NOTICE OF AMENDMENT AND EXTENSION OF EXPIRATION DATE

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA EDUCATIONAL FACILITIES REVENUE BONDS SERIES 2017A (AVERETT UNIVERSITY)

Regarding its Consent Solicitation Statement dated August 11, 2025

Maturity Date (October 1)	CUSIP No.	Interest Rate
2027	236887 AW5	4.00%
2032	236887 AX3	4.75%
2047	236887 AY1	5.00%

Record Date: August 8, 2025 at 5:00 p.m. EDT.

New Expiration Date: The date which is the earlier of (a) 5:00 p.m. EDT on September 12, 2025, or (b) the date upon which the Information and Tabulation Agent (as defined herein) has accepted the Requested Consents (as defined herein) (the "Expiration Date").

By way of its Consent Solicitation Statement dated August 11, 2025, (the "Consent Statement"), Averett University of Danville, Virginia, a Virginia non-stock, not for profit corporation (the "University") is soliciting (the "Solicitation") the holders of the Industrial Development Authority of Danville, Virginia Educational Facility Revenue Bonds, Series 2017A (Averett University), dated December 5, 2017 (the "Bonds") were issued by the Industrial Development Authority of Danville, Virginia (the "Issuer") as of the Record Date on August 8, 2025 (the "Record Date") (the "Bondholders") for three requested consents (collectively, the "Requested Consents"), which are described in the Consent Solicitation State, available at www.globic.com/averett, and summarized below. Capitalized terms used and not defined herein shall have the respective meanings ascribed to such terms in the Consent Solicitation Statement.

As of expiration, the University has received participation from 38.06% of the outstanding bonds, with 99.5% of responding bondholders voting in favor of consent. To achieve the requisite majority of Bondholders providing their consent, the University has elected to extend the Solicitation. Bondholders will now have until **5:00 p.m. EST on September 12, 2025** (the "**New Expiration Date**") to participate in the Solicitation.

In addition, the University hereby amends the Consent Statement to increase the consent fee from twenty-five cents ($0.25) per $1,000.00 to fifty cents ($0.50) per $1,000.00 of the principal amount of each Bond to each such Holder who has granted the Requested Consent, under the terms and conditions described in the Consent Solicitation Statement under "*Consent Fee*."

If the Requested Consents are not granted, it will trigger events, as described in the Consent Solicitation Statement, that are detrimental to the operations and financial health of the University.

Bondholders wishing to provide their consent should instruct their respective DTC Participants with custody of their Bonds to execute a Master Consent on their behalf and deliver the executed Master Consent to the Information and Tabulation Agent no later than the Extended Consent Expiration Date. Bondholders, who have already participated in the Solicitation, need not take any additional action.

Questions regarding the processing of your consent may be directed to Robert Stevens at 212-227-9699 or via e-mail at rstevens@globic.com.

Dated: August 29, 2025

SUMMARY

This summary is subject in all respects to more complete information contained in this Consent Solicitation Statement and should not be considered a complete statement of the facts material to making an informed decision. Bondholders are requested to read and consider carefully the information contained in the entire Consent Solicitation Statement. Capitalized terms used in this summary shall have the meanings as defined herein.

Averett University runs a private nonprofit college in Danville, Virginia. To raise money for the school, bonds were issued by a third-party (the Issuer), and the funds from those bonds were loaned to the University. The University agreed to repay the loan in amounts and on a schedule that covers the bond payments. The bonds are backed by certain financial accounts, the University's loan payments, a specific note, a legal claim on property and revenue, and income from the University's operations. The University is furnishing this Consent Solicitation Statement to the Record Date Beneficial Owners of the outstanding Bonds to solicit the consent of at least a majority of the outstanding principal held by Beneficial Owners to three requested consents (collectively, the "Requested Consents).

