

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. As of its date, this Preliminary Official Statement has been deemed final by the Issuer for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

In the opinion of Foley & Judell, L.L.P., Bond Counsel, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purposes of computing the alternative minimum tax imposed on certain corporations. The Bonds and the interest or other income thereon or with respect thereto shall be exempt from all income tax or other taxation in the State of Louisiana. See "TAX EXEMPTION" herein and Appendix "H" attached hereto.

**\$20,020,000**  
**GENERAL OBLIGATION BONDS, SERIES 2026**

**ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

**Dated: Date of Delivery**

**Due: March 1, as shown below**

The referenced General Obligation Bonds, Series 2026 (the "Bonds") of St. Tammany Parish Hospital Service District No. 2 (the "Issuer") are being initially issued as fully registered bonds without coupons in denominations of \$5,000 each, or any integral multiple thereof within a single maturity, and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. Purchases of the Bonds may be made only in book-entry form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Principal of and interest on the Bonds will be payable by Hancock Whitney Bank, in the City of Baton Rouge, Louisiana, or any successor paying agent (the "Paying Agent") to DTC, which will remit such payments in accordance with its normal procedures, as described herein. Interest on the Bonds is payable on March 1, 2027, and semiannually thereafter on March 1 and September 1 of each year.

The Bonds maturing March 1, 2037, and thereafter, are callable for redemption by the Issuer in full or in part at any time on or after March 1, 2036, and if less than a full maturity, then by lot within such maturity, at the principal amount thereof and accrued interest to the date fixed for redemption. The Bonds are not required to be redeemed in the inverse order of maturity. The Bonds may be subject to mandatory redemption as set forth herein.

**The Bonds are secured by and payable from unlimited *ad valorem* taxation, as described herein.** The Bonds are being issued for the purpose of (i) constructing, acquiring, extending and improving hospital and related health care facilities of the Issuer, and acquiring equipment and furnishings therefor, including, to the extent feasible, those specific projects for cancer and emergency care, outpatient pediatric care, primary care and women's and infant health care, all as set forth in the "Capital Improvement Plan" approved by the Issuer on January 6, 2025, title to which shall be in the public, and (ii) paying the costs of issuance of the Bonds. The Bonds constitute the second emission of bonds authorized at an election held in the Issuer on May 3, 2025.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM").



**MATURITY SCHEDULE**  
(Base CUSIP No. \_\_\_\_\_)†

<u>Due</u> <u>March 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial</u> <u>Offering</u> <u>Price</u>	<u>CUSIP</u> †	<u>Due</u> <u>March 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial</u> <u>Offering</u> <u>Price</u>	<u>CUSIP</u> †
2028	\$75,000	—%	—	—	2038	\$1,235,000	—%	—	—
2029	75,000	—	—	—	2039	1,300,000	—	—	—
2030	75,000	—	—	—	2040	1,365,000	—	—	—
2031	250,000	—	—	—	2041	1,435,000	—	—	—
2032	500,000	—	—	—	2042	1,510,000	—	—	—
2033	965,000	—	—	—	2043	1,590,000	—	—	—
2034	1,015,000	—	—	—	2044	1,670,000	—	—	—
2035	1,065,000	—	—	—	2045	1,755,000	—	—	—
2036	1,120,000	—	—	—	2046	1,845,000	—	—	—
2037	1,175,000	—	—	—					

(Certain maturities may be combined into term bonds. See Appendix "A" attached hereto.)

The Bonds are offered when, as and if delivered, subject to the approving opinion of Foley & Judell, L.L.P., New Orleans, Louisiana, Bond Counsel. Raymond James & Associates, Inc., New Orleans, Louisiana, serves as Municipal Advisor to the Issuer in connection with the sale and issuance of the Bonds. It is expected that the Bonds will be delivered in New Orleans, Louisiana, and will be available for delivery to DTC in New York, New York, on or about August 12, 2026, against payment therefor.

**ELECTRONIC BIDS VIA PARITY® WILL BE RECEIVED BY THE BOARD OF COMMISSIONERS OF ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2 AT THE OFFICE OF THE BOARD OF COMMISSIONERS, 1001 GAUSE BOULEVARD, SLIDELL, LOUISIANA 70458 UNTIL:**

**11:00 A.M., LOUISIANA (CENTRAL) TIME**  
**WEDNESDAY, JULY 15, 2026**

The date of this Official Statement is \_\_\_\_\_, 2026. This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

† CUSIP is a registered trademark of the American Bankers Association ("ABA"). CUSIP Global Services ("CGS") is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. ("FactSet"). The ABA, CGS, and FactSet are not affiliated with the Issuer or the Underwriter, and neither the Issuer nor the Underwriter are responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of bondholders, and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such issue or the use of secondary market financial products. Neither the Issuer nor the Underwriter has agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers set forth above.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE BOARD OF COMMISSIONERS OF ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2 (THE "GOVERNING AUTHORITY"), THE GOVERNING AUTHORITY OF ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2 (THE "ISSUER") TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE GOVERNING AUTHORITY. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM SOURCES WHICH ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF.

THE PURCHASER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITY TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE PURCHASER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM") MAKES NO REPRESENTATION REGARDING THE BONDS OR THE ADVISABILITY OF INVESTING IN THE BONDS. IN ADDITION, BAM HAS NOT INDEPENDENTLY VERIFIED, MAKES NO REPRESENTATION REGARDING, AND DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT OR ANY INFORMATION OR DISCLOSURE CONTAINED HEREIN, OR OMITTED HEREFROM, OTHER THAN WITH RESPECT TO THE ACCURACY OF THE INFORMATION REGARDING BAM, SUPPLIED BY BAM AND PRESENTED UNDER THE HEADING "BOND INSURANCE" AND APPENDIX "L".

THE INVESTOR, BY ITS PURCHASE OF THE BONDS, ACKNOWLEDGES ITS CONSENT FOR THE PURCHASER TO RELY UPON THE INVESTOR'S UNDERSTANDING OF AND AGREEMENT TO THE PRECEDING PARAGRAPH AS SUCH RELATES TO THE DISCLOSURE AND FAIR DEALING OBLIGATIONS THAT MAY BE APPLICABLE TO THE PURCHASER UNDER APPLICABLE SECURITIES LAWS AND REGULATIONS.

BY ITS PURCHASE OF THE BONDS, AN INVESTOR IS ACKNOWLEDGING THAT IT HAS REVIEWED ALL THE INFORMATION IT DEEMS NECESSARY TO MAKE AN INFORMED DECISION, AND THAT IT IS NOT RELYING ON ANY REPRESENTATION OF THE PURCHASER OR ANY OF ITS OFFICERS, REPRESENTATIVES, AGENTS OR DIRECTORS IN REACHING ITS DECISION TO PURCHASE BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: <http://www.i-dealprospectus.com>. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFICIAL STATEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY AND IN NO WAY AFFECT THE MEANING OR CONSTRUCTION OF ANY PROVISION OR SECTION OF THIS OFFICIAL STATEMENT. THE OFFERING OF THE BONDS IS MADE ONLY BY MEANS OF THIS OFFICIAL STATEMENT.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SEC RULE 15C2-12.

#### Cautionary Statements Regarding Forward-Looking Statements in this Official Statement

This Official Statement is marked with a dated date and speaks only as of that dated date. Readers are cautioned not to assume that any information has been updated beyond the dated date except as to any portion of the Official Statement that expressly states that it constitutes an update concerning specific recent events occurring after the dated date of the Official Statement. Any information contained in the portion of the Official Statement indicated to concern recent events speaks only as of its date. The Issuer expressly disclaims any duty to provide an update of any information contained in this Official Statement, except as agreed upon by said parties pursuant to the Proposed Form of Continuing Disclosure Certificate included as Appendix "I" attached hereto.

The information contained in this Official Statement may include forward looking statements by using forward-looking words such as "may," "will," "should," "expects," "believes," "anticipates," "estimates," "budgets" or others. The reader is cautioned that forward-looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, and various other factors which are beyond the control of the Issuer.

