

MINUTES OF THE MEETING OF THE
GOVERNANCE, TRUSTEESHIP, AND NOMINATING COMMITTEE OF THE
BOARD OF DIRECTORS OF THE UofL RESEARCH FOUNDATION, INC., AND THE
BOARD OF TRUSTEES OF THE UNIVERSITY OF LOUISVILLE

October 29, 2021

In Open Session

Members of the Governance, Trusteeship, and Nominating Committee of the UofL Research Foundation, Inc., Board of Directors and the UofL Board of Trustees met in the Jefferson Room, Grawemeyer Hall, Belknap Campus, both in-person and virtually at 1:06 p.m., with members present and absent as follows:

Present: Mr. Scott Brinkman, Chair
Ms. Mary Nixon
Mr. James Rogers
Dr. David Schultz

Absent: Ms. Diane Porter

Other Trustees

Present: Mr. Jerry Abramson
Dr. Raymond Burse
Mr. John Chilton
Mr. Al Cornish
Ms. Diane Medley
Ms. Ugonna Okorie
Mr. John Smith
Ms. Sherrill Zimmerman

From the
University: Dr. Neeli Bendapudi, President
Dr. Lori Gonzalez, Executive Vice President and University Provost
Dr. Kevin Gardner, Executive Vice President for Research & Innovation
Mr. Dan Durbin, Executive Vice President for Finance and Administration
Ms. Angela Curry, General Counsel and Vice President for Legal Affairs
Dr. Michael Wade Smith, Vice President for External Affairs and Chief of Staff
Mr. Vince Tyra, Athletic Director and Vice President for Athletics
Ms. Sandy Russell, Vice President for Risk, Audit, and Compliance
Ms. Mary Elizabeth Miles, Vice President for Human Resources
Dr. Michael Mardis, Vice President for Student Affairs & Dean of Students
Dr. Jasmine Farrier, Vice President for University Advancement
Mr. Rehan Khan, Vice President for Information Technology Services
Mr. John Drees, Sr. Assoc. Vice President for Communications & Marketing
Dr. Faye Jones, Sr. Assoc. Vice President for Diversity and Equity

Mr. Mark Watkins, Sr. Associate Vice President for Operations, COO
Chief Gary Lewis, Assistant Vice President for Operations and Chief of Police
Dr. Gail DePuy, Special Assist. to the President for Strategic Plan Implementation
Mr. John Karman, Executive Director of Communications
Ms. Beverly Santamouris, Treasurer
Mr. Matt Banker, Associate Athletic Director for Compliance
Dr. Tracy Eells, Vice Provost for Faculty Affairs
Mr. Jim Begany, Vice Provost for Strategic Enrollment Management
Ms. Jessica Murnock, Deputy Chief of Staff, President's Office
Ms. Sarah Lopez, Deputy Chief of Staff, Provost's Office
Mr. Chris Wooton, Director of Internal Communications
Ms. Kim Adams, Chief Information Security Officer
Ms. Jennifer Mudd, Director of Integrity and Compliance
Ms. Stacie McCutcheon, Privacy Officer
Ms. Cheri Jones, Director of Audit Services
Dr. Allison Ratterman, Director of the Office of Research Integrity
Ms. Michelle Comer, Director of Accounting and Reporting
Mr. Jake Beamer, Dir. of Governance & Strategic Initiatives & Asst. Secretary

From the UofL

Foundation: Mr. Keith Sherman, Executive Director

From UofL

Health: Dr. Jason Smith, Chief Medical Officer

Guests: Prof. Michael Cunningham, AAUP UofL President

Mr. Chris Suda, Clifton Larson Allen

Mr. Ethan Lay, Clifton Larson Allen

I. Call to Order

Chair Brinkman called the roll and having determined a quorum present, called the meeting to order at 1:06 p.m.

Approval of Minutes, 7-15-2021

Ms. Nixon made a motion, which Mr. Rogers seconded, to approve the minutes of the July 15, 2021 meeting.

The motion passed.

