Street, Suite 1200
Atlanta, GA 30309
Attn: Corporate Trust Department

With a copy to: Hunton Andrews Kurth LLP
Bank of America Plaza, Suite 4100
600 Peachtree Street, NE
Atlanta, GA 30308
Attn: Douglass P. Selby, Esq.

Section 8.3. Failure or Indulgence Not Waiver. No failure on the part of the Lender or the Department to exercise, and no delay in exercising, any right, power or remedy hereunder will operate as a waiver thereof; nor will any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and not exclusive of any rights, powers and remedies otherwise available or provided by law. The Lender will not have waived or suspended its right to timely performance of the Borrower's obligations under the Loan Documents by accepting or tolerating late performance of any such obligations on one or more occasions.

Section 8.4. Expenses. The Borrower has determined that the South Carolina Constitution and Code of Laws of South Carolina 1976, as amended, render the Borrower unable to enter into a binding agreement to pay amounts in a subsequent fiscal period, indemnify, defend, or hold harmless the Lender, Trustee or other parties as described below in this Section 8.4. NOTWITHSTANDING THE FOREGOING, IN THE EVENT OF A CHANGE IN LAW THE EFFECT OF WHICH IS TO ALLOW THE BORROWER TO ENTER INTO SUCH A BINDING AGREEMENT, THE BORROWER AGREES TO NOTIFY THE LENDER ON A TIMELY BASIS OF SUCH

CHANGE IN LAW AND, UPON REQUEST OF THE LENDER, PRESENT TO ITS BOARD OF TRUSTEES FOR CONSIDERATION AN AMENDMENT TO THIS AGREEMENT REPLACING THE THEN EXISTING LANGUAGE CONTAINED IN THIS SECTION 8.4 WITH THE FOLLOWING LANGUAGE (PROVIDED THAT THE CONSIDERATION OF SUCH AMENDMENT SHALL BE IN THE SOLE DISCRETION OF THE BOARD OF TRUSTEES ACTING ON THE DATE OF CONSIDERATION AND FAILURE BY THE BOARD OF TRUSTEES TO APPROVE SUCH AMENDMENT SHALL NOT CONSTITUTE A DEFAULT HEREUNDER): THE BORROWER WILL PAY AND INDEMNIFY THE LENDER FROM, AND HOLD IT HARMLESS AGAINST (I) ALL OUT-OF-POCKET EXPENSES OF THE LENDER IN CONNECTION WITH THE ENFORCEMENT OF THE LOAN AND EACH OF THE LOAN DOCUMENTS AND ANY WAIVER OR AMENDMENT OF ANY PROVISION THEREOF, (II) THE COST OF A TRUSTEE, IF THERE IS IN EXISTENCE A TRUST INDENTURE RELATED HERETO, AND (III) ANY TRANSFER TAXES, DOCUMENTARY TAXES, ASSESSMENTS OR CHARGES MADE BY ANY GOVERNMENTAL AUTHORITY BY REASON OF THE EXECUTION, DELIVERY, FILING (INCLUDING THE FILING OF UCC CONTINUATION, AMENDMENT OR TERMINATION STATEMENTS), RECORDATION, PERFORMANCE OR ENFORCEMENT OF ANY OF THE LOAN DOCUMENTS OR THE LOAN; INCLUDING IN ALL CASES, WITHOUT LIMITATION, THE REASONABLE FEES AND OUT-OF-POCKET EXPENSES OF LEGAL COUNSEL, ACCOUNTANTS, APPRAISERS, SURVEYORS AND OTHER PROFESSIONAL ADVISERS TO THE LENDER WITH RESPECT TO ANY OF THE ABOVE. THE OBLIGATIONS FOR PAYMENTS DESCRIBED IN THIS SECTION 8.4 SHALL BE THE EXCLUSIVE OBLIGATIONS OF THE BORROWER, AND NEITHER THE LENDER NOR THE TRUSTEE, OR THEIR SUCCESSORS AND ASSIGNS, SHALL HAVE ANY OBLIGATION FOR ANY PAYMENT THEREOF. IN THE EVENT ANY SUCH PAYMENTS ARE ASSESSED AGAINST AND ARE PAID BY EITHER THE LENDER OR THE TRUSTEE, THE BORROWER SHALL PROMPTLY REIMBURSE THE LENDER OR THE TRUSTEE, AS THE CASE MAY BE. THE OBLIGATIONS OF THE BORROWER UNDER THIS SECTION 8.4 WILL SURVIVE THE REPAYMENT OF THE LOAN. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN ANY LOAN DOCUMENT, THE BORROWER WILL NOT BE OBLIGATED TO PAY ANY FRANCHISE, ESTATE, INHERITANCE, INCOME, EXCESS PROFITS OR SIMILAR TAX ON THE LENDER OR ON OR MEASURED BY THE LOAN OR ANY OBLIGATION. THE PROVISIONS OF THIS SECTION 8.4 WILL BE CUMULATIVE TO, AND NOT RESTRICTIVE OF, ANY PROVISION OF ANY OTHER LOAN DOCUMENT RELATING TO ANY OF THE MATTERS COVERED HEREBY.

Section 8.5. Severability. In case any provision in this Agreement or in the Note is invalid, illegal or unenforceable in any jurisdiction, such provision is severable from the remainder thereof as to such jurisdiction and the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired in any jurisdiction.

Section 8.6. Survival of Representations and Warranties. All agreements, representations and warranties made herein or in any other Loan Document will survive the execution and delivery of the Loan Documents and the making of the Loan.

Section 8.7. Assignability. This Agreement will be binding upon the parties hereto and their respective successors and assigns, and will inure to the benefit of the parties hereto and the successors and assigns of the Lender.

Section 8.8. Modification. None of the Loan Documents may be amended, waived or modified in any manner without the prior written consent of the Lender and the Borrower. Any such waiver will be effective only in the specific instance and for the specific purpose for which given.

Section 8.9. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original but all of which taken together will constitute one (1) agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 8.10. Rights and Duties of Secretary and Replacement Lender. In the event of the discharge or termination of the Lender by the Secretary, (i) the Capital Project Loan outstanding herewith at the time of such discharge or termination shall remain in full force under the terms and provisions of this Agreement and the Agreement to Insure, (ii) the Secretary shall have the same rights and duties as the Lender under this Agreement and the Agreement to Insure until such time as a replacement Lender has been appointed, and (iii) the replacement Lender upon appointment shall have the same rights and duties as the predecessor original Lender under the Agreement to Insure.

Section 8.11. Seismic Safety. The Borrower shall ensure compliance with Executive Order 12699, Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction.

Section 8.12. Applicability of Federal Construction Requirements. The Borrower shall ensure compliance with sections 75.600 through 75.617 of the U.S. Education Department General Administrative Regulations.

Section 8.13. Americans with Disabilities Act. The Borrower shall ensure compliance with the provisions of the Americans with Disabilities Act, to the extent codified in state and local building codes.

Section 8.14. Federal Construction Standards. In construction related to the Project, the Borrower shall adhere to the following federal construction standards: (a) accessibility; (b) environmental impact; (c) safety; (d) historical preservation; (e) seismic activity; (f) metrification; and (g) wages. Pursuant to the Department of Education's (the "Department") authority in 2 CFR § 3474.5(a), the Department applies an exception to the regulatory definition of "Federal Financial Assistance" in 2 CFR § 200.1 to exempt participating institutions in HBCU Capital Financing Program from applying the domestic sourcing requirements of Section 70911 et seq. of the Infrastructure Investment and Jobs Act (P.L. 117-58).

Section 8.15. Acknowledgment. The Borrower acknowledges receipt of copies of the Agreement to Insure, the Program Financing Agreement and the Series A 2025-4 Bond. The Borrower further acknowledges that the Obligations under this Agreement are to be interpreted consistently with such other documents.

Section 8.16. Equal Opportunity. The Borrower shall ensure compliance with the then-current equal opportunity clause of the Secretary.