This Official Statement contains projections of revenues, expenditures and other matters. Because the Issuer cannot predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is included in forward-looking statements.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATIONS OF THE ISSUER AND TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED DOES NOT MEAN THAT EITHER THESE JURISDICTIONS OR ANY OF THEIR AGENCIES HAVE PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED, THE SECURITIES, OR THEIR OFFER OR SALE. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Purchaser after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Purchaser may over allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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# **OFFICIALS**

## **ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

### **BOARD OF COMMISSIONERS**

**Kristen R. Stanley-Wallace, *Chairman***  
**Tommy C. Morris, *Vice Chairman***  
**Walter J. Lane, *Secretary***  
**Joseph DiGiovanni, Jr.**  
**Larry P. Englande, Sr.**  
**Georgia M. Johnson**  
**Robert C. Mercadel**  
**Matthew K. Miller, MD**  
**James W. Newton**

### **CHIEF EXECUTIVE OFFICER**

**Sandy Badinger**

### **CHIEF FINANCIAL OFFICER**

**Patrick Bolander**

### **AUDITORS**

**Mauldin & Jenkins, LLC**

### **LEGAL COUNSEL**

**Gilbert "Gil" Ganucheau, Jr., JD**

### **BOND COUNSEL**

**Foley & Judell, L.L.P.**

### **MUNICIPAL ADVISOR**

**Raymond James & Associates, Inc.**

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**PRELIMINARY OFFICIAL STATEMENT**

**\$20,020,000**

**GENERAL OBLIGATION BONDS, SERIES 2026**

**ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

**INTRODUCTION**

This Official Statement of St. Tammany Parish Hospital Service District No. 2 (herein sometimes referred to either as the "Issuer" or the "District"), provides information with respect to the captioned bonds (the "Bonds"). This Official Statement contains summaries of certain provisions of the resolution adopted by the Board of Commissioners of St. Tammany Parish Hospital Service District No. 2 (the "Governing Authority"), the governing authority of the Issuer, on May 28, 2026, as supplemented by a resolution to be adopted on July 27, 2026, pursuant to which the Bonds are being issued (collectively, the "Bond Resolution").

The Issuer is a hospital service district located in the Parish of St. Tammany, State of Louisiana (the "Parish") which is located in the southern portion of Louisiana is considered a part of the New Orleans Metropolitan Area. The Issuer is a political subdivision of the State of Louisiana (the "State") created by Act No. 180 of the 1984 regular session of the Legislature of Louisiana, and has the powers set forth in such act, as amended (most recently by Act 178 of the 2007 regular session of the Legislature) and in Section 559 of Title 39 of the Louisiana Revised Statutes of 1950, as amended. The Issuer owns and operates the Slidell Memorial Hospital (the "Hospital"), a 313-bed acute care hospital located in Slidell, Louisiana. The Issuer has an area of approximately 437.97 square miles and includes the City of Slidell, Louisiana (population 28,341) and the Town of Pearl River, Louisiana (population 2,647).

Brief descriptions of the Issuer, the Bonds, the Bond Resolution, the Act (hereinafter defined) and other proceedings are contained in this Official Statement, and reference to such matters is qualified by reference to such entity, act, resolution, or proceeding so referred to or summarized.

Additional information about the Issuer is included in Appendix "B" attached hereto. The Audited Financial Statements of the Issuer for the fiscal year ended December 31, 2024, is included by reference in Appendix "C" attached hereto. The unaudited financial statements of the Issuer for the fiscal year ended December 31, 2025, are included in Appendix "D" attached hereto. The proposed form of legal opinion of Foley & Judell, L.L.P., Bond Counsel, is included in Appendix "H" attached hereto.

Reference in this Official Statement to owner, holder, registered owner, Bondholder or Bondowner means the registered owner of the Bonds determined in accordance with the Bond Resolution.

**PURPOSE OF ISSUE**

The Bonds are being issued for the purpose of (i) constructing, acquiring, extending and improving hospital and related health care facilities of the Issuer, and acquiring equipment and furnishings therefor, including, to the extent feasible, those specific projects for cancer and emergency care, outpatient pediatric care, primary care and women's and infant health care, all as set forth in the "Capital Improvement Plan" approved by the Issuer on January 6, 2025, title to which shall be in public; and (ii) paying the costs of issuance of the Bonds.

## **THE BONDS**

### **Amount of Bonds Authorized**

Fifty-One Million Five Hundred Twenty Thousand Dollars (\$51,520,000) of general obligation bonds of the Issuer were authorized to be issued in an election held in the Issuer on May 3, 2025 (the "Election"). See "THE BONDS – Results of Election" herein.

### **Amount of Bonds Being Issued**

Twenty Million Twenty Thousand Dollars (\$20,020,000) of General Obligation Bonds, Series 2026 of the Issuer are being issued.

### **Date of Issue**

The Bonds are dated as of the date of delivery, which is anticipated to be August 12, 2026.

### **Average Life**

The average life of the Bonds is approximately \_\_\_\_\_\* years from their dated date.

### **Paying Agent**

Hancock Whitney Bank in the City of Baton Rouge, Louisiana (the "Paying Agent"), is designated as the initial paying agent for the bonds pursuant to the Bond Resolution.

### **Authority for Issue**

The Bonds are authorized under Article VI, Section 33 of the Constitution of the State of Louisiana of 1974 (the "Constitution"), Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), and other constitutional and statutory authority.

### **Security for Issue**

The Bonds are general obligations of the Issuer for which its full faith and credit is pledged to the payment thereof. The Bonds are payable from the annual levy and collection of unlimited *ad valorem* taxes on all the taxable property within the boundaries of the Issuer sufficient to pay the Bonds in principal and interest as they mature.

Article VI, Section 33(B) of Constitution, provides as follows:

*Full Faith and Credit. The full faith and credit of a political subdivision is hereby pledged to the payment of general obligation bonds issued by it under this constitution or the statute or proceedings pursuant to which they are issued. The governing authority of the issuing political subdivision shall levy and collect or cause to be levied and collected on all taxable property in the political subdivision ad valorem taxes sufficient to pay principal and interest and redemption premiums, if any, on such bonds as they mature.*

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\* Preliminary. Subject to change.

Section 39:521(D) of the Act provides as follows:

(1) *The full faith and credit of the government entity is hereby pledged to the payment of general obligation bonds issued by such governmental entity under this Part. The governing authority of any governmental entity issuing general obligation bonds under this Part shall impose and collect annually, for as long as any of its general obligation bonds are outstanding and unpaid, in excess of all other taxes and without limit as to rate or amount, a tax on all property subject to taxation by the governmental entity sufficient to pay the interest and the principal falling due each year, or such amount as may be required for any sinking fund necessary to retire said bonds at maturity. The tax shall be levied and collected, for as long as any of its general obligation bonds are outstanding and unpaid by the same officers, at the same time, and in the same manner as the general taxes of the governmental entity and, except as provided in Paragraph (6) of this Subsection, may be expended solely for payment of debt service on such bonds and administrative expenses relating thereto, such as trustee or paying agent fees and other costs directly related to the administration of such bonds. Should the governmental entity neglect or fail for any reason to impose or collect sufficient taxes for the payment of the principal or interest of any bonds issued hereunder, any person in interest may enforce imposition and collection thereof in any court having jurisdiction of the subject matter, and any suit, action, or proceeding brought by such person in interest shall be a preferred cause, and shall be heard and disposed of without delay.*

(2) *For the purpose of reducing the overall tax burden on taxpayers and easing the administrative burden of accounting for separate tax levies, any governmental entity with more than one outstanding issue or series of general obligation bonds shall levy a single unified tax for the payment of all of such issues or series.*