II. Action Item: Revision to BOT Personnel Policy

Chair Brinkman explained that the revision to the Board of Trustees Personnel Policy consists of a single edit to the language regarding endowed faculty positions that require board action. Previously, the policy stated that the Board of Trustees approve "faculty

appointments to Endowed Chairs,” however, there are more endowed positions than just chairs including deans, division chiefs, professors, and others. The proposed edit changes the language to stated that the board approves faculty appointments to “Endowed Faculty Positions.”

There were no objections from committee members or trustees.

Ms. Nixon made a motion, which Mr. Rogers seconded, to approve the

President’s recommendation that the Board of Trustees amend the Policy on Approvals Required for Personnel Actions of the Board (Personnel Policy) to be revised, as attached.

The motion passed.

III. Action Item: Approval of MOU with UofL Real Estate Foundation

Chair Brinkman briefed the committee on the approval of an amended and restated Memorandum of Understanding (MOU) between the University and the University of Louisville Real Estate Foundation, noting that the new MOU will replace the original created in 2017.

The amended and restated MOU was approved by the Real Estate Foundation Board of Directors in July 2021, subject to the approval by the Board of Trustees.

Mr. Sherman then fielded questions from the committee.

Mr. Rogers made a motion, which Ms. Nixon seconded, to approve the

President’s recommendation that the Board of Trustees approve a Memorandum of Understanding (MOU) between the University of Louisville and the University of Louisville Real Estate Foundation, Inc., as described in the attached document.

The motion passed.

IV. Adjournment

Having no other business to come before the committee, Ms. Nixon made a motion, which Dr. Schultz seconded, to adjourn.

The motion passed and the meeting adjourned at 1:09 p.m.

Approved by:

 ⁿ
Signature on file _____
Assistant Secretary

RECOMMENDATION TO THE BOARD OF TRUSTEES
CONCERNING APPROVALS FOR PERSONNEL ACTIONS

Governance, Trusteeship, and Nominating Committee – October 29, 2021
Board of Trustees – October 29, 2021

RECOMMENDATION:

The President recommends that the Board of Trustees amend the Policy on Approvals Required for Personnel Actions of the Board (Personnel Policy) to be revised as follows (changes underlined and in red):

Personnel Items Requiring Board Action and Formally Reported to the Board: shall include initial faculty appointments with tenure or faculty appointments to Endowed Faculty Positions, promotions of faculty above the rank of Assistant Professor or award of tenure, early termination of faculty, and the President and Executive Vice Presidents. Non-renewal of probationary appointments will be formally reported to the Board.

BACKGROUND:

The board's current Personnel Policy was approved on April 18, 2019 and requires board action for faculty appointments to endowed *chairs*.

The board approved a policy regarding University Naming Guidelines on June 24, 2021. The guidelines specify minimum gift amount thresholds for various endowed faculty positions, namely: *dean, chair, division chief, professor, visiting professor, faculty fellowship, and teaching fellowship*.

The proposed amendment to the Personnel Policy would make it consistent with the university's Naming Guidelines and be inclusive of the endowed faculty positions listed therein.

COMMITTEE ACTION:

Passed X

Did Not Pass _____

Other _____


Signature on file _____
Assistant Secretary

BOARD ACTION:

Passed X

Did Not Pass _____

Other _____


Signature on file _____
Assistant Secretary

RECOMMENDATION TO THE BOARD OF TRUSTEES
CONCERNING APPROVALS FOR PERSONNEL ACTIONS

Governance, Trusteeship, and Nominating Committee – April 18, 2019
Board of Trustees – April 18, 2019

RECOMMENDATION:

The Chair of the Board recommends that the Board of Trustees amend the Policy on Approvals Required for Personnel Actions of the Board to be as follows:

Personnel Items Requiring Board Action and Formally Reported to the Board: shall include initial faculty appointments with tenure or faculty appointments to Endowed Faculty Positions, promotions of faculty above the rank of Assistant Professor or award of tenure, early termination of faculty, and the President and Executive Vice Presidents. Non-renewal of probationary appointments will be formally reported to the Board.