Section 8.17. Governing Law. This Agreement and the Note will be construed in accordance with, and governed by, the laws of the District of Columbia, except that the provisions relating to administrative offset set forth in Section 7.4 hereof shall be construed in accordance with, and governed by, Federal law.

(End of ARTICLE 8)

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

**RICE CAPITAL ACCESS PROGRAM,
LLC**, as Designated Bonding Authority

By: _____
William F. Fisher
Chief Executive Officer

[Lender's Signature Page to Capital Project Loan Agreement]

**SOUTH CAROLINA STATE
UNIVERSITY**

By:

Douglas Gantt
Chair, South Carolina State
University Board of Trustees

[Borrower's Signature Page to Capital Project Loan Agreement]

EXHIBIT A
ADDITIONAL PERMITTED LIENS

1. None

EXHIBIT B

PROJECT DESCRIPTION

The proceeds of the Series A 2025-4 Bond shall be applied to finance the following:

1. The new construction of a 6-story, 155,000 square foot student housing facility, containing 512 beds, including a common kitchen, study and collaboration areas and gathering spaces, to be located on the campus of the Borrower.
2. The renovation of Truth Hall so that approximately 268 beds of student housing located on the campus of the Borrower may be returned to service.

EXHIBIT C

PROMISSORY NOTE RELATING TO SERIES A 2025-4 BOND

\$ _____

Final Maturity Date: _____ 1, 20__
Interest Payment Dates: _____ 1 and _____ 1
First Payment Date: _____ 1, 20__

South Carolina State University, a public agency, organized and existing under the laws of the State of South Carolina (the “Borrower”), for value received, hereby promises to pay to the order of Rice Capital Access Program, LLC (the “Lender”), as the legal assignee of Rice Securities, Inc., in its capacity as Designated Bonding Authority (within the meaning of 20 U.S.C. § 1066a(8)), such amounts as may be advanced from time to time to or for the account of the Borrower (each such amount being an “Advance”) up to the principal sum of \$ _____ together with interest on the unpaid principal balance of each Advance from the date that the respective Advance is made until fully and finally paid, together with all taxes levied or assessed on this Note or the debt evidenced hereby against the holder hereof. Each Advance made under this Note shall bear interest at the rate of interest determined as provided in the Series A 2025-4 Bond referred to below.

This Note has been executed under and pursuant to the Capital Project Loan Agreement dated as of _____, 2025, between the Lender and the Borrower (the “Agreement”) and is secured as provided in such Agreement. This Note is being issued by the Borrower under the Higher Education Revenue Bond Act, Title 59, Chapter 147 of the Code of Laws of South Carolina 1976, as amended. This Note is issued to evidence the obligation of the Borrower under the Agreement to repay the loan made by the Lender from the proceeds of its \$ _____ Future Advance Project Funding Bond, Series A 2025-4 (South Carolina State University Project) (Long-Term Fixed-Rate Bond) (the “Series A 2025-4 Bond”), together with interest thereon and all other amounts, fees, penalties, premiums, adjustments, expenses, counsel fees and other payments of any kind required to be paid by the Borrower under the Agreement.

The Agreement and this Note (hereinafter collectively referred to as the “Financing Documents”) have been assigned to Regions Bank, a banking corporation duly organized and existing under the laws of the State of Alabama (the “Trustee”), acting pursuant to the Trust Indenture dated as of September 19, 1996, as amended by the Amended and Restated First Amendment to Trust Indenture dated November 24, 2003 between Commerce Capital Access Program Corporation and Commerce Bank, National Association, the Second Amendment to Trust Indenture dated September 25, 2009 between the Trustee and the Lender, and the Ninety-Ninth Supplemental Trust Indenture, between the Trustee and the Lender, dated as of _____, 2025 (collectively, the “Indenture”). Such assignment is made as security for the payment of the Series A 2025-4 Bond.

As provided in the Agreement and subject to the provisions thereof, payments hereon are to be made at the designated corporate trust office of the Trustee in Atlanta, Georgia, or at the office designated for such payment by any successor trustee in an amount which, together with other moneys available therefor pursuant to the Indenture, will equal the amount payable as principal of and interest, late charges (if any), and premiums (if any) on the Series A 2025-4 Bond outstanding under the Indenture on such Payment Date. The Series A 2025-4 Bond provides for the optional prepayment thereof in whole or in part and, accordingly, the Agreement includes provision for optional prepayment of this Note as a whole or in part, and in such event the prepayment shall be credited in inverse order of principal installments due. The Series A 2025-4 Bond also provides for the capitalization of all interest payments that otherwise would be due and payable before _____ 1, 20__ and, accordingly, the Agreement provides for the capitalization of all interest payments that otherwise would be due and payable before the First Payment Date (as that term is defined in the Agreement). As provided in Section 2.7 of the Agreement, Loan Payments shall be deemed paid at the time the corresponding payments of principal and interest are paid on the Series A 2025-4 Bond to the extent that such payments on the Series A 2025-4 Bond are attributable to Loan Deposits or investment earnings thereon.

The Borrower shall make payments on this Note on the dates and in the amounts specified herein and in the Agreement and in addition shall make such other payments as are required pursuant to the Financing Documents, the Indenture and the Series A 2025-4 Bond. Upon an Event of Default, as defined in any of the Financing Documents, the principal of and interest on this Note may be declared immediately due and payable as provided in the Agreement. Upon any such declaration the Borrower shall pay all costs, disbursements, expenses and reasonable counsel fees of the Lender, the Secretary and the Trustee in seeking to enforce their rights under any of the Financing Documents.

All obligations of the Borrower herein are obligations of the Borrower and not of its officers, directors or employees.

THIS NOTE SHALL BE A SPECIAL OBLIGATION OF THE BORROWER, THE PRINCIPAL AND INTEREST ON WHICH SHALL BE PAYABLE BY THE BORROWER SOLELY OUT OF AND SECURED BY THE PLEDGED REVENUES. THIS NOTE SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE STATE OF SOUTH CAROLINA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION (OTHER THAN ARTICLE X, SECTION 13 OF THE SOUTH CAROLINA CONSTITUTION AUTHORIZING OBLIGATIONS PAYABLE FROM A REVENUE PRODUCING PROJECT OR SPECIAL SOURCE NOT INVOLVING REVENUES FROM ANY TAX) AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE OF SOUTH CAROLINA OR ANY POLITICAL SUBDIVISION THEREOF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE OF SOUTH CAROLINA OR ANY POLITICAL SUBDIVISION THEREOF. 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 BORROWER (OTHER THAN THE PLEDGED REVENUES) SHALL ARISE THEREFROM. NOTHING CONTAINED IN THIS PARAGRAPH, HOWEVER, SHALL RELIEVE THE BORROWER FROM THE OBSERVANCE AND PERFORMANCE OF THE COVENANTS AND AGREEMENTS ON ITS PART CONTAINED HEREIN OR IN THE SERIES A 2025-4 BOND.

No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the Borrower contained in this Note or any of the transactions contemplated herein, as applicable, against any member of the Board of Trustees of the Borrower, any officer or employee, as such, in his or her individual capacity, past, present or future, of the Borrower, either directly or through the Borrower, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that the Note is solely a corporate obligation, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such, past, present or future, of the Borrower, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the Borrower and the participants to the transactions contemplated herein or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the enactment of the authorizing resolutions of the Borrower and the execution of the Note, and as a condition of, and as a part of the consideration for, the execution of the Note, expressly waived and released. The immunity of officers and employees of the Borrower under the provisions contained in this paragraph shall survive the completion of the Project and the termination of the Note.