(3) *As additional security for the owners of general obligation bonds issued by any special service district that has been created by a parish or municipal governing authority pursuant to a general state law, if there is any default in the imposition and collection of any tax required for the payment of the principal or interest of any general obligation bonds issued by such special service district, then the governing authority of the municipality or parish that created the special service district shall impose and the taxing officers of the parish in which the special service district is situated shall collect at the same time and in the same manner as taxes for parish purposes are imposed and collected, such tax on the taxable property of the special service district as shall be necessary for the payment of the principal and interest on the general obligation bonds of such special service district.*

(4) *All the articles and provisions of the Constitution of Louisiana, and all the laws in force or that may be enacted on and after July 1, 2018, regulating and relating to the collection of taxes and tax sales shall also apply to and regulate the collection of the special taxes imposed under the provisions of this Part, through the officer whose duty it is to collect the taxes and monies due the subdivision imposing the special taxes.*

(5) *As additional security for the owners of all general obligation bonds issued by any governmental entity, in the event of any default in the imposition and collection of the taxes required for the payment of such bonds the taxing officers of the state are further authorized and directed to impose and collect the taxes, and shall certify the same, and cause the same to be imposed and collected at the same time and in the same manner as the taxes for state purposes are imposed and collected in the subdivision incurring the debt.*

Section 39:510 of the Act provides as follows:

*Any governmental entity that has issued bonds under this Part shall notify the State Bond Commission in writing when:*

- (1) Any required deposit to any debt service sinking fund in connection with such bonds has not been made within five business days of when due.*
- (2) The principal, interest, premium, or any other payment due on such bonds has not been made within five business days of when due.*

## **Security Interest**

The Issuer in the Bond Resolution pledges the revenues of the special, unlimited *ad valorem* tax referenced above as security for the Bonds. See "THE BONDS – Security for Issue" herein. Pursuant to the Constitution, the proceeds of such tax may only be used to pay debt service on the Bonds. The Act provides that the revenues of such tax so pledged shall be subject to the lien of such pledge, as follows:

*"It is the intention of the legislature that bonds issued by a governmental entity under this Part, or under any other statutory authority referenced herein, shall be secured debt entitled to the highest possible protection and priority afforded by the bankruptcy laws of the United States and this state. Therefore, the owner or owners of any such bonds are hereby granted and shall have a statutory lien on and a security interest in such taxes, income, revenues, net revenues, monies, payments, receipts, agreements, contract rights, funds, or accounts as are pledged to the payment of such bonds, to the fullest extent and in the manner stated in this Part and in the proceedings authorizing such bonds, and any pledge or grant of a lien or security interest in such taxes, income, revenues, net revenues, monies, payments, receipts, agreements, contract rights, funds, or accounts made by a governmental entity in connection with the issuance of bonds shall be valid, binding, and perfected from the time when the pledge or grant of lien or security interest is made. Such taxes, income, revenues, net revenues, monies, payments, receipts, agreements, contract rights, funds, or accounts shall be immediately subject to the lien of such pledge and security interest without any physical delivery therefor or further act and the lien of such pledge and security interest shall be first priority and valid and binding as against all parties having claims of any kind in tort, contract, bankruptcy, or otherwise against the governmental entity, whether or not such parties have notice thereof. The owner or owners of bonds shall be secured creditors with respect to such taxes, income, revenues, net revenues, monies, payments, receipts, agreements, contract rights, funds, or accounts, as the case may be."*

Furthermore, pursuant to Section 39:1430.1 of the Louisiana Revised Statutes of 1950, as amended, the revenues of the tax so pledged and then or thereafter received by the Issuer or the Paying Agent shall be subject to the lien of such pledge.

Pursuant to the Act and Section 39:1430.1, no filing with respect to said lien is required under Chapter 9 of the Uniform Commercial Code as enacted in the State.

The Issuer makes no guarantee with respect to the enforceability of said lien in certain circumstances. See "INVESTOR CONSIDERATIONS – Difficulties in Enforcing Remedies" herein.

## Results of Election

The Bonds were authorized by the voters of the District at the Election with the following results:

<b>Number of votes FOR</b>	<b>4,446</b>
<b>Number of votes AGAINST</b>	<b>4,056</b>

The following proposition was approved by the voters at the Election:

### HOSPITAL SERVICE DISTRICT NO. 2 PROPOSITION (BOND)

"Shall St. Tammany Parish Hospital Service District No. 2 (the "District"), incur debt and issue bonds to the amount of not exceeding \$51,520,000, in one or more series, to run not exceeding 20 years from the date thereof, with interest at a rate not exceeding 7% per annum, for the purpose of constructing, acquiring, extending and improving hospital and related health care facilities of the District, and acquiring equipment and furnishings therefor, including, to the extent feasible, those specific projects for cancer and emergency care, outpatient pediatric care, primary care and women's and infant health care, all as set forth in the "Capital Improvement Plan" approved by the District on January 6, 2025, title to which shall be in the public; which bonds will be general obligations of the District and will be payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, and statutory authority supplemental thereto, with no estimated increase in the millage rate to be levied in the first year of issue above the 5.99 mills being levied to pay General Obligation Bonds of the District?"

## Form and Denomination

The Bonds are initially issuable as fully registered bonds in "book-entry" only form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. See Appendix "J" attached hereto. The Bonds are being issued in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof within a single maturity.

## Maturities; Interest Payment Dates

The Bonds mature on March 1 in the years and in the principal amounts indicated on the cover of this Official Statement and bear interest from the dated date, payable on March 1 and September 1 of each year, commencing March 1, 2027 (each an "Interest Payment Date"), at the rates per annum indicated on the cover hereof. The Bonds shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for.

## Record Date

The record date with respect to the Bonds shall be the 15<sup>th</sup> calendar day of the month next preceding an Interest Payment Date (the "Record Date").

## **Provisions Applicable if Book-Entry Only System is Terminated**

*General.* Purchasers of Bonds will receive principal and interest payments, and may transfer and exchange Bonds, pursuant to the following provisions only if the book-entry only system is terminated. Otherwise, payments and transfers will be made only as described under Appendix "J" attached hereto.

*Place of Payment.* The Bonds will be payable at the principal corporate trust office of the Paying Agent in the City of Baton Rouge, Louisiana, or at the office of any successor thereto.

*Payment of Interest.* Upon discontinuation of the book-entry only system, interest on the Bonds will be payable by check mailed on or before the Interest Payment Date by the Paying Agent to the registered owner, determined as of the close of business on the Record Date, at the address of such registered owner as it appears on the registration books of the Paying Agent.

The person in whose name any Bond is registered at the close of business on the Record Date with respect to an Interest Payment Date (unless such Bond has been called for redemption on a redemption date which is prior to such Interest Payment Date) shall be entitled to receive the interest payable with respect to such Interest Payment Date notwithstanding the cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

*Provisions for Transfer, Registration and Assignment.* The Bonds may be transferred, registered and assigned only on the registration books of the Paying Agent, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds of the same series will be delivered by the Paying Agent to the last assignee (the new registered owner) in exchange for such transferred and assigned Bonds after receipt of the Bonds to be transferred in proper form. Such new Bond or Bonds must be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register the transfer of, or exchange any Bond during a period beginning at the opening of business on the 15<sup>th</sup> day of the month next preceding an Interest Payment Date and ending at the close of business on the Interest Payment Date.

## **Redemption Provisions**

*Optional Redemption.* The Bonds maturing March 1, 2037, and thereafter, shall be callable for redemption by the Issuer in full, or in part, at any time, on or after March 1, 2036, and if less than a full maturity, then by lot within such maturity, at the principal amount thereof and accrued interest to the date fixed for redemption. The Bonds are not required to be redeemed in inverse order of maturity.

In the event a Bond to be redeemed is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Official notice of such call of any of the Bonds for redemption will be given by means of (i) first class mail, postage prepaid, by notice deposited in the United States mails not less than twenty (20) days prior to the redemption date or (ii) electronic transmission not less than twenty (20) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at the address as shown on the registration books of the Paying Agent. Any notice may be conditioned upon the Paying Agent's receipt of funds necessary to effect the redemption.