Personnel Items Requiring Administrative Approval Only and Reported to the Board As Information Items: shall include initial and renewal appointments of faculty not resulting in tenure; promotions up to the rank of Assistant Professor; resignations; retirements; expiration of appointments; permanent, acting, and interim appointments of administrators; medical leave, associate appointments; leaves without pay; sabbatical leaves; adjunct appointments; clinical appointments (both part-time and gratis); transfers from non-probationary to probationary status; changes in emeritus status; scheduling changes for sabbatical or other paid leaves; changes from full-time to part-time or gratis status; and changes in titles of assignments due to reorganizations or reassignments.

The Board of Trustees delegates to the President or her designee the authority to appoint and dismiss all other administrators with actions being formally reported to the Board.

BACKGROUND:

The Personnel Action Policy was first adopted September 26, 1983 and amended March 26, 1990, October 26, 1992, and February 23, 1998. Members of the Board and the President have concluded that many routine personnel actions can be delegated, thereby allowing the Board to concentrate on the most significant personnel recommendations which include appointments and dismissals of the President and Executive Vice Presidents, promotion and tenure of faculty and early termination or non-renewal of probationary faculty appointments. This is common practice at many major institutions.

This Policy is to be followed in conjunction with the delegation of authority to the President authorized September 29, 1992 concerning Appointments of Interim Administrators (Exhibit A) and the Policy on Short-Term Absences and Leaves of Absence adopted by the Board October 26, 1992 (Exhibit B). Paid leaves not pursuant to a Trustee-approved policy (e.g., sabbatical, medical, parent) shall require action of the board.

Reports listing delegated personnel actions for faculty and administrators will be provided to the Trustees on a regular basis.

The Provost joins the President in making this recommendation.

COMMITTEE ACTION:

Passed _____

Did Not Pass _____

Other _____

[Signature]
Signature on file _____
Assistant Secretary

BOARD ACTION:

Passed _____

Did Not Pass _____

Other _____

[Signature]
Signature on file _____
Assistant Secretary

- *Approved September 26, 1983
- *Revised and approved March 26, 1990
- *Revised and approved October 26, 1992
- *Revised and approved February 23, 1998
- *Revised and approved April 18, 2019
- *Revised and approved October 29, 2021

RECOMMENDATION TO THE
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES
REGARDING MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE
UNIVERSITY OF LOUISVILLE AND THE UofL FOUNDATION, INC.

Governance, Trusteeship, and Nominating Committee – October 29, 2021
Board of Trustees – October 29, 2021

RECOMMENDATION:

The President recommends that the Board of Trustees approve a Memorandum of Understanding (MOU) between the University of Louisville and the University of Louisville Real Estate Foundation, Inc., as described in the [attached](#) document.

BACKGROUND:

This Amended MOU amends, replaces and supersedes the Memorandum of Understanding dated as of October 1, 2017 by and between (i) the University, and the University’s Board of Trustees, and (ii) the Foundation, and the Foundation’s Board of Directors (the “Previous MOU”).

COMMITTEE ACTION:

Passed X

Did Not Pass _____

Other _____

PS
Signature on file _____
Assistant Secretary

BOARD ACTION:

Passed X

Did Not Pass _____

Other _____

PS
Signature on file _____
Assistant Secretary

DRAFT

AMENDED AND RESTATED
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNIVERSITY OF LOUISVILLE
AND

THE UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.

THIS AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING (the “Amended MOU”) is entered into as of [_____], 2021 by and between the University of Louisville (the “University”) and the University of Louisville Real Estate Foundation, Inc. (the “Foundation”). (Each of the University and the Foundation is a “Party” and collectively are the “Parties”.)

This Amended MOU amends, replaces and supersedes the Memorandum of Understanding dated as of October 1, 2017 by and between (i) the University, and the University’s Board of Trustees, and (ii) the Foundation, and the Foundation’s Board of Directors (the “Previous MOU”).