THE BORROWER ACKNOWLEDGES THAT THE LOAN EVIDENCED BY THIS NOTE IS A COMMERCIAL TRANSACTION AND WAIVES ITS RIGHTS TO NOTICE AND HEARING AS ALLOWED UNDER ANY STATE OR FEDERAL LAW WITH RESPECT TO ANY PREJUDGMENT REMEDY WHICH THE HOLDER HEREOF MAY DESIRE TO USE. The Borrower further (1) waives diligence, demand, presentment for payment, notice of nonpayment, protest and notice of protest, notice of any renewals or extension of this Note, and all rights under any statute of limitations, (2) agrees that the time for payment of this Note may be changed and extended at the sole discretion of the Trustee without impairing its liability hereon, and (3) consents to the release of all or any part of the security for the payment thereof at the discretion of the Trustee or the release of any party liable for this obligation without affecting the liability of the other parties hereto. Any delay on the part of the Lender or the Trustee in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

[Signature Page Follows]

IN WITNESS WHEREOF, South Carolina State University has caused this Note to be executed by its duly authorized officer all as of _____, 2025.

**SOUTH CAROLINA STATE
UNIVERSITY**

By: _____
Douglas Gantt
Chair, South Carolina State
University Board of Trustees

LENDER ENDORSEMENT

Pay to the order of Regions Bank, as Trustee, without recourse.

RICE CAPITAL ACCESS PROGRAM, LLC,
as Designated Bonding Authority

By:

William F. Fisher
Chief Executive Officer

EXHIBIT D

FORM OF OPINION OF BORROWER'S COUNSEL

United States Department of Education
400 Maryland Avenue, SW, 5th Floor
Washington, DC 20202

Rice Capital Access Program, LLC
1202 West Peachtree Street, NW, 23rd Floor
Atlanta, GA 30309

Federal Financing Bank
Department of the Treasury
Main Treasury Building
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Regions Bank
1180 West Peachtree Street,
Suite 1200
Atlanta, GA 30309

We have acted as legal counsel to South Carolina State University (the “Borrower”) in connection with that certain Capital Project Loan Agreement (the “Agreement”) dated as of _____, 2025, between the Borrower and Rice Capital Access Program, LLC (“Lender”). Terms defined in the Agreement have the same meaning when used in this opinion. In giving this opinion we have examined (1) the Agreement signed by the Borrower, (2) the Note signed by the Borrower and (3) originals or copies certified to our satisfaction of certain relevant corporate records of the Borrower and such other documents, records and other matters in our opinion appropriate or necessary to enable us to render our opinion. For the purposes of this opinion, the Agreement and the Note are referred to herein as the “Loan Documents”).

Subject to the qualifications mentioned below, we are of the opinion that:

1. The Borrower is a public agency of the State of South Carolina, and is, duly organized, validly existing and in good standing under the laws of the State.
2. The Borrower has the power, authority and legal right to own its assets and to conduct its business as presently conducted, to execute, deliver and perform its obligations under the Loan Documents to which it is a party, including the Agreement and any agreement, document or instrument made or executed by the Borrower pursuant to any Loan Document, and to issue the Note and to borrow and repay the Loan.
3. The execution and delivery by the Borrower of the Agreement, the Note and any agreement, document or instrument made or executed pursuant to any other Loan Document to which the Borrower is a party, and the performance by the Borrower of its obligations thereunder, have been duly authorized by necessary corporate action of the Borrower.
4. The Borrower is an Eligible Institution as defined in 20 U.S.C. §1061(2).
5. The execution, delivery and performance of the Agreement, the Note and each of the Loan Documents by the Borrower do not: (i) violate any of the terms, conditions or provisions of the Certificate of Incorporation or the By-Laws of the Borrower; (ii) violate or contravene any provision of law, any rule or regulation or any

judgment, injunction or order applicable to the Borrower or its properties or by which it is bound or affected; (iii) violate or contravene, or result in a breach of or constitute a default or ground for acceleration of the maturity of, any mortgage, security agreement, indenture or other agreement or instrument, to which the Borrower is a party or by which the Borrower or its properties may be bound or affected; and (iv) result in the creation or imposition of any lien or security interest on any property of the Borrower other than as contemplated by the Agreement.

6. The Agreement, the Note and each of the other Loan Documents are the valid, legal and binding obligations of the Borrower enforceable against it in accordance with their terms.

7. After review of, and based solely upon reliance on, the litigation and judgement lien searches performed in Orangeburg County, South Carolina, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened against or affecting the Borrower: (a) wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by or the validity of the Agreement or any other Loan Document, or (ii) the Property or the Pledged Revenues or the ability of the Borrower to perform its obligations under the Agreement, the Note and the other Loan Documents, (b) which in any way contests the existence, organization or powers of the Borrower or the titles of the officers of the Borrower to their respective offices, or (c) with respect to the Borrower's eligibility under Title IV of the Higher Education Act of 1965, Pub. L. No. 89-329 or the Higher Education Amendments of 1992, Pub. L. No. 103-325.

8. No authorization, approval, license or permit is required, and no other action by, notice to or filing with, any governmental authority or judicial or regulatory body, is required (or, if required, such authorization, approval, license, permit, action or filing has been duly made or obtained) for the due execution and delivery and performance of the obligations of the Borrower under the Agreement, the Note and the Loan Documents, except for the filing of the Financing Statements. Provided, however, with respect to the Project, as a matter of fact and not of opinion, the Borrower has made diligent inquiry and has obtained or will obtain (and to our knowledge, there is no reason why such cannot be obtained) all necessary permits, licenses, accreditation, and zoning and other certifications or other necessary approvals to construct, complete and occupy the Project, subject to minor exceptions and deficiencies that are not material and do not affect the conduct of its business.

9. The provisions of the Loan Agreement are sufficient to create in favor of the Lender and the Trustee, as assignee of Lender, a valid security interest in all right, title and interest of the Borrower in the Pledged Revenues (as set forth in the Loan Agreement, hereinafter the "Collateral").

The qualifications to which this opinion is subject are as follows:

(A) This opinion is limited to the law of the State of South Carolina and the law of the United States as in effect on the date of this opinion. No opinion is expressed as to the laws of any other jurisdiction. We note that the Agreement and the Note are expected to be governed by the laws of the District of Columbia, and give no opinion regarding the enforceability of such choice of law provision or the application of the laws of the District of Columbia.

(B) We assume the Agreement has been duly authorized by the Lender and will be duly executed and delivered by the Lender in accordance with such authorization.

(C) Our opinion as to the enforceability of the obligations of the Borrower under the Agreement and any instrument or other agreement required thereunder is subject to bankruptcy, insolvency, moratorium, fraudulent conveyance liquidation and similar laws affecting creditor's rights generally or to matters of public policy.

(D) Our opinion is subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law).

(E) In rendering this opinion, we have relied on certificates of the Borrower and resolutions authorizing the transactions contemplated by the Agreement. In our examination of all documents, certificates and records, we have assumed the genuineness of all signatures, the legal capacity of all natural persons executing documents, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as copies. We have further assumed the validity and enforceability of all certificates, permits, authorizations and approvals issued by any governmental authority.

(F) As to various questions of fact material to such opinion, we have relied upon statements and representations of the officers and other representatives of the Borrower and of other public officials and agencies, which have not been independently established by us. In addition, as to various questions of fact we have relied upon the representations and warranties of the Borrower in the Loan Documents and various other certificates, which have not been independently established by us.

(G) The phrase "to our knowledge" refers to the actual knowledge of Gary T. Pope, Jr. and Josiah C. T. Lucas, the attorneys of this firm representing the Borrower in this transaction, without any further investigation unless otherwise noted. Except to the extent expressly and specifically noted herein, for purposes of this opinion, we have not made an independent review of any contracts, documents, agreements, instruments, writs, orders, judgments, rules, regulations or decrees which may have been executed by or which may be binding upon the Borrower or which may affect the property of the Borrower, nor have we undertaken to review any files of Borrower relating to transactions to which the Borrower may be a party or to discuss its transactions or business with any other agents or representatives of Borrower.

We do not have, nor do we undertake, any obligation to update any of the opinions set forth herein.