*Mandatory Redemption.* The Term Bond maturing on March 1, 20\_\_, shall be subject to mandatory sinking fund redemption on March 1 in the years and in the principal amounts set forth below, plus accrued interest thereon:

<b>Year (March 1)</b>	<b>Principal Amount</b>
20__	\$____,000
20__	____,000
20__	____,000
20__	____,000
20__*	____,000

\* *Final Maturity.*

### **Bonds May Be Defeased**

Pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto, and the Bond Resolution, the Bonds, in whole or in part, shall be defeased and shall be deemed to be paid and shall no longer be considered to be outstanding under the Bond Resolution, and the covenants, agreements, and obligations contained in the Bond Resolution with respect to such Bonds shall be discharged if one of the following shall occur:

- (1) There is deposited in an irrevocable trust with a bank which is a member of the Federal Deposit Insurance Corporation, or its successor, or with a trust company, moneys in an amount sufficient to pay in full the principal of and interest and call premiums, if any, on such Bonds to their stated maturity.
  
- (2) There is deposited in an irrevocable trust with a bank which is a member of the Federal Deposit Insurance Corporation, or its successor, or with a trust company, non-callable direct general obligations of the United States of America or obligations unconditionally guaranteed in principal and interest by the United States of America, including certificates or other evidence of an ownership interest in such non-callable direct obligations, which may consist of specified portions of interest thereon, such as those securities commonly known as CATS, TIGRS, and STRPS, the principal of and interest on which, when added to other moneys, if any, deposited therein, shall be sufficient to pay when due the principal of and interest and call premiums, if any, on such Bonds to their stated maturity.

Neither the obligations nor the moneys deposited in irrevocable trust nor the principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than and shall be held in trust for the payment of the principal of and premium, if any, and interest on the Bonds defeased. The owners of the Bonds which are so defeased shall have an express lien on such moneys or governmental obligations until paid out, used, and applied as set forth above.

### **Legal Debt Limit**

Pursuant to the Act and Section 39:562 of the Louisiana Revised Statutes of 1950, as amended, the legal debt limit for general obligation bonds of certain hospital service districts, with voter approval, is twenty percent (20%) of the assessed valuation thereof, including (i) homestead exempt property and (ii) nonexempt property. Information pertaining to the legal debt limit of the Issuer is shown below:

2025 Total Assessed Valuation ("Total AV")	\$1,321,373,824
20% of 2025 Total AV	\$264,274,764
Total principal outstanding G.O. Bonds	\$65,300,000*
Principal amount of proposed G.O. Bonds	\$20,020,000
Total principal amount of G.O. Bonds after delivery	\$85,320,000
Ratio of outstanding G.O. Bonds as percentage of 2025 Total AV	6.45%
Legal capacity for G.O. Bonds remaining after delivery	\$178,954,764

\* Figure as of July 2, 2026. The District has no principal payments scheduled on its outstanding general obligation bonds prior to the anticipated delivery date of the Bonds.

### **Secondary Market Information**

There is no guarantee that a secondary trading market will develop for the Bonds. Consequently, prospective bond purchasers should be prepared to hold their Bonds to maturity or prior redemption. Subject to applicable securities laws and prevailing market conditions, the Purchaser intends, but is not obligated to make a market in the Bonds. As a result, owners of the Bonds may be unable to dispose of the Bonds should they no longer desire to own the Bonds. There can be no guarantee of the liquidity of the Bonds; consequently, prospective purchasers of the Bonds should be prepared to hold such bonds until maturity.

If such secondary market exists after the issuance of the Bonds, events such as decreases in benchmark interest rate indices, downward revisions or withdrawals of the rating on the Bonds or the Issuer, and general market turmoil, among others, may adversely affect the value of the Bonds on such secondary market. There is no guarantee that the owner of a Bond will not experience a loss of value of such Bond prior to maturity.

There can be no guarantee the rating assigned to the Bonds at the time of issuance will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for, and marketability of, the Bonds in the secondary market. See the information under "BOND RATINGS" herein.

## **BOND INSURANCE**

### **Bond Insurance Policy**

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

### **Build America Mutual Assurance Company**

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often

issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 28 Liberty Street, 59<sup>th</sup> Floor, New York, New York 10005, its telephone number is: 212-235-2500, and its website is located at: [www.bambonds.com](http://www.bambonds.com).

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at <https://www.spglobal.com/en/>. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

#### *Capitalization of BAM*

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2026 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were \$493.3 million, \$277.6 million and \$215.7 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at [www.bambonds.com](http://www.bambonds.com), is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

### *Additional Information Available from BAM*

**Credit Insights Videos.** For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at <https://bambonds.com/insights/#video>. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

**Credit Profiles.** Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at <https://bambonds.com/credit-profiles>. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

**Disclaimers.** The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

## **PROVISIONS RELATING TO THE SECURITY FOR THE BONDS**

### **Assessment Procedures**

All taxable property in the State is required by law to be assessed annually at a percentage of its fair market value or use value by assessors elected for four year terms, except that public service property is assessed directly by the Louisiana Tax Commission (the "Tax Commission"). Property tax assessments are required to be equal and uniform throughout the State. Assessments fixed by the assessors are subject to review and revision by the Tax Commission which has the duty of equalizing and finally certifying the assessments. Prior to being certified, the tax rolls containing the assessments are open for public inspection and a local board of review is authorized to conduct public hearings thereon and to recommend changes to the Tax Commission.

The Constitution provides that the classifications of property subject to *ad valorem* taxation and the percentage of fair market value applicable to each classification for the purpose of determining assessed valuation are as follows:

<u>Classifications</u>	<u>Percentages</u>
1. Land	10%
2. Improvements for residential purposes	10%
3. Electric cooperative properties, excluding land	15%
4. Public service properties, excluding land	25%
5. Other Property	15%

Fair Market values are determined by the assessors, subject to review and final certification by the Tax Commission. The Constitution also provides that agricultural, horticultural, marsh lands, timber lands and certain historic buildings are to be assessed at 10% of "use" value.

Under the Constitution, the Parish assessor is required to appraise all property within the Parish at intervals of not more than four years. A reappraisal was last made for the 2024 tax year. To achieve uniformity in assessments, the Tax Commission has adopted guidelines for the assessors to follow in determining fair market values. The guidelines require real property to be reappraised and reassessed at least every four years; personal property, every year; intangible or incorporeal real or immovable property (defined in Louisiana Revised Statutes 47:2322 and 47:1702) at least every four years; intangible or incorporeal personal or movable property (defined in Louisiana Revised Statutes 47:1702), every year; and public service property shall be reassessed every year.

The Tax Commission is required by law to measure the level of appraisals or assessments and the degree of uniformity of assessments for each major class and type of property in each parish throughout the State. If the assessment levels of a parish or a district deviate by more than 10% from the percentage of fair market or use value required by the Constitution, the Tax Commission is required to order the assessor, within a period of one year to reappraise all property within the parish or a district or within one or more property classifications. The Tax Commission is to certify the assessments for the year in which the order is issued but the assessments for the following year shall not be certified until all deviations are corrected to conform to legal requirements.

All tax recipient agencies of *ad valorem* taxes of each and every parish of the State (the Parish of Orleans excepted), including the parish governing authority, school boards, levee districts, special districts, and municipalities, and all tax recipients of any nature whatsoever of *ad valorem* taxes in the Parish, except municipalities which prepare their own tax rolls, are required to furnish the assessor and the legislative auditor the authorizing ordinances or resolutions and the tax rate to be applied to the assessed values for *ad valorem* tax purposes not later than June 1 of each year.

By law, the assessor must finish the preparation and listing on the assessment lists of all real and personal property on or before July 1 of each year. The assessor must file the completed tax roll with the Tax Commission on or before November 15 of each year.

The Tax Commission may change or correct any and all assessments of property for the purposes of taxation during the year. Such changes may be made at any time before the taxes levied have actually been paid.