In consideration of the foregoing and the agreements set forth below, and other good and valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

I. Shared Mission; Separate Governance

A. Shared Mission.

1. The University and the Foundation agree to work as partners to strengthen the University through activities that support the mission and priorities of the University. Both the University and the Foundation have a shared interest in insuring that each adheres to industry best practices and pursuant to a governance structure that guaranties all decisions remain free from political pressure, conflicts of interest and the disproportionate influence of any individuals(s).
2. The Foundation is primarily responsible for receiving, investing in, purchasing and developing real estate for the University’s benefit. The Foundation acts in a fiduciary capacity to the University. The University designates the Foundation as the repository of private real estate gifts made in support of the University unless otherwise specified by the donor. With the exception of receiving private real estate gifts made in support of the University, the Foundation engages in no fund-raising activities on behalf of the University. The University (and its affiliated entities) are the sole beneficiary of the assets managed by the Foundation.
3. To ensure effective achievement of the items in this Amended MOU, the University and Foundation officers and representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities.

B. University Governance.

1. The University is an agency of the Commonwealth of Kentucky.
2. The University's Board of Trustees is responsible for (i) overseeing the mission, leadership, operations and performance of the University, (ii) setting priorities and long-term plans for the University and (iii) the employment and compensation of all University employees (acting directly or through designees) and for the appointment, compensation, and evaluation of the University's President.

C. Foundation Governance.

1. Unlike the University, the Foundation is not a public agency. The Foundation exists as a separate legal entity from the University and is not subject to the University's control. The Foundation is a Kentucky nonprofit corporation that has been recognized by the Internal Revenue Service as a tax-exempt charity under Section 501(c)(3) of the Internal Revenue Code, as amended (the "Code").
2. The Foundation's Board of Directors is responsible for overseeing the Foundation's operations, including control and management of its assets and prudent management of all gifts made for the benefit of the University consistent with donor intent. This oversight is governed by a comprehensive set of articles of incorporation, bylaws, committee charters and policies that clearly address the fiduciary responsibilities of the Board of Directors, including requirements that individual board members act in good faith, on an informed basis, and in a manner consistent with the Foundation's fiduciary duties and the Foundation's best interests.
3. The Foundation shall maintain and enforces policies to identify and manage potential conflicts of interest among its board members and staff. Such policies shall be reviewed on a regular basis and strictly enforced. While "direct investments" by the Foundation are prohibited (see III. A.3. below), the Foundation's conflict of interest policies will prohibit any investment by the Foundation in a business in which any member of the University's Board of Trustees or Foundation's Board of Directors or any executive level employee or officer of the University or the Foundation have an ownership, employment, consulting or other financial relationship.
4. The Chair of the Foundation's Board of Directors shall be a member of the Foundation's Board of Directors, but shall not be the President of the University of Louisville.
5. To the extent it has employees, the Foundation is responsible for employing, compensating, and evaluating all of its employees, including the Foundation's top executive. Currently, the Foundation contracts with the University of Louisville Foundation, Inc. for management services.

6. No officer or employee of the Foundation (including the Foundation's chief executive), shall serve simultaneously as an officer of the University, without the prior approval of the University's Board of Trustees and the Foundation's Board of Directors.