Very truly yours,

EXHIBIT E
FORM OF REQUISITION

\$ _____

No. _____

_____, 2025

Rice Capital Access Program, LLC
1202 West Peachtree Street, NW, 23rd Floor
Atlanta, GA 30309
Attn: Chief Executive Officer

**Re: \$ _____ Rice Capital Access Program, LLC Future Advance
Project Funding Bond, Series A 2025-4 (South Carolina State
University Project) (Long-Term Fixed-Rate Bond)**

Ladies and Gentlemen:

Pursuant to Section 3.2(a) of the Capital Project Loan Agreement (the “Loan Agreement”) dated as of _____, 2025, between South Carolina State University (the “Borrower”) and Rice Capital Access Program, LLC (the “Lender”), I hereby submit this requisition for payment on behalf of the Borrower from the funds representing the proceeds of an advance of funds under the \$ _____ Rice Capital Access Program, LLC Future Advance Project Funding Bond, Series A 2025-4 (South Carolina State University Project) (Long-Term Fixed-Rate Bond) (the “Series A 2025-4 Bond”).

(A) The total amount of funds requested is \$ _____. Such funds are requested to be disbursed to the persons and in the amounts designated on Schedule A hereto.

(B) \$ _____ of the amount requested above is for “Costs of Issuance” (as defined in the Loan Agreement. Such amounts are itemized on Schedule A hereto.

(C) \$ _____ of the amount requested is applicable to the Series A 2025-4 Bond.

The undersigned hereby represents the following:

(A) The sum of (i) the amount requisitioned for Costs of Issuance in (B) above, and (ii) all amounts requisitioned previously for Costs of Issuance does not exceed two percent (2%) of the aggregate principal amount of the Series A 2025-4 Bond.

(B) The total amount requisitioned in (A) above is for “Costs” (as defined in the Loan Agreement).

(C) All amounts previously requisitioned have actually been applied to finance or refinance Costs.

(D) No Event of Default (as defined in the Loan Agreement) or event of default which after notice or lapse of time or both would constitute an Event of Default has occurred and not been waived.

(E) The amount requisitioned hereby is being expended in a manner consistent in all respects with the representations, warranties and covenants of the Borrower in the Loan Agreement.

(F) If this is the first requisition, all of conditions specified in Section 3.1(b), (c) and (d) of the Loan Agreement have been satisfied.

If the Lender has so requested, this requisition shall not be complete unless the following are attached;

- (i) copies of invoices relating to and substantiating this requisition;
- (ii) the certificate of the Borrower referred to in Section 3.2(a)(3) of the Loan Agreement; and
- (iii) with respect to the Project, the Architect’s Certificate of Completion referred to in Section 3.2(a)(4) of the Loan Agreement, if applicable.

Payment is requested by _____.

The following paragraph is to be completed when any requisition and certificate includes any item for payment for labor, for indicated items of equipment or to contractors, builders or materialmen.

[Signature Page Follows]

I hereby certify that insofar as the amount covered by the above requisition includes payments to be made for labor or to contractors, builders or materialmen, including payment for equipment, materials or supplies, in connection with the renovation and capital improvement portion of the Project: (i) all obligations to make such payments have been properly incurred, (ii) any such labor was actually performed and any such equipment, materials or supplies were actually furnished or installed on or about the renovation and capital improvement portion of the Project and are a proper charge against the renovation and capital improvement portion of the Project, and (iii) such equipment, materials or supplies either are not subject to any lien or security interest or, if the same are so subject, such lien or security interest will be released or discharged upon payment of this requisition.

Borrower Representative

[Signature Page to Form of Requisition]

SCHEDULE TO REQUISITION _____

Costs of Issuance

<u>Payee</u>	<u>Item</u>	<u>Amount</u>
--------------	-------------	---------------

Other Costs

<u>Payee</u>	<u>Item</u>	<u>Amount</u>
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EXHIBIT F

HISTORICAL DEBT SERVICE COVERAGE FOR AUDITED FY 2024

EXHIBIT C

FORMS OF ADVANCE REQUEST

EXHIBIT B

FORM OF SUPPLEMENTAL TRUST INDENTURE

This draft remains subject to final review, approval and consent of the Lender, the Guarantor, the Bondholder and their respective Counsel. Nothing herein shall be construed as final.

RICE CAPITAL ACCESS PROGRAM, LLC

(“RCAP”)

to

REGIONS BANK

(“Trustee”)

NINETY-NINTH SUPPLEMENTAL TRUST INDENTURE

Dated as of _____, 2025

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NINETY-NINTH SUPPLEMENTAL TRUST INDENTURE

THIS NINETY-NINTH SUPPLEMENTAL TRUST INDENTURE (herein sometimes referred to as the “Ninety-Ninth Supplemental Indenture”), made and entered into as of _____, 2025, by and between **RICE CAPITAL ACCESS PROGRAM, LLC**, a limited liability company duly organized and existing under the laws of the state of Delaware, as successor Designated Bonding Authority (the “DBA”) to Commerce Capital Access Program Corporation, which was successor Designated Bonding Authority to the Educational Direct Loan Mortgage Corporation (“RCAP”), and **REGIONS BANK**, a banking corporation duly organized and existing under the laws of the State of Alabama and having its designated corporate trust office located in Atlanta, Georgia (the “Trustee”), as successor trustee to The Bank of New York Mellon Trust Company, N.A., which was successor trustee to TD Bank National Association (formerly Commerce Bank, National Association), which was successor trustee to U.S. Bank, National Association, which was successor trustee to SouthTrust Bank of Georgia, N.A., the original trustee under the Trust Indenture between the DBA and the Trustee, dated as of September 19, 1996, as amended (the “Indenture”);

WITNESSETH:

WHEREAS, RCAP proposes to provide funds to make a Capital Project Loan (as defined in the Indenture) to **SOUTH CAROLINA STATE UNIVERSITY**, a public agency, organized and existing under the laws of the State of South Carolina (together with its successors and assigns and any surviving, resulting or transferee corporation, the “Borrower”), through the issuance of its \$60,000,000 Future Advance Project Funding Bond, Series A 2025-4 (South Carolina State University Project) (Long-Term Fixed-Rate Bond) (the “Series A 2025-4 Bond”);

WHEREAS, in connection with the authorization and issuance of the Series A 2025-4 Bond it is necessary that RCAP and the Trustee enter into this Ninety-Ninth Supplemental Indenture to provide certain terms and details relating to the Series A 2025-4 Bond;

NOW, THEREFORE, THIS NINETY-NINTH SUPPLEMENTAL INDENTURE WITNESSETH, that in order to describe certain terms and details relating to the Series A 2025-4 Bond and in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, RCAP and the Trustee agree for the benefit of the Bondholders, as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Definitions. All terms not defined herein shall have the same meanings as such terms are given in Section 101 of the Indenture or in the Capital Project Loan Agreement of even date herewith between RCAP and the Borrower (the “Loan

Agreement”). In addition to words and terms defined in the Indenture, the words used in this Ninety-Ninth Supplemental Indenture shall have the following meanings:

“Bond Form” means the Series A 2025-4 Bond Form attached hereto as Exhibit B.

“Borrower” means South Carolina State University.

“Business Day” means any day other than a day on which either the bondholder or the Federal Reserve Bank of New York is authorized or obligated by law or executive order to remain closed.

“First Payment Date” means the First Principal Payment Date set forth on the first page of the Bond Form.

“Interest Payment Date” means the Payment Date set forth on the first page of the Bond Form.

“Maturity Date” means the Maturity Date set forth on the first page of the Bond Form.

“Principal Payment Date” means the Payment Date set forth on the first page of the Bond Form.

“Project” means the financing or refinancing of those certain capital projects listed in Exhibit A attached hereto.

“Regular Record Date” means with respect to any Payment Date the first day (whether or not a Business Day) of the calendar month preceding the month in which such Payment Date occurs.

“Replacement Bond” means any Series A 2025-4 Bond authenticated and delivered by the Bond Registrar pursuant to Section 207 of the Indenture.

“Replacement Expenses” means the costs of the repair, renewal and replacement of furnishings, fixtures, mechanical and structural systems and any other major components of the real Property.