### **Fair Market Value**

The Assessed Value of the Issuer is primarily a product of the fair market value of the property located within the Issuer. The Tax Commission's regulations define "fair market value" as "the price for property which would be agreed upon between a willing and informed buyer and a willing and informed seller under usual and ordinary circumstances...." The fair market value of property could fluctuate, and may in fact decrease, due to various factors in a geographic area, many of which are outside the control of

the Issuer. These may include, but are not limited to, its perceived desirability, general economy and cost of living, educational and employment opportunities, environmental resilience, flood and homeowner's insurance premiums, crime rates and other social factors. The Issuer cannot guarantee the stability of property values in the Parish; however, the Issuer is required to levy an ad valorem tax at such rate as may be necessary to service all of its outstanding general obligation bonds, including the Bonds. See "THE BONDS – Security for Issue" herein.

### **Constitutional Amendments**

At various times, the voters of the State have approved amendments to the Constitution that affect the assessed value of and the levy and collection of *ad valorem* taxes in political subdivisions, including the territory of the Issuer. Examples of recent amendments include a property tax assessment freeze for certain military and disabled persons and limited property tax exemptions for leased medical equipment, motor vehicles, consigned art and the surviving spouses of first responders killed in the line of duty. The Issuer cannot guarantee whether future amendments to the Constitution will be proposed or approved by voters.

### **Homestead Exemptions**

Homestead exemptions are reductions in the assessed value of property applicable to owner-occupied residences. Under the Constitution, the homestead exemption for all homeowners is currently \$7,500 of assessed valuation, except that the homestead exemption for certain homeowners (e.g., 100% disabled veterans and their surviving spouses) is \$15,000 of assessed valuation.

Approximately 15.99% of the total assessed valuation of the Issuer for 2025 represents homestead exempt property. The tax levied to service the Bonds will be subject to homestead exemption.

### **Tax Rate Adjustment**

The tax rate adjustment provisions of the Constitution and Section 47:1705 of the Louisiana Revised Statutes of 1950, as amended, are not applicable to the *ad valorem* tax levied by the Issuer to service the Bonds.

**THE ISSUER IS REQUIRED EACH YEAR TO LEVY WITHOUT LIMITATION A SEPARATE AD VALOREM TAX AT SUCH RATE AS MAY BE NECESSARY TO PAY DEBT SERVICE ON ALL OF ITS OUTSTANDING GENERAL OBLIGATION BONDS. See "THE BONDS – Security for Issue" herein.**

### **Tax Collection Procedures**

*Ad valorem* tax bills are customarily mailed by the tax collector of the Parish during November of each year and become due on or before December 31 in the calendar year they are assessed. Local taxes not paid and delinquent thirty days after the date upon which the tax is due, shall have added thereto an interest penalty as provided in Louisiana Revised Statutes 47:2127, which shall be collected by the tax recipient body, together with and in the same manner as the tax. Any delay in mailing *ad valorem* tax bills may delay the collection of sufficient *ad valorem* taxes to pay debt service on the Bonds.

Taxpayers may pay their *ad valorem* taxes under protest by paying the full amount due and giving notice at the time of payment of their intention to file suit. The amount paid under protest is held in escrow (a) for 30 days pending initiation of a suit; otherwise such amount is surrendered and considered paid-in-full, or (b) if a suit is timely filed, until final judicial determination.

Taxpayers failing to pay assessed taxes subject their real or personal property to seizure and sale in the manner provided by law for judicial sales.

### **Millage Levied to Service the Bonds**

The Governing Authority levied 5.99 mills on the 2025 assessment roll for the purpose of the payment of all general obligation bonds, including the Bonds. For additional information on the estimated debt service requirements, see Appendix "G" attached hereto. See Appendix "B" attached hereto for further information regarding historical tax collections and assessed valuations of the Issuer.

## **INVESTOR CONSIDERATIONS**

### **Difficulties in Enforcing Remedies**

The timely payment of the Bonds and the remedies available to the owners of the Bonds in the case of nonpayment of the Bonds are in many respects dependent upon judicial actions which are often subject to delayed payment or discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically in the United States Bankruptcy Code, 11 U.S.C. §101 et seq. (the "Bankruptcy Code"), remedies may not be readily available or may be limited. The various legal opinions delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the rights of creditors generally.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the Issuer in issuing the Bonds, are subject to the Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect to the extent constitutionally applicable; equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the exercise of the sovereign police powers of the State or its governmental bodies. Consistent with the contracts clauses of the Louisiana and United States Constitutions, in a bankruptcy proceeding or due to the exercise of powers by the federal or State government, bondowners could be subject to judicial discretion and the interpretation of their rights in bankruptcy or otherwise, which consequently may entail risks of delay, limitation, or modification of their rights. Under current State law, no political subdivision of the State, including the Issuer, may file for protection under Chapter 9 of the Bankruptcy Code unless such filing is approved by the State Bond Commission (the "State Bond Commission") and the Governor and Attorney General of the State. Further, no political subdivision of the State, after filing for bankruptcy protection, may carry out a plan of readjustment of debts approved by the bankruptcy court until such plan is approved by the State Bond Commission and the Governor and Attorney General of the State.

### **Approval of Louisiana State Bond Commission**

The State Bond Commission previously approved the Election and the issuance of the Bonds. The State Bond Commission expressly provides that said approval does not constitute a recommendation, approval or sanction by the State Bond Commission or the State of the investment quality of the Bonds and does not constitute any guaranty of repayment of the Bonds by the State Bond Commission or the State. The approval of the Bonds by the State Bond Commission should not be relied upon by any prospective purchaser of the Bonds as advice. The written approval of the State Bond Commission expressly states that neither it nor the State shall have any liability or legal responsibility to investors arising out of, related to, or connected with the approval of the Bonds.

## **Infectious Disease Outbreak**

The Issuer cannot predict the potential of an outbreak of infectious disease in the future or its impact on the operations of the Issuer. The COVID-19 pandemic, for example, prompted national, state and local emergency declarations that adversely affected and often resulted in significant reductions in business, travel, and other economic activity. Future epidemic or pandemic outbreaks could have similar far-reaching effects, negatively impacting the amount of revenues available for the payment of Debt Service.

## **Cybersecurity**

The Issuer is dependent on electronic information technology systems to deliver high quality, coordinated and cost-efficient services. These systems may contain sensitive information or support critical operational functions which may be valued for unauthorized purposes. As a result, the electronic systems and networks of the Issuer may be targets of cyberattack. The Issuer has taken, and continues to take, measures to protect its information technology systems, and the private, confidential information that those systems may contain, against cyberattack. While the Issuer employs information technology professionals and utilizes operational safeguards that are tested periodically, no assurance can be given that such measures will protect the Issuer against all cybersecurity threats or attacks or the severity or consequences of any such attack. The availability of revenues of the tax to pay debt service on the Bonds is likewise dependent upon the technology systems of various third parties, including financial institutions, over which the Issuer has no control.

## **Environmental Risk**

The State is located along the Gulf of America (formerly known as the Gulf of Mexico) with a topography that includes a number of low-lying areas and eight different watershed regions. As a result, the State and the Issuer are susceptible to flooding from rain and tropical events. In recent years, Hurricanes Isaac, Harvey, Laura, Delta and Ida, along with less intense tropical storms and tropical depressions, have impacted the State, and multiple non-tropical rain and snow events have resulted in State and federal emergency declarations in many parishes. These events, along with rising sea levels and unrelated economic activities, have accelerated the erosion of the State's coastline, jeopardizing the State's natural protection system and imposing additional environmental risk on the State and the Issuer.

To mitigate the severity and impact of future events, the State is leading a coordinated effort with the United States federal government, various state agencies, and local government entities. The State created the Coastal Protection and Restoration Authority ("CPRA"; [www.coastal.la.gov](http://www.coastal.la.gov)) in December 2005 to focus development and implementation efforts to achieve comprehensive coastal protection for Louisiana. The State launched the Louisiana Watershed Initiative ("LWI"; [www.watershed.la.gov](http://www.watershed.la.gov)) that introduced a new watershed-based approach to reducing flood risk in Louisiana. CPRA and LWI are collectively responsible for coordinating the investment of hundreds of billions of dollars in environmental protection activities in the State. This investment is designed to enhance the sustainability of the entire State, including the Issuer; however, the Issuer cannot guarantee the effect or ultimate success of such efforts.