II. University Responsibilities

- A. The University designates the Foundation as the repository of all private real estate gifts made in support of the University unless otherwise expressly specified by the donor.
- B. As applicable, the University shall ensure that any utilization of real estate held by the Foundation is in accordance with donor intent. The University shall timely sign compliance documents from the Foundation attesting to its adherence with donor intent.
- C. The University President is responsible for communicating University priorities and long-term plans, as approved by the University's Board of Trustees, to the Foundation.
- D. The University President controls the University's fund-raising activities. The University President and campus leadership will work, in conjunction with the Foundation, to identify, cultivate, and solicit prospects for private gifts of real estate.
- E. The Foundation's chief executive shall be invited on a regular basis to meetings of the University President's executive team.
- F. The Foundation's chief executive or his or her designee shall be included as an *ex-officio* member of any University-wide strategic or facilities planning committee.
- G. The University, at its option, may contract with the Foundation at fair market value rates for special services like grounds maintenance or advertising. The services, if any, and compensation amount will be negotiated on an annual basis by April 30th of the preceding fiscal year. The University agrees to provide the Foundation with access, without charge, to the University's enterprise and identity management systems, including access to University email and Ulink services and storage space on the University's shared drive or an equivalent successor. To the extent the Foundation asks the University to provide customized functionality for the Foundation or requests that University personnel provide significant support for the Foundation's e-discovery obligations, the University and Foundation will timely negotiate reasonable compensation rates for those services. The Foundation agrees that it will comply with the University's policies and procedures related to access to and use of University email and Ulink services and shared drive storage space, including University policies and procedures related to data security. The University will provide the Foundation with a shared drive exclusively for the use of the Foundation. The University will provide that shared drive with the same

level of security it provides to its own shared drives and agrees that it will not access information stored on that shared drive or other information that the University clearly knows is Foundation information without the express written permission of the Foundation, except as part of normal maintenance or desktop support operations.

- H. The University's Chief Financial Officer shall serve, *ex-officio*, as a voting member of the Foundation's Property Committee.
- I. The University President shall be an *ex-officio*, voting member of the Foundation's Board of Directors.

III. Foundation Responsibilities. Consistent with the purposes stated in its Articles of Incorporation, the Foundation exists to promote the interest and welfare of the University and provide it with a margin of excellence by providing the maximum level of sustainable financial support.

A. Asset Management

- 1. The Foundation agrees to provide the University with timely information (but in no event less than quarterly) about the current balance sheet of the Foundation.
- 2. The Foundation will consult with the University prior to the purchase of or disposition of any assets to ensure alignment with the University's strategic needs and plans. It is agreed that real property purchased by the Foundation should directly or indirectly support the mission of the University. At the express request of the University's Board of Trustees, the Foundation may engage in such activities as purchasing, developing, or managing real estate for multiple purposes, including but not limited to University expansion, student housing, or office building and research facilities.
- 3. Unless requested by the University in writing (and previously approved by the University's Board of Trustees), and excluding investments managed by its investment adviser, the Foundation shall not invest in start-up businesses or real estate nor make any other "direct" investments (i.e., shall not invest directly in any entity or business or real estate venture).

B. Foundation Funding and Administration

- 1. The Foundation will use its best efforts to assure that the activities of the Foundation align with the mission and goals of the University and meet applicable accreditation standards (and the University will use its best efforts to notify the Foundation of such applicable accreditation standards).
- 2. The Foundation will maintain its tax-exempt status under Section 501(c)(3) of the Code and carry on its work exclusively for the charitable and educational purposes of the University of Louisville.

3. Not less than three months prior to the beginning of the Foundation's fiscal year, and at least two weeks before submitting same to the Foundation's Property Committee, the Foundation shall prepare a complete annual line item budget to the University's President and Chief Financial Officer for review and comment. Each year the Foundation holds "budget workshops" for the members of the Foundation's Board. These are working meetings where the budget for the upcoming fiscal year is discussed in detail. The members of the University's Board of Trustees shall be invited to attend the Foundation's "budget workshops".
4. In establishing an annual operations and capital budget, the Foundation has the right to use a reasonable percentage of funds to support its operations. In addition, the Foundation may use payments received from the University, whether direct (e.g., administrative fees) or in-kind, under the terms of any annual service contract with the University.
5. In establishing a financial plan, the Foundation will provide for necessary office space, computer and telephone systems, utilities, adequate personnel, office supplies, and other such services that may be necessary or required to fulfill its responsibilities and obligations.
6. The Foundation shall maintain copies of the plans, budgets, and donor records developed in connection with the performance of its obligations in compliance with system-wide policies for records retention. Such policies shall include the implementation of litigation holds, a prohibition on destruction of data in connection with the repurposing of computers, telephones and other devices and shall be consistent with the policies of the University.
7. The Foundation and the University shall coordinate with each other on public policy questions such as Open Records and Open Meetings issues and on fundraising and public relations/marketing.
8. On an annual basis, the Foundation's Board of Directors will select and engage an independent accounting firm to conduct an audit of the Foundation's financial and operational records.
9. The Foundation shall provide the University with a copy of the Foundation's annual audited financial statements, including management letters and responses to management letters within 30 days of receipt. Within 90 days of the issuance of an audit report with audit findings, the Foundation shall demonstrate to the University that satisfactory progress has been made to implement a corrective action plan. If the University recommends that specific actions be included in the corrective action plan, the Foundation Chief Executive shall promptly communicate the University's recommendations to the Foundation's independent accounting firm and the Foundation's Board of Directors for their consideration.