“Series A 2025 Annual Replacement Reserve Requirement” has the meaning ascribed thereto in Section 5.19 of the Loan Agreement.

“South Carolina State University Debt Service Account (Series A 2025)” means the account by that name created pursuant to Section 5.3 hereof.

“South Carolina State University Escrow Account (Series A 2025)” means the account by that name created pursuant to Section 5.4 hereof.

“South Carolina State University Escrow Reserve Subaccount (Series A 2025)” means the subaccount by that name within the Escrow Reserve Account, created pursuant to Section 5.5 hereof.

“South Carolina State University Interest Subaccount (Series A 2025)” means the subaccount by that name within the South Carolina State University Debt Service Account (Series A 2025), created pursuant to Section 5.3 hereof.

“South Carolina State University Liquidity Reserve Account (Series A 2025)” means the account created pursuant to Section 5.6 hereof.

“South Carolina State University Principal Subaccount (Series A 2025)” means the subaccount by that name within the South Carolina State University Debt Service Account (Series A 2025), created pursuant to Section 5.3 hereof.

“South Carolina State University Project Account (Series A 2025)” means the account by that name created pursuant to Section 5.1 hereof.

“South Carolina State University Redemption Subaccount (Series A 2025)” means the subaccount by that name within the South Carolina State University Debt Service Account (Series A 2025), created pursuant to Section 5.3 hereof.

“South Carolina State University Replacement Fund (Series A 2025)” means the fund by that name created pursuant to Section 5.7 hereof.

“South Carolina State University Revenue Account (Series A 2025)” means the account by that name created pursuant to Section 5.2 hereof.

Section 1.2 Authority for this Ninety-Ninth Supplemental Indenture. This Ninety-Ninth Supplemental Indenture is authorized pursuant to the provisions of and in accordance with Article II and Article XII of the Indenture.

ARTICLE 2

AUTHORIZATION AND PURPOSE OF THE SERIES A 2025-4 BOND

Section 2.1 Authorization, Principal Amount and Series Designation. Pursuant to the provisions of the Indenture, an issue of Bonds entitled to the benefit, protection and security of the Indenture is hereby authorized in an aggregate principal amount of \$60,000,000 and shall be designated as, and shall be distinguished from the Bonds of all other issues by the title, “Rice Capital Access Program, LLC, Future Advance Project Funding Bond, Series A 2025-4 (South Carolina State University Project) (Long-Term Fixed-Rate Bond).” The proceeds of the Series A 2025-4 Bond shall be used to pay the Costs of the Project as hereinafter provided.

ARTICLE 3
DESCRIPTION OF THE SERIES A 2025-4 BOND;
APPLICATION OF PAYMENTS ON THE SERIES A 2025-4 BOND;
DESIGNATION OF PAYING AGENT AND BOND REGISTRAR

Section 3.1 Description of the Series A 2025-4 Bond; Application of Payments on the Series A 2025-4 Bond; Designation of Paying Agent and Bond Registrar.

(a) The Series A 2025-4 Bond shall be dated as of the date of this Ninety-Ninth Supplemental Indenture, and shall have a stated maturity date of the Maturity Date.

(b) The Series A 2025-4 Bond may be in any denomination, *provided* that the aggregate principal amount of the Series A 2025-4 Bond Outstanding does not exceed the aggregate amount authorized with respect to such Series A 2025-4 Bond in Section 2.1 hereof.

(c) The Series A 2025-4 Bond is a “future Advance” Bond. As provided in Section 402 of the Indenture, the Holder of such Series A 2025-4 Bond shall advance (disburse) funds under such Series A 2025-4 Bond at the times, in the amounts, and to the accounts established from time to time by the Trustee (each such advance of funds being an “Advance”) pursuant to the Advance Request, which shall be substantially in the form set forth on Exhibit C hereto.

(d) As provided in the Series A 2025-4 Bond, interest on each Advance shall accrue from the date on which the respective Advance is made to the date on which the principal amount of such Advance is due. The interest rate or rates and the method of computing interest on the Series A 2025-4 Bond shall be determined as provided in paragraph 6 of the Bond Form. Payments of interest, capitalized interest, if any, and principal on the Series A 2025-4 Bond shall be due at the times and in the amounts determined in accordance with paragraphs 7 and 8 of the Bond Form.

(e) The method for making payments on the Series A 2025-4 Bond shall be as provided in paragraph 11 of the Bond Form.

(f) The computation and payment of Late Charges shall be as provided in paragraph 12 of the Bond Form.

(g) Payments on the Series A 2025-4 Bond shall be applied in the manner and order provided in paragraph 14 of the Bond Form.

(h) The Trustee is hereby designated as RCAP’s Paying Agent for the payment of the principal of, and redemption premium, if any, and interest on, the Series A 2025-4 Bond and as Bond Registrar.

(i) The Series A 2025-4 Bond shall be numbered sequentially from one upwards. After delivery of the Series A 2025-4 Bond, the Trustee shall file with RCAP a record of the numbers assigned to such Series A 2025-4 Bond upon the initial delivery thereof.

ARTICLE 4
EXECUTION AND DELIVERY OF THE SERIES A 2025-4 BOND;
APPLICATION OF THE SERIES A 2025-4 BOND PROCEEDS

Section 4.1 Execution and Delivery of the Series A 2025-4 Bond. The Chief Executive Officer or Chief Financial Officer or such other authorized officers of RCAP as may be so designated by RCAP in writing to the Trustee pursuant to the bylaws of RCAP are each hereby authorized and directed to execute the Series A 2025-4 Bond in the manner provided herein and in the Indenture and to cause the Series A 2025-4 Bond to be authenticated by the Trustee. The Chief Executive Officer and Chief Financial Officer or such other of the authorized officers of RCAP, as may be designated by RCAP in writing to the Trustee pursuant to the bylaws of RCAP, are each hereby authorized and directed to prepare and execute such closing documents and instruments as he or she deems necessary or desirable and to deliver the same to the purchaser of the Series A 2025-4 Bond. Upon execution and authentication of the Series A 2025-4 Bond, the Series A 2025-4 Bond shall be delivered to or upon the order of the purchaser upon payment of the purchase price for such Series A 2025-4 Bond. Notwithstanding anything to the contrary in Section 204 of the Indenture, the Series A 2025-4 Bond and any closing documents and instruments may be executed by the manual signature of the Chief Executive Officer or the Chief Financial Officer of RCAP or any other authorized officer of RCAP as may be so designated by RCAP in writing to the Trustee.

Section 4.2 Application of Proceeds of the Series A 2025-4 Bond. Advances made under the Series A 2025-4 Bond shall be applied as provided in Section 402 and Section 407 of the Indenture.

ARTICLE 5
CREATION OF ADDITIONAL ACCOUNTS WITHIN THE PROJECT
FUND, THE REVENUE FUND, THE DEBT SERVICE FUND, THE
ESCROW FUND, THE ESCROW RESERVE ACCOUNT, THE
LIQUIDITY RESERVE ACCOUNT AND THE REPLACEMENT FUND

Section 5.1 Creation of the South Carolina State University Project Account (Series A 2025). There is hereby created and ordered established in the custody of the Trustee within the Project Fund a separate and distinct account to be designated the “South Carolina State University Project Account (Series A 2025)”, to be administered as provided in Section 401 of the Indenture.

Section 5.2 Creation of the South Carolina State University Revenue Account (Series A 2025). There is hereby created and ordered established in the custody of the Trustee within the Revenue Fund a separate and distinct account to be designated the “South Carolina State University Revenue Account (Series A 2025)”, to be administered as provided in Section 502 of the Indenture. All amounts received pursuant to the Loan Agreement shall initially be deposited in the South Carolina State University Revenue Account (Series A 2025). At the discretion and written direction of the Lender to the Trustee, if the Borrower shall fail to make timely Loan Deposits as required by the Loan Agreement in any month during the term of the Loan Agreement or the Borrower shall

fail to meet the Rate Covenant in any year, then subject to Article 7 of the Loan Agreement, on the first day of each month, the Trustee (upon written direction from the Lender) shall transfer out of the South Carolina State University Revenue Account (Series A 2025) moneys sufficient to make the following deposits and payments in the following order of priority: (i) the budgeted Operating Expenses for such month; (ii) replenish the South Carolina State University Escrow Account (Series A 2025) (to the extent of any deficiency); and (iii) make Loan Payments and payments with respect to Obligations, including all related fees and charges.