Additionally, in 2023, the Louisiana Legislature established the role of Chief Resilience Officer within the Office of the Governor to coordinate policy response to various environmental hazards. The Chief Resilience Officer serves on a newly-created Interagency Resilience Coordination Team along with other department heads within the executive branch to advance a cross-agency, holistic approach to the challenges and opportunities associated with the impacts of environmental hazards in the State's coastal areas. The Louisiana Legislature also created the Louisiana Resilience Task Force, which will meet

quarterly to make strategic recommendations to the Chief Resilience Officer. This cross-government approach to the coordination of resiliency efforts aims to improve planning and strategy within State government and enhance the State's ability to adapt to wide-ranging environmental challenges.

### **Fair Market Value of Property**

The Assessed Value of property in the Issuer is primarily a product of the fair market value of the property located within the Issuer, which is subject to fluctuation as a result of a variety of factors. See "PROVISIONS RELATING TO THE SECURITY FOR THE BONDS – Fair Market Value" herein. The Issuer cannot guarantee the stability of property values in the Parish; however, the Issuer is required to levy an ad valorem tax at such rate as may be necessary to service all of its outstanding general obligation bonds, including the Bonds.

### **Financial Information**

Certain financial information relating to the Issuer is set forth herein and in the appendices hereto. There can be no assurance that the financial results achieved by the Issuer in the future will be similar to historical results. Such future results will vary from historical results and actual variations may be material.

### **Failure to Provide Ongoing Disclosure**

The failure of the Issuer to comply with the continuing disclosure certificate described herein may adversely affect the transferability and liquidity of the Bonds and their market price. See "CONTINUING DISCLOSURE" herein.

### **Book-Entry**

Persons who purchase Bonds through DTC Participants become creditors of the DTC Participant with respect to the Bonds. Records of the investors' holdings are maintained only by the DTC Participant and the investor. In the event of the insolvency of the DTC Participant, the investor would be required to look to the DTC Participant's estate and to any insurance maintained by the DTC Participant, to make good the investor's loss. Neither the Issuer, Purchaser nor any of their agents are responsible for failures to act by, or insolvencies of, the Securities Depository or any DTC Participant. See Appendix "J" attached hereto.

## **TAX EXEMPTION**

In the opinion of Foley & Judell, L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. See also Appendix "H" attached hereto.

The opinion of Bond Counsel will state that pursuant to the Act, the Bonds and the interest or other income thereon or with respect thereto shall be exempt from all income tax and other taxation in the State of Louisiana. See Appendix "H" attached hereto. Each prospective purchaser of the Bonds should consult his or her own tax advisor as to the status of interest on the Bonds under the tax laws of any state other than the State.

Except as stated above, Bond Counsel expresses no opinion as to any federal, state or local tax consequences resulting from the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

## **General**

The Code, imposes a number of requirements that must be satisfied for interest on state and local obligations to be excluded from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of certain bond proceeds be paid periodically to the United States, except under certain circumstances, and a requirement that information reports be filed with the Internal Revenue Service.

The opinion of Bond Counsel will assume continuing compliance with the covenants of the Issuer pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on certifications and representations by officials of the Issuer and others with respect to matters solely within their respective knowledge, which Bond Counsel has not independently verified. If the Issuer should fail to comply with the covenants in the Bond Resolution or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become included in gross income from the date of original delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs. The Bond Resolution does not provide for any adjustment in the interest rate or after-tax return on the Bonds in the event of any change in the tax-exempt status of interest on the Bonds.

Owners of the Bonds should be aware that (i) the ownership of tax-exempt obligations, such as the Bonds, may result in collateral federal income tax consequences to certain taxpayers and (ii) certain other federal, state and/or local tax consequences may also arise from the ownership and disposition of the Bonds or the receipt of interest on the Bonds. Furthermore, future laws and/or regulations enacted by federal, state or local authorities may affect certain owners of the Bonds. All prospective purchasers of the Bonds should consult their legal and tax advisors regarding the applicability of such laws and regulations and the effect that the purchase and ownership of the Bonds may have on their particular financial situation.

Owners of the Bonds are also advised that the Internal Revenue Service may initiate an audit of the Bonds. The Owners of the Bonds may have limited rights to participate in any audit proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome. Further, an adverse determination by the Internal Revenue Service with respect to the tax-exempt status of interest on the Bonds may adversely affect the availability of any secondary market for the Bonds. Should interest on the Bonds become includable in gross income for federal income tax purposes, not only will Owners of Bonds be required to pay income taxes on the interest received on such Bonds and related penalties, but because the interest rate on such Bonds will not be adequate to compensate Owners of the Bonds for the income taxes due on such interest, the value of the Bonds may decline.

## **Alternative Minimum Tax Consideration**

Interest on the Bonds is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purposes of computing the alternative minimum tax imposed on certain corporations.

### **Tax Treatment of Original Issue Premium**

The Bonds may be offered and sold to the public at a price in excess of their stated principal amounts. Such excess is characterized as a "bond premium" and must be amortized by an investor purchasing a Bond on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium related to a tax-exempt bond for federal income tax purposes. However, as bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

### **Tax Treatment of Original Issue Discount**

The Bonds may be offered and sold to the public at a price less than their stated principal amounts. The difference between the initial public offering prices and their stated amounts constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes and which is exempt from all present State taxation subject to the caveats and provisions described herein. Owners of Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to such Bonds as of any date, including the date of disposition of any Bond and with respect to the state and local consequences of owning Bonds.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals in Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein. In addition, such legislation (whether currently proposed, proposed in the future or enacted) could affect the market value or marketability of the Bonds. Future Congressional proposals could also affect the Bonds, even if never enacted. It cannot be predicted whether or in what form any such proposals might ultimately be enacted or whether if enacted such proposals would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Prospective purchasers of the Bonds should consult their tax or investment advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending or proposed federal or state tax legislation, regulations or litigation.

THE FOREGOING DISCUSSION OF CERTAIN FEDERAL AND STATE INCOME TAX CONSEQUENCES IS PROVIDED FOR GENERAL INFORMATION ONLY. INVESTORS SHOULD CONSULT THEIR TAX OR INVESTMENT ADVISORS AS TO THE TAX CONSEQUENCES TO THEM IN LIGHT OF THEIR OWN PARTICULAR INCOME TAX POSITION, OF ACQUIRING, HOLDING OR DISPOSING OF THE BONDS.

## LEGAL MATTERS

No litigation has been filed questioning the validity of the Bonds or the security therefor and a certificate to that effect will be delivered by the Issuer to the Purchaser (hereinafter defined) upon the issuance of the Bonds.

The approving opinion of Foley & Judell, L.L.P., Bond Counsel, is limited to the matters set forth therein, and Bond Counsel is not passing upon the accuracy or completeness of this Official Statement. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on certifications and factual representations made as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law and in reliance on the representations and covenants that it deems relevant to such opinion.

A manually executed original of such opinion will be delivered to the Purchaser on the date of payment for and delivery of the Bonds. The proposed form of said legal opinion appears in Appendix "H" to this Official Statement. For additional information regarding the opinion of Bond Counsel, see the preceding section titled "TAX EXEMPTION." The compensation of Bond Counsel is contingent upon the sale and delivery of the Bonds.

## PURCHASER

The Bonds are being purchased by \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_ (the "Purchaser") at a purchase price of \$\_\_\_\_\_ (representing the principal amount of the Bonds, plus a bid premium of \$\_\_\_\_\_).