10. The Foundation shall provide the University and the University's Board of Trustees with detailed quarterly financial reports, including, without limitation, information on all assets held and budget-to-actual comparisons.
11. The Foundation and the University will share access to donor data and records in accordance with established University and Foundation policies and procedures and mindful of applicable laws.
12. The Foundation shall (i) maintain a confidential and anonymous mechanism to encourage individuals to report any inappropriateness within the Foundation's financial management and (ii) prohibit punishment of or retaliation against any employee for reporting problems.
13. Officers and employees of the Foundation who have check-signing authority or who handle cash or negotiable instruments must be bonded in an amount determined to be reasonable by the Foundation's Board of Directors after consultation with the University.
14. The Foundation's Board of Directors shall evaluate the potential risks arising from the Foundation's operations and obtain commercially reasonable amounts of general liability and directors/officers' insurance.

C. Transfer of Funds

1. All transfers of funds from the Foundation to the University must be documented in writing or electronically in a form that has a retrievable transaction trail.
2. The Foundation shall not request or accept loans from the University without the approval of the University's Board of Trustees.
3. Unless requested by the University's Board of Trustees in writing (and such request identifies an available source of funding), the Foundation shall not become obligated to pay (nor shall it pay) salary, bonuses, deferred compensation, tax gross-ups or any other compensation to University employees (whether directly or through subsidiaries or affiliates).

IV. License to use University Marks

- A. During the term of this Amended MOU only, and consistent with its mission to help advance the plans and objectives of the University, the Foundation is granted a royalty-free, non-exclusive, non-transferable license to use the name, "University of Louisville", the name "U of L", and the University of Louisville cardinal bird (registration number 2007784) (the "University Marks"). The Foundation will operate under its own seal and logotype, which, during the term of this Amended MOU, shall include the University Marks or any combination thereof.

- B. All Foundation use of or materials containing the University Marks shall be well suited in accordance with the purposes of this Amended MOU and shall be of a high quality that does not derogate from or adversely affect the University Marks or the goodwill and reputation associated therewith or with the University. The Foundation will conform its uses to quality standards approved by the University in its reasonable discretion, which may be changed by the University periodically with written notice to the Foundation and which shall, in no event, be lower than the standards the Foundation applies to maintaining its own trademarks. The Foundation agrees that the University Marks are the University's exclusive property, have acquired secondary meaning and that all related rights and goodwill in the University Marks shall inure solely to the University's benefit. The Foundation shall not acquire any rights or interest in the University's Marks, nor shall the Foundation challenge, attack or contest the ownership or validity of the University's rights in the University Marks.