Section 5.3 Creation of the South Carolina State University Debt Service Account (Series A 2025), the South Carolina State University Interest Subaccount (Series A 2025), the South Carolina State University Principal Subaccount (Series A 2025), and the South Carolina State University Redemption Subaccount (Series A 2025). There is hereby created and ordered established in the custody of the Trustee within the Debt Service Fund a separate and distinct account to be designated the “South Carolina State University Debt Service Account (Series A 2025)”, and within such account separate and distinct subaccounts to be designated the “South Carolina State University Interest Subaccount (Series A 2025)”, the “South Carolina State University Principal Subaccount (Series A 2025)” and the “South Carolina State University Redemption Subaccount (Series A 2025)”, each to be administered as hereinafter provided. The Trustee shall transfer from the South Carolina State University Revenue Account (Series A 2025) the requisite amounts into the South Carolina State University Interest Subaccount (Series A 2025), the South Carolina State University Principal Subaccount (Series A 2025) and the South Carolina State University Redemption Subaccount (Series A 2025) in the time and manner required by Section 502 of the Indenture. The Trustee shall deposit into the South Carolina State University Interest Subaccount (Series A 2025) all accrued interest and capitalized interest, if any, received in connection with the sale of the Series A 2025-4 Bond.

Section 5.4 Creation of the South Carolina State University Escrow Account (Series A 2025). There is hereby created and ordered established in the custody of the Trustee within the Escrow Fund a separate and distinct account to be designated the “South Carolina State University Escrow Account (Series A 2025)”, to be administered as provided in Section 407 of the Indenture. Amounts on deposit in the South Carolina State University Escrow Account (Series A 2025) shall be examined by the Trustee at least once during each twelve (12) month period and, thereafter, the Trustee shall make such transfers, if any, as required pursuant to Section 2.13 of the Loan Agreement.

Section 5.5 Creation of the South Carolina State University Escrow Reserve Subaccount (Series A 2025). There is hereby created and ordered established in the custody of the Trustee within the Escrow Reserve Account a separate and distinct subaccount to be designated the “South Carolina State University Escrow Reserve Subaccount (Series A 2025)”, to be administered as provided in Section 408 of the Indenture.

Section 5.6 Creation of the South Carolina State University Liquidity Reserve Account (Series A 2025). There is hereby created and ordered established in the custody

of the Trustee a separate and distinct account to be designated the “South Carolina State University Liquidity Reserve Account (Series A 2025)” to be administered, subject to Article 7 of the Loan Agreement, as provided in Section 5.18 of the Loan Agreement. Subject to Article 7 of the Loan Agreement, on the first day of each month, to the extent that funds are on deposit therein but only in the event that there are no funds in the South Carolina State University Debt Service Account, the Trustee shall transfer out of the South Carolina State University Liquidity Reserve Account (Series A 2025) moneys sufficient to make the following deposits and payments in the following order of priority: (i) make Loan Payments and payments with respect to Obligations, including all related fees and charges (after such payments are first made from the South Carolina State University Revenue Account (Series A 2025)); (ii) replenish the South Carolina State University Escrow Account (Series A 2025) (to the extent of any deficiency resulting from a delinquency of the Borrower) (after such payments are first made from the South Carolina State University Revenue Account (Series A 2025)); (iii) pay any operating deficits of South Carolina State University in any Fiscal Year; and (iv) pay extraordinary capital expenditures on the Borrower’s real Property (non-recurring in nature). Not later than five (5) Business Days following the Compliance Date (as defined in Section 5.18(a) of the Loan Agreement), the Lender shall deliver a written notice to the Borrower and the Trustee indicating that the Borrower has demonstrated compliance with the Rate Covenant to its satisfaction (the “Notice of Compliance”). Upon receipt of the Notice of Compliance, the Borrower may request of the Trustee in writing, and the Trustee shall release to or for the account of the Borrower upon such request, any funds then on deposit in the South Carolina State University Liquidity Reserve Account (Series A 2025).

Section 5.7 Creation of the South Carolina State University Replacement Fund (Series A 2025).

(a) There is hereby created and ordered established in the custody of the Trustee a separate and distinct fund to be designated the “South Carolina State University Replacement Fund (Series A 2025).”

(b) Pursuant to Section 5.19(c) of the Loan Agreement, if the Borrower fails to satisfy the provisions of Sections 5.19(a) or (b) of the Loan Agreement during any Fiscal Year, at the written direction of the Lender, with the consent of the Secretary, commencing on June 1 of the Fiscal Year in which the Borrower is determined to have failed to comply with the provisions of Sections 5.19(a) or (b) of the Loan Agreement and in which the Lender has so directed the Borrower in accordance with Section 5.19(c) of the Loan Agreement, and for so long as the Lender shall so direct, but never exceeding the Maturity Date, the Borrower shall make a monthly deposit equal to one-twelfth (1/12) of the Series A 2025 Annual Replacement Reserve Requirement from Net Income Available for Debt Service (as defined in the Loan Agreement) until amounts on deposit in such fund equal the Series A 2025 Annual Replacement Reserve Requirement. Such funds shall not be commingled with other funds of the Borrower.

(c) Moneys in the South Carolina State University Replacement Fund (Series A 2025) shall be disbursed by the Trustee to or for the account of the Borrower at any

time upon the written requisition of a Borrower Representative to the Lender and the Trustee (pursuant to Section 404 of the Indenture), and approved by the Lender in writing, or (b) at the written direction of the Lender pursuant to Section 5.19(e) of the Loan Agreement to be applied to the payment or reimbursement of the costs of: (i) Replacement Expenses of the real Property, and (ii) any capital improvements to the real Property. Any written requisition submitted hereunder to the Lender and the Trustee, or either of them, as applicable, shall contain: (i) a list of all the items for which payment is requested, (ii) the quantity and price of each item purchased, if specific pieces of equipment are purchased, (iii) the price of all materials (grouped by type or category), (iv) the cost of all labor or other services contracted for, if any, and (v) invoices to support such expenditures.

ARTICLE 6

REDEMPTION OF SERIES A 2025-4 BOND

Section 6.1 Redemption Dates and Prices; Refinancing. All or any portion of the principal amount of each Advance made under the Series A 2025-4 Bond in its entirety, shall be subject to redemption prior to maturity in the amounts, at the times and in the manner provided in paragraph 15 of the Bond Form. In addition, the Series A 2025-4 Bond is subject to refinancing as provided in paragraph 16 of the Bond Form.

ARTICLE 7

SERIES A 2025-4 BOND FORM

Section 7.1 Series A 2025-4 Bond Form. The form of the Series A 2025-4 Bond and the Certificate of Authentication thereon shall be in substantially the form set forth hereto in Exhibit B.

Section 7.2 Conflicts. In the event of any inconsistency among the provisions of the Indenture, this Ninety-Ninth Supplemental Indenture and the Bond Form, the provisions of the Bond Form shall control.

ARTICLE 8

MISCELLANEOUS

Section 8.1 Execution in Counterparts. This Ninety-Ninth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, Rice Capital Access Program, LLC has caused this Ninety-Ninth Supplemental Indenture to be signed in its name and on its behalf by its Chief Executive Officer and its corporate seal to be hereunto affixed and attested by an authorized officer thereof, and to evidence its acceptance of the trusts hereby created, Regions Bank has caused this Ninety-Ninth Supplemental Indenture to be signed in its name and on its behalf by one of its duly authorized officers and its corporate seal to be hereunto affixed and attested by one of its duly authorized officers, all as of the day first above written.