## MUNICIPAL ADVISOR

The Issuer has employed the firm of Raymond James & Associates, Inc., to perform professional services in the capacity of municipal advisor (the "Municipal Advisor") in connection with the issuance of the Bonds. In such capacity, the Municipal Advisor has reviewed and commented on certain legal documentation and provided recommendations and other financial guidance to the Issuer with respect to the preparation of documents and the preparation for the sale of the Bonds. Although the Municipal Advisor performed an active role in the drafting of this Official Statement, it has not audited, authenticated or otherwise independently verified the information set forth herein. No guaranty, warranty or other representation is made by the Municipal Advisor respecting such accuracy and completeness of information or any other matter related to such information and this Official Statement.

## BOND RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), is expected to assign its municipal bond rating of "AA" (Stable Outlook) to the Bonds, with the understanding that the policy of BAM will be issued concurrently with the delivery of the Bonds. S&P initially assigned a rating of "A" (Stable Outlook) to the Bonds. The rating reflects only the views of S&P and is not a recommendation to buy, sell or hold the Bonds. Any desired explanation of the significance of such rating should be obtained from S&P, at the following address: S&P Global Ratings, Ross Tower, Suite 3200, 500 North Akard Street, Dallas, Texas 75201, telephone 214-871-1400. The Issuer may have furnished to S&P information relating to the Bonds and other matters, certain of which

information and materials have not been included in this Official Statement. Generally, a rating agency bases its rating on the information and materials so furnished and on investigations, studies and assumptions by such rating agency. Ratings may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. There is no assurance that the rating on the Bonds will not be changed or withdrawn entirely if, in the judgment of S&P, circumstances so warrant. Any downward change or withdrawal of the rating could have an adverse effect on the market price for the Bonds.

### **GOVERNING AUTHORITY**

The Governing Authority consists of ten board members. The names of the members of the Governing Authority, as well as its Chief Executive Officer, appear at the beginning of this Official Statement.

### **CONTINUING DISCLOSURE**

The Issuer will, pursuant to a Continuing Disclosure Certificate to be dated the date of delivery of the Bonds (the "Continuing Disclosure Certificate"), covenant for the benefit of Bond owners to provide (i) certain financial information and operating data relating to the Issuer in each year on or before June 30th, commencing June 30, 2027 (the "Annual Report"), and (ii) notices of the occurrence of certain enumerated events, called "Listed Events," in the future that may affect the Issuer or the Bonds. The Annual Reports and any notices of Listed Events required pursuant to the Continuing Disclosure Certificate will be filed with the MSRB through the Electronic Municipal Market Access website ("EMMA") and with any future Louisiana officially designated State Information Repository. For the specific nature of the information to be contained in the Annual Report or the potential Listed Events, see Appendix "I" attached hereto. The Issuer is entering into the Continuing Disclosure Certificate in order to assist the Purchaser in complying with Rule 15c2-12(b)(5) (the "Rule") of the U.S. Securities and Exchange Commission (the "SEC"). The Issuer has not undertaken to provide all information investors may desire to have in making decisions to hold, sell or buy the Bonds and has no obligation to provide any information subsequent to the delivery of the Bonds except as provided in the Continuing Disclosure Certificate. The failure of the Issuer to comply with the terms of the Continuing Disclosure Certificate is not an event of default with respect to the Bonds but may adversely affect the transferability and liquidity of the Bonds and their market price.

The Issuer's Dissemination Agent for the above information is the Chief Executive Officer of the Issuer, 1001 Gause Boulevard, Slidell, Louisiana 70458, telephone 985-280-8606.

The Issuer has entered into other undertakings (the "Prior Undertakings") with respect to bonds previously issued. In the previous five (5) years, the Issuer has filed all Annual Reports currently required by its Prior Undertakings under the Rule; however, the Issuer failed to file notices indicating changes to the underlying ratings. The Issuer has not made any determination as to the materiality of the foregoing.

The Issuer has established procedures to ensure proper filing of the reports and notices required by the Continuing Disclosure Certificate and its Prior Undertakings with the MSRB in the future. Furthermore, Section 39:1438 of the Louisiana Revised Statutes of 1950, as amended, enacted in 2014, provides additional procedures designed to ensure compliance with the Continuing Disclosure Certificate by (i) requiring public entities, such as the Issuer, to keep certain records demonstrating compliance with the Continuing Disclosure Certificate, and (ii) mandating the Issuer's auditor, as part of the preparation of the Issuer's annual financial audit, review the Issuer's compliance with its continuing disclosure undertakings and record keeping requirements.

## ADDITIONAL INFORMATION

For any additional information concerning the Issuer, please address Ms. Sandy Badinger, Chief Executive Officer, St. Tammany Parish Hospital Service District No. 2, 1001 Gause Boulevard, Slidell, Louisiana 70458, telephone 985-280-8606. For additional information concerning the Bonds now offered for sale, please address Ms. Stephanie Ferry, Raymond James & Associates, Inc., 909 Poydras Street, Suite 1300, New Orleans, Louisiana 70112, telephone: 504-595-3272.

## CERTIFICATION AS TO OFFICIAL STATEMENT

At the time of payment for and delivery of the Bonds, the Governing Authority of the Issuer will furnish the Purchaser a certificate signed by the Secretary to the effect that (i) the descriptions and statements, including financial data, of or pertaining to the Issuer, on the date of the Preliminary Official Statement, on the date of the sale of the Bonds and on the date of the delivery thereof, were and are true in all material respects, and, insofar as such matters are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) insofar as the descriptions and statements, including financial data, of or pertaining to governmental and/or non-governmental entities other than the Issuer and their activities contained in the Official Statement are concerned, such descriptions, statements, and data have been obtained from sources which the Governing Authority believes to be reliable and the Governing Authority has no reason to believe that they are untrue or incomplete in any material respect, and (iii) there has been no adverse material change in the affairs of the Issuer between the date the Official Statement was deemed final by the Issuer and the date of delivery of the Bonds.

## MISCELLANEOUS

This Official Statement has been deemed to be final by the Issuer as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the permitted omissions under said Rule.

This Official Statement has been prepared in connection with the initial offering and sale of the Bonds to the Purchaser on the date hereof and is not intended for use in connection with any subsequent sale, reoffering or remarketing of the Bonds. Subsequent purchasers must therefore rely on their own examination of the offering, including the merits and the risks involved.

The Issuer has authorized the delivery of this Official Statement to the Purchaser. Potential purchasers of the Bonds should consult their own tax advisors as to the consequences of investing in the Bonds. See also "TAX EXEMPTION" herein.

## ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2

/s/

\_\_\_\_\_  
**Kristen R. Stanley**  
**Chairman**  
**Board of Commissioners**

/s/

\_\_\_\_\_  
**Walter J. Lane**  
**Secretary**  
**Board of Commissioners**

**OFFICIAL NOTICE OF BOND SALE**

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**Official Notice of Bond Sale**

**\$20,020,000  
ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2  
GENERAL OBLIGATION BONDS, SERIES 2026**

**Electronic bids via PARITY®  
will be received until 11:00 a.m.,  
Louisiana (Central) Time  
on Wednesday, July 15, 2026**

Electronic bids via PARITY® will be received by the Board of Commissioners of St. Tammany Parish Hospital Service District No. 2 (the "Governing Authority") acting as the governing authority of St. Tammany Parish Hospital Service District No. 2 (the "Issuer"), at Slidell Memorial Hospital, 1001 Gause Boulevard, Slidell, Louisiana 70458, for the purchase of the above described Bonds aggregating \$20,020,000 (the "Bonds") in accordance with this Notice of Bond Sale.

**Date of Sale:** Wednesday, July 15, 2026 (or such other date as may be determined by the Chairman and Secretary of the Governing Authority).

**Hour of Sale:** Eleven (11:00) o'clock a.m., Louisiana (Central) Time.

**Place of Sale:** Office of the Board of Commissioners of St. Tammany Parish Hospital Service District No. 2, Slidell Memorial Hospital, 1001 Gause Boulevard, Slidell, Louisiana 70458, telephone (985) 649-8504.