V. Miscellaneous Terms

- A. The University and the Foundation agree to review this Amended MOU (i) at least every two years, and (ii) as necessary in connection with any amendment by either Party of its bylaws or other written agreements or policies that impacts such Party's relationship with the other Party, with any necessary changes to be documented with written amendments.
- B. Either Party may terminate this Amended MOU, upon the affirmative vote of not less than 75% of the members of its governing body and 180 days' prior written notice to the chief executive officer and board chair of the other Party. The Party initiating the Amended MOU's termination must act in good faith to schedule and participate in a meeting to resolve differences (the "Initial Meeting"), which meeting (i) shall include, at a minimum, the chair of the governing body of each Party as well as the top executive from each Party, and (ii) shall be held within 30 days of the initial written notice of intention to terminate this Amended MOU. At the Initial Meeting, the Parties shall use their best efforts to resolve all differences.
- C. If, after the Initial Meeting, differences remain, the Parties shall mutually select a neutral mediator to facilitate a dispute resolution process. Both Parties, as represented by their top executives and board chairs, shall participate in good faith in such mediation and use their respective best efforts to resolve all differences. If a neutral mediator has not been selected or the mediation is not successful within 60 days after the Initial Meeting, the Parties shall continue to cooperate in good faith to resolve differences. On the date which is 90 days after the Initial Meeting, the Parties' top executives and board chairs shall once again meet – including with the mediator if one has been selected. If, at the conclusion of that meeting the Parties agree that a resolution is possible they shall agree on a path for achieving such resolution. If, however, at the conclusion of that meeting either or both of the Parties do not believe a resolution is possible, the Parties shall work together in good faith over the next 60 days to formulate a plan of termination, which plan shall govern their separation and their relationship after termination of this Amended

MOU. If the Parties have not agreed on a plan of termination within that 60-day period, then this Amended MOU shall terminate at the end of such 60-day period.

- D. Notwithstanding the foregoing, either Party may terminate this Amended MOU upon the affirmative vote of not less than 75% of the voting members of its governing body in the event the other Party materially defaults in the performance of its obligations under this Amended MOU and fails to cure such default within a reasonable period (not less than 90 days) after receiving written notice from the other Party of intention to terminate this Amended MOU (which notice shall describe the material default in reasonable detail).
- E. Notwithstanding the foregoing, both Parties recognize that, whether this Amended MOU has been terminated or remains in full force and effect, the Foundation has a fiduciary duty to fulfill its responsibilities to donors under the terms of the gifts it has received to distribute and expend funds for the University's benefit. That obligation continues after the termination of this Amended MOU.
- F. The Foundation agrees to comply with all state and federal laws applicable to it and to maintain its tax-exempt status at all times. Consistent with provisions appearing in the Foundation's Articles of Incorporation, should the Foundation cease to exist or cease to be recognized under Section 501(c)(3) of the Code, the Foundation will transfer its assets and property to the University, or if the University is not then in existence or otherwise competent to receive them, to those entities provided for in Kentucky Revised Statutes Section 273.303 or its successor statute, in accordance with law and donor intent.
- G. The Parties' obligations under Section IV, Section V.E, and Section V.F of this Amended MOU shall survive any termination of this Amended MOU.
- H. This Amended MOU supersedes and replaces the Previous MOU, as amended. The Previous MOU shall be void and of no further force and effect.
- I. This Amended MOU may be amended only by a written document signed by both Parties and approved by the University's Board of Trustees and the Foundation's Board of Directors.
- J. This Amended MOU may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Amended MOU and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Amended MOU and of signature pages by email transmission shall constitute effective execution and delivery of this Amended MOU as to the Parties and may be used in lieu of the original Amended MOU for all purposes. Signatures of the Parties transmitted by email shall be deemed to be their original signatures for any purposes whatsoever.

This Amended and Restated Memorandum of Understanding, made as of the date first written above, between the University and the Foundation. is intended to set forth policies and procedures that will contribute to the coordination and understanding of their mutual activities and

responsibilities. It shall, subject to the provisions above, remain in effect until December 31, 2023 and shall automatically renew for successive additional two year terms unless amended by the Parties under Section V, Paragraph I, above, or terminated pursuant to the provisions of Section V, Paragraphs B, C and D, above.

IN WITNESS WHEREOF, the parties have caused this Amended MOU to be executed by their duly authorized officers as of the day and date first above written.

UNIVERSITY OF LOUISVILLE

By: _____
Mary Nixon, Chair, Board of Trustees

By: _____
Neeli Bendapudi, President

UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.

By: _____
Kenneth Payne, Chair, Board of Directors

By: _____
Keith Sherman, Executive Director and Chief Operating Officer