ATTEST:

**RICE CAPITAL ACCESS PROGRAM,
LLC**, as Designated Bonding Authority

[SEAL]

Lisa-Sheri K. Torrence
Secretary

By: _____
William F. Fisher
Chief Executive Officer

ATTEST:

REGIONS BANK, as Trustee

[SEAL]

Authorized Officer

By:

James Coleman
Assistant Vice President

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the Series A 2025-4 Bond shall be applied to finance the following:

1. The new construction of a 6-story, 155,000 square foot student housing facility, containing 512 beds, including a common kitchen, study and collaboration areas and gathering spaces, to be located on the campus of the Borrower.
2. The renovation of Truth Hall so that approximately 268 beds of student housing located on the campus of the Borrower may be returned to service.

EXHIBIT B

FORM OF SERIES A 2025-4 BOND

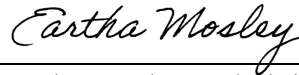
EXHIBIT C

FORM OF ADVANCE REQUEST

**CERTIFIED COPY OF A RESOLUTION BY THE BOARD OF TRUSTEES OF
SOUTH CAROLINA STATE UNIVERSITY AUTHORIZING THE LOAN**

THE UNDERSIGNED, Eartha Mosley, as Administrative Coordinator and Recorder for the South Carolina State University Board of Trustees (the “Board of Trustees”) does hereby certify that the following is a true and correct copy of resolution duly adopted by the Board of Trustees, in conformity with the Bylaws of the Board of Trustees at a meeting of the trustees as of August 5, 2025.

(SEAL)



Eartha Mosley, Administrative Coordinator
and Recorder

Dated: August 5, 2025

A RESOLUTION

APPROVING THE BORROWING OF NOT EXCEEDING \$60,000,000 AGGREGATE PRINCIPAL AMOUNT BY SOUTH CAROLINA STATE UNIVERSITY, IN ONE OR MORE SERIES, UNDER THE HIGHER EDUCATION REVENUE BOND ACT THROUGH THE HBCU CAPITAL FINANCING PROGRAM OF THE UNITED STATES DEPARTMENT OF EDUCATION; AND OTHER MATTERS RELATING THERETO

As an incident to the adoption of this resolution (this “Resolution”), the South Carolina State Fiscal Accountability Authority (the “Authority”) recites the following:

WHEREAS, The Trustees of South Carolina State University (the “Board of Trustees”), the governing body of South Carolina State University, South Carolina (the “University”), is authorized by Title 59, Chapter 147 of the Code of Laws of South Carolina 1976, as amended, to make provision for the issuance of higher education revenue bonds (“Higher Education Revenue Bonds”) for financing or refinancing in whole or in part the cost of the acquisition, construction, reconstruction, renovation and improvement of land, buildings and other improvements to real property and equipment for the purpose of providing facilities serving the needs of the University including, but not limited to, dormitories, apartment buildings, dwelling houses, bookstores and other stores operated by the University, laundry, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other nondegree educational facilities and similar auxiliary facilities of the University and other facilities which are auxiliary to any of the foregoing, excluding, however, athletic department projects which primarily serve varsity athletic teams of the University and to issue bonds payable from the operation, sale, lease, or other disposition thereof in order to finance such construction and improvements;

WHEREAS, on August 5, 2025, the Board of Trustees adopted a resolution entitled “BOND RESOLUTION AUTHORIZING SOUTH CAROLINA STATE UNIVERSITY TO ISSUE OR INCUR INDEBTEDNESS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000 UNDER THE HIGHER EDUCATION REVENUE BOND ACT AND PART D OF TITLE III OF THE HIGHER EDUCATION ACT OF 1965, TO ENTER INTO ONE OR MORE LOAN AGREEMENTS, TO CONSENT TO ONE OR MORE INDENTURES AND SUPPLEMENTAL INDENTURES, AND TO AUTHORIZE AND DIRECT CERTAIN OFFICERS OF THE UNIVERSITY, AND MATTERS RELATED THERETO” (the “Bond Resolution”), as a means of providing for the issuance of not exceeding \$60,000,000 aggregate principal amount Higher Education Revenue Bonds in one or more series (the “2025 Borrowing”) to defray the costs of the new construction and equipping of a 400-500 bed student housing facility to be located on the campus of the University (the “Project”). There are no presently outstanding Higher Education Revenue Bonds of the University;

WHEREAS, the Bond Resolution authorizes the use of proceeds of the 2025 Borrowing (i) to pay the costs of the Project, (ii) to fund the various funds and accounts described in the loan agreement, and (iii) to pay the costs of issuance incurred in connection with the 2025 Borrowing; and

WHEREAS, the Board of Trustees has determined that a current need exists for the Project and the University has requested the Authority approve at this time the incurrence by the University of the 2025 Borrowing and other matters related thereto as set forth in the Bond Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE FISCAL ACCOUNTABILITY AUTHORITY, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

Section 1.01 Findings.

The Bond Resolution in the form adopted by the Board of Trustees, has been presented to the Authority.

Section 1.02 Defined Terms.

Any capitalized term used in this Resolution, but not defined herein, shall have the meaning ascribed to such term in the Bond Resolution.

ARTICLE II

AUTHORIZATION FOR THE 2025 BORROWING

Section 2.01 Authorization for 2025 Borrowing.

(a) Pursuant to Section 59-147-30 of the Higher Education Revenue Bond Act, the Authority hereby approves and authorizes the 2025 Borrowing in an aggregate principal amount not to exceed \$60,000,000 in accordance with and subject to the terms of the Bond Resolution at private sale by negotiation through the Historically Black College & University Capital Financing Program, under which Rice Capital Access Program, LLC acts as the Designated Bonding Authority selected by the Secretary of the United States Department of Education under 20 U.S.C. § 1066a(8). The term of the 2025 Borrowing shall be less than 21 years.

(b) Pursuant to Section 11-13-125 of the Code of Laws of South Carolina 1976, as amended, the Authority finds that the securing of the 2025 Borrowing constitutes justifiable circumstances for the use of institutional bank accounts to hold moneys of the University pursuant to the terms of the Bond Resolution, and authorizes the State Treasurer to designate the bank or banking institution to maintain such account or accounts prior to the closing of the 2025 Borrowing.

Section 2.02 Effective Date.

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted as of the date hereof.

Dated: October 14, 2025.

United States Department of Education
400 Maryland Avenue, SW, 5th Floor
Washington, DC 20202

Rice Capital Access Program, LLC
One Atlantic Center
1202 West Peachtree Street, N.W., 23rd Floor
Atlanta, GA 30309

Federal Financing Bank
Department of the Treasury
Main Treasury Building
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Regions Bank
1180 West Peachtree Street
Suite 1200
Atlanta, GA 30309

We have acted as legal counsel to South Carolina State University (the “Borrower”) in connection with that certain Capital Project Loan Agreement (the “Agreement”) dated as of _____, 2025, between the Borrower and Rice Capital Access Program, LLC (“Lender”). Terms defined in the Agreement have the same meaning when used in this opinion. In giving this opinion we have examined (1) the Agreement signed by the Borrower, (2) the Note signed by the Borrower and (3) originals or copies certified to our satisfaction of certain relevant corporate records of the Borrower and such other documents, records and other matters in our opinion appropriate or necessary to enable us to render our opinion. For the purposes of this opinion, the Agreement and the Note are referred to herein as the “Loan Documents”).