Request for Consent #1

In the 2023 and 2024 fiscal years, the University did not meet the required financial ratio (Debt Service Coverage Ratio) set by the bond agreement. As a result, it hired an Independent Consultant, as required, who has been advising the University on how to improve its financial position. In addition, in the 2024 fiscal year, the University did not meet the Liquidity Covenant set by the bond agreement. ***Taken together with the Debt Service Coverage Ratio, this was an event of default under the bond agreement.*** **However, the University has not missed any actual bond payments so far.**

- The University requests that you provide your consent to waive the covenant defaults with respect to the noncompliance by the University with the Debt Service Coverage Ratio for the Fiscal Years ending on June 30, 2023 and 2024 and Liquidity Covenant for the Fiscal Year ending on June 30, 2024, as described under the caption "Proposed Waiver of Debt Service Coverage Ratio and the Liquidity Covenant";

Request for Consent #2

In addition, the University missed the deadline (December 1, 2024) to file its official audited financial report for the 2024 fiscal year. On May 30, 2025, it submitted a draft version of the report to EMMA and the bond trustee, hoping that most of the bondholders would agree to waive the missed deadline (the "Audit Covenant Default").

- The University requests that you provide your consent to waive the Audit Covenant Default with respect to noncompliance with the December 1, 2024 deadline for filing its Audited Financial Statements Report for Fiscal Year 2024.

Request for Consent #3

The University is working on a sale and leaseback transaction (the "Sale/Leaseback Transaction") involving its North Campus, which includes sports fields, training areas, academic buildings, and other facilities. The University plans to sell this property to regional investors, then lease it back so the University can continue using it. However, the North Campus is currently restricted by an agreement (called a "Negative Pledge") under the bond contract that prevents the University from selling or transferring the property without getting approval from the bondholders. So, for the sale/leaseback transaction to occur, the

University needs the bondholders' permission. If approved, the University will sell the property but continue using it by paying rent equal to a 4.5% annual return on the investors' purchase price. The lease will last for 10 years, with the possibility of extending it at the option of the University for another 10-year period. The University expects to receive $18,150,000 in substantially equal payment installments over less than a 3-year period of time.

- The University requests that you provide your consent to waive the covenant preventing the sale of the property, which will allow the Sale/Leaseback Transaction (as defined herein) to move forward under the Master Indenture as described under the caption "Proposed Sale/Leaseback Transaction" below (collectively, the "Requested Consents").

Please note, that the **University received the consent of the Bondholder Representative, American Century Investment Management, Inc. ("American Century"), an institutional investor and the holder of approximately 25% of the outstanding Bonds as of the Record Date.**

Bondholder Consent Benefits

Increased Consent Fee: Upon the terms and conditions described below under "*Consent Fee*," the University will now pay fifty cents ($0.50) per $1,000.00 of the principal amount of each Bond to each such Holder who has granted the Requested Consents.

Additional Benefits Being Offered to Bondholders

If the University gets the necessary approvals (consents) from more than 50% of the bondholders, the bondholders will receive some additional benefits:

1. **Regular Updates**: The University will give bondholders financial and operational updates twice a year, including scheduled calls with the University's President and Chief Financial Officer.
2. **Interest Reserve Fund**: The University will set up a reserve fund equal to one year's worth of interest payments on the bonds. This fund will be built up over two years (half in year 2 and half in year 3 of the Sale/Leaseback deal).
3. **Added Security**: Bondholders will get a security interest (legal claim) on the second and third payments the University expects to receive from the Sale/Leaseback Transaction.

If the University avoids any default for two consecutive years, the money in the Interest Reserve Fund (plus any interest earned) will be returned to the University.

Finally, the University plans to sell or lease some of its real estate properties to raise extra cash. This money will help keep the University running and ensure it meets the required Debt Service Coverage Ratio. These efforts include, but are not limited to, the previously mentioned Sale/Leaseback Transaction.

How to Provide My Consent:

Any Holder wishing to consent to the Requested Consents may direct their respective DTC Participant (bank, broker, or financial advisor that custodies their Bonds) to deliver their Consent to Globic Advisors, as "Tabulation Agent." Please call or check your bank's online portal for instructions as how to process your Consent.