Subject to the qualifications mentioned below, we are of the opinion that:

1. The Borrower is a public agency of the State of South Carolina, and is duly organized, validly existing, and in good standing under the laws of the State.
2. The Borrower has the power, authority and legal right to own its assets and to conduct its business as presently conducted, to execute, deliver and perform its obligations under the Loan Documents to which it is a party, including the Agreement and any agreement, document or instrument made or executed by the Borrower pursuant to any Loan Document, and to issue the Note and to borrow and repay the Loan.
3. The execution and delivery by the Borrower of the Agreement, the Note and any agreement, document or instrument made or executed pursuant to any other Loan Document to which the Borrower is a party, and the performance by the Borrower of its obligations thereunder, have been duly authorized by necessary corporate action of the Borrower.
4. The Borrower is an Eligible Institution as defined in 20 U.S.C. §1061(2).
5. The execution, delivery and performance of the Agreement, the Note and each of the Loan Documents by the Borrower do not: (i) violate any of the terms, conditions or provisions of the Certificate of Incorporation or the By-Laws of the Borrower; (ii) violate or contravene any provision of law, any rule or regulation or any judgment, injunction or order applicable to the Borrower or its properties or by which it is bound or affected; (iii) violate or contravene, or result in a breach of or constitute a default or ground for acceleration of the maturity of, any mortgage, security agreement, indenture or other agreement or instrument, to which the Borrower is a party

or by which the Borrower or its properties may be bound or affected; and (iv) result in the creation or imposition of any lien or security interest on any property of the Borrower other than as contemplated by the Agreement.

6. The Agreement, the Note and each of the other Loan Documents are the valid, legal and binding obligations of the Borrower enforceable against it in accordance with their terms.

7. After review of, and based solely upon reliance on, the litigation and judgement lien searches performed in Orangeburg County, South Carolina, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened against or affecting the Borrower: (a) wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by or the validity of the Agreement or any other Loan Document, or (ii) the Student Housing Property or the Pledged Revenues or the ability of the Borrower to perform its obligations under the Agreement, the Note and the other Loan Documents, (b) which in any way contests the existence, organization or powers of the Borrower or the titles of the officers of the Borrower to their respective offices, or (c) with respect to the Borrower's eligibility under Title IV of the Higher Education Act of 1965, Pub. L. No. 89-329 or the Higher Education Amendments of 1992, Pub. L. No. 103-325.

8. No authorization, approval, license or permit is required, and no other action by, notice to or filing with, any governmental authority or judicial or regulatory body, is required (or, if required, such authorization, approval, license, permit, action or filing has been duly made or obtained) for the due execution and delivery and performance of the obligations of the Borrower under the Agreement, the Note and the Loan Documents, except for the filing of the Financing Statements. Provided, however, with respect to the Project, as a matter of fact and not of opinion, the Borrower has made diligent inquiry and has obtained or will obtain (and to our knowledge, there is no reason why such cannot be obtained) all necessary permits, licenses, accreditation, and zoning and other certifications or other necessary approvals to construct, complete and occupy the Project, subject to minor exceptions and deficiencies that are not material and do not affect the conduct of its business.

9. The provisions of the Loan Agreement are sufficient to create in favor of the Lender and the Trustee, as assignee of Lender, a valid security interest in all right, title and interest of the Borrower in the Pledged Revenues (as set forth in the Loan Agreement, hereinafter the "Collateral").

The qualifications to which this opinion is subject are as follows:

(A) This opinion is limited to federal law and the laws of the State and the law of the United States as in effect on the date of this opinion. No opinion is expressed as to the laws of any other jurisdiction or the effectiveness of any choice of law or governing law provision. We note that that with the exception of Section 7.4 of the Agreement, which is governed by federal law, the Loan Agreement and the Note are expected to be governed by the laws of the District of Columbia.

(B) We assume the Agreement has been duly authorized by the Lender and will be duly executed and delivered by the Lender in accordance with such authorization.

(C) Our opinion as to the enforceability of the obligations of the Borrower under the Agreement and any instrument or other agreement required thereunder is subject to bankruptcy, insolvency, moratorium, fraudulent conveyance liquidation and similar laws affecting creditor's rights generally or to matters of public policy.

(D) Our opinion is subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law). We do not have, nor do we undertake, any obligation to update any of the opinions set forth herein.

(E) In rendering this opinion, we have relied on certificates of the Borrower and resolutions authorizing the transactions contemplated by the Agreement. In our examination of all documents, certificates and records, we have assumed the genuineness of all signatures, the legal capacity of all natural persons executing documents, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as copies. We have further assumed the validity and enforceability of all certificates, permits, authorizations and approvals issued by any governmental authority.

(F) As to various questions of fact material to such opinion, we have relied upon statements and representations of the officers and other representatives of the Borrower and of other public officials and agencies, which have not been independently established by us. In addition, as to various questions of fact we have relied upon the representations and warranties of the Borrower in the Loan Documents and various other certificates, which have not been independently established by us.

(G) The phrase "to our knowledge" refers to the actual knowledge of Gary T. Pope, Jr. and Josiah C. T. Lucas, the attorneys of this firm representing the Borrower in this transaction, without any further investigation unless otherwise noted. Except to the extent expressly and specifically noted herein, for purposes of this opinion, we have not made an independent review of any contracts, documents, agreements, instruments, writs, orders, judgments, rules, regulations or decrees which may have been executed by or which may be binding upon the Borrower or which may affect the property of the Borrower, nor have we undertaken to review any files of Borrower relating to transactions to which the Borrower may be a party or to discuss its transactions or business with any other agents or representatives of Borrower.

Very truly yours,



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popeflynn.com

October 14, 2025

South Carolina State Fiscal Accountability Authority
Columbia, South Carolina

Re: Not Exceeding \$60,000,000 Aggregate Principal Amount Borrowing of South Carolina State University Under the Higher Education Revenue Bond Act

Ladies and Gentlemen:

We are acting as legal counsel to South Carolina State University (the “University”) in connection with the above-captioned borrowing by the University (the “2025 Borrowing”). At your request, we are delivering this opinion in connection with the University’s request¹ to the South Carolina State Fiscal Accountability Authority (the “SFAA”) dated September 8, 2025 (the “Petition”), to approve the 2025 Borrowing pursuant to the South Carolina Constitution and Acts of the General Assembly of the State of South Carolina, including particularly Title 59, Chapter 147 of the Code of Laws of South Carolina 1976, as amended (the “Act”) for the purpose of constructing a 400-500 bed student housing facility to be located on the campus of the University.

In that capacity, we have examined originals or copies of the Petition, the Bond Resolution duly adopted on August 5, 2025, by the Board of Trustees of South Carolina State University (the “Bond Resolution”), and a proposed resolution of the SFAA in the form submitted as part of the Petition (the “SFAA Resolution,” and together with the Petition, and the Bond Resolution, the “Transaction Documents”).

In rendering the opinion expressed below, we have relied solely on our examination of the Transaction Documents. We have not made any investigation as to any factual matter or as to the accuracy or completeness of any representation, warranty, data, or any other information, whether written or oral, that may have been made by or on behalf of the University, the SFAA or the parties to any of the documents related to the 2025 Borrowing. Further, in rendering the opinion expressed below, we do not purport to be familiar with or qualified to express legal opinions based on the laws of any jurisdiction other than the federal laws of the United States of America and the laws of the State of South Carolina, and the opinion is limited to the federal laws of the United States of America and the laws of the State of South Carolina. Nothing herein should be understood to render or express a credit or business judgement regarding the 2025 Borrowing.

Based upon the stated examination and assumptions, and subject to the stated qualifications and limitations, we are of the opinion, under existing law, that the Transaction Documents comply with all requirements of the Act, contain all required facts, information, and findings by the respective authorities, and are legally sufficient to allow the SFAA to approve the 2025 Borrowing through the adoption of the SFAA Resolution.

¹ Transmitted by Pope Flynn, LLC to Delbert H. Singleton, Jr., as SFAA Secretary by transmittal letter dated September 8, 2025.

Except as set forth above, we express no opinion in connection with the consummation of the 2025 Borrowing. The opinion expressed above is rendered solely for your benefit in considering the approval of the 2025 Borrowing under the Act. The opinion may neither be relied on by you for any other purpose nor be furnished to, used, circulated, quoted, or relied on by any other person or entity for any other purpose, without our prior written consent in each instance. This opinion speaks only as of the date hereof and we disclaim any obligation to update the opinion expressed above for events occurring or coming to our attention after the date of this letter.

Very truly yours,


Pope Flynn, LLC