**Acceptance and Confirmation of Sale:** The Governing Authority delegated to the Chairman, Secretary and/or the Chief Executive Officer the authority to accept the winning bid as provided for herein and award the sale of the Bonds. The Governing Authority will confirm the award at its meeting to be held at Six o'clock (6:00) p.m., Louisiana (Central) Time, on Monday, July 27, 2026.

**Date of Bonds:** Delivery date of the Bonds, anticipated to be August 12, 2026.

**Form and Denomination:** The Bonds will be issued as fully registered bonds in "book-entry only" form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. The Bonds will be in the denomination of Five Thousand Dollars (\$5,000) each.

**Maximum Interest Rate Allowable:** Six per centum (6%) per annum.

**Paying Agent and Registrar:** Hancock Whitney Bank, Baton Rouge, Louisiana.

**Interest Payment Dates:** March 1 and September 1. The Bonds will bear interest from their delivery date until paid, payable on March 1, 2027 and semiannually on each March 1 and September 1 thereafter.

**Manner and Place of Payment:** Principal of the Bonds will be payable in lawful money of the United States of America by the Paying Agent.

**Maturity Schedule:** Bonds will mature on March 1 of each of the following years and in the principal amounts as follows:

<u>DUE</u> <u>(March 1)</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>DUE</u> <u>(March 1)</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>
2028	\$ 75,000	2038	\$1,235,000
2029	75,000	2039	1,300,000
2030	75,000	2040	1,365,000
2031	250,000	2041	1,435,000
2032	500,000	2042	1,510,000
2033	965,000	2043	1,590,000
2034	1,015,000	2044	1,670,000
2035	1,065,000	2045	1,755,000
2036	1,120,000	2046	1,845,000
2037	1,175,000		

Prior to accepting bids, the Issuer reserves the right to postpone the sale to a later date, or to cancel the sale of the Bonds based upon market conditions as discussed herein. Notice of a change or cancellation will be announced via Thomson Municipal News at the internet website address [www.tm3.com](http://www.tm3.com) not later than 10:00 a.m., Central Time, on the business day preceding the bid opening. Such notice will specify the later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated upon at least Forty-eight (48) hours' notice via Thomson Municipal News service at the internet website address [www.tm3.com](http://www.tm3.com).

**Redemption:** The Bonds maturing March 1, 2037 and thereafter shall be subject to redemption at the option of the Issuer, prior to their stated maturities, on and after March 1, 2036, in whole or in part at any time and if less than a full maturity then by lot within such maturity at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date. Bonds are not required to be redeemed in inverse order of maturity.

In the event a Bond to be redeemed is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. In the event of redemption of less than all of the outstanding Bonds of like maturity, such Bonds shall be redeemed by lot or in such other manner as shall be deemed fair and equitable by the Paying Agent for random selection.

Notice of redemption shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail (postage prepaid), or delivering notice via other accepted means of electronic communication, not less than twenty (20) days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Bond Register.

If a Bidder shall elect to specify Term Bonds as provided in "Special Bidders' Option" below, the Bonds subject to mandatory sinking fund redemption shall also be subject to the terms and conditions described in the Official Statement of the Issuer prepared in connection with the Bonds (the "Official Statement"). **Security:** The Bonds are being issued pursuant to the provisions of Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, Part II of Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act"), authorized at a special election held in the Issuer on May 3, 2025, for the purpose of constructing, acquiring, extending and improving hospital and related health care facilities of the District, and acquiring equipment and furnishings therefor, including, to the extent feasible, those specific projects for cancer and emergency care, outpatient pediatric care, primary care and women's and infant health care, all as set forth in the "Capital Improvement Plan" approved by the District on January 6, 2025, title to which shall be in the public, and paying the costs of issuance thereof. The full faith and credit of the Issuer is pledged for the payment of the principal of and interest on the Bonds, and the Issuer is obligated under the aforesaid provisions of law to impose and collect annually in excess of all other taxes, a tax on all the

property subject to such taxation in the Issuer, in the manner prescribed by such provisions, in an amount sufficient to pay such principal and interest.

**Bond Insurance:** If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder and any increased costs of issuance of the Bonds resulting by reason of the same, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for said Bonds in accordance with terms of the purchase contract.

**Electronic Bids:** Electronic bids will be received via PARITY®, in the manner described below, until 11:00 a.m., Louisiana Time, Central Time, on Wednesday, July 15, 2026.

No bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Notice of Bond Sale, the terms of this Notice of Bond Sale shall control. For further information about PARITY®, potential bidders may contact PARITY® at i-Deal (212) 849-5021.

**Disclaimer:** Each prospective electronic bidder shall be solely responsible to register to bid via PARITY® as described above. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Bond Sale. Neither the Issuer nor PARITY®, shall have any duty or obligation to provide or assure access to PARITY® to any prospective bidder, and neither the Issuer nor PARITY® shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Issuer is using PARITY® as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. No other form of electronic bid or provider of electronic bidding services will be accepted. The Issuer is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Notice of Bond Sale and in particular the "Bid Requirements" hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY® are the sole responsibility of the bidders; and the Issuer is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying or withdrawing a bid for the Bonds, he should telephone PARITY® at i-Deal or (212) 849-5021 and notify the Issuer's Municipal Advisor, Raymond James & Associates, Inc., 909 Poydras Street, Suite 1300, New Orleans, Louisiana 70112 or (504) 595-3270.

**Electronic Bidding Procedures:** Electronic bids must be submitted for the purchase of the Bonds (all or none) via PARITY®. Bids will be communicated electronically to the Issuer at 11:00 a.m., Louisiana time, on Wednesday, July 15, 2026. Prior to that time, a prospective bidder may (1) submit the proposed terms of its bid via PARITY®, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds, or (3) withdraw its proposed bid. Once the bids are communicated electronically via PARITY® to the Issuer, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on PARITY® shall constitute the official time.**Bid Requirements:** Each bid (i) shall be for the full amount of \$20,020,000 in aggregate principal amount of the Bonds, (ii) shall name the rate or rates of interest to be borne by the Bonds, (iii) shall prescribe one rate of interest for the Bonds of any one maturity, not to exceed six per centum (6%) per annum for any maturity, (iv) shall limit the interest due on each Bond for each interest period to a single rate and (v) shall be unconditional. No bid for less than par will be accepted.

**Special Bidders' Option:** Bidders may specify that all the principal amount of Bonds on any two or more consecutive annual payment dates on or after March 1, 2037, may, *in lieu* of maturing on each of such dates, be combined to comprise one or more maturities of Bonds scheduled to mature on the latest of such annual payment dates and be subject to redemption through mandatory sinking fund installments at the principal amount thereof in the manner described in the Official Statement, on each of the annual payment dates, except for that principal amount of Bonds scheduled to mature on the latest such annual payment date, which Bonds shall mature on such annual payment date ("Term Bonds"). Bidders may specify one or more of such Term Bonds.

**Award of Bid:** The Bonds will be awarded to the bidder whose bid offers the lowest "true interest cost" to the Issuer, to be determined by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments on the Bonds from the payment dates to the date of delivery of the Bonds, such that the sum of such present values is equal to the price bid, including any premium bid or less any discount (the preceding calculation is sometimes referred to as the "Canadian Interest Cost Method" or "Present Value Method"). In the case of a tie bid, the winning bid will be awarded by lot.

**Establishment of Issue Price:** The Issuer expects to comply with the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i); however, in the event the Issuer does not receive sufficient qualified bids to satisfy such requirement, which would allow the Issuer to treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds, the "Hold-the-Offering-Price Rule" of Treasury Regulation § 1.148-1(f)(2)(ii) (the "Hold-the-Offering-Price Rule"), shall apply, which will allow the Issuer to treat the initial offering price to the public of each maturity as of the sale date as the issue price of that maturity. So long as the Hold-the-Offering-Price Rule applies to any maturity of the Bonds, the winning bidder by submitting its bid agrees that it will neither offer nor sell that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (i) the date on which the winning bidder has sold at least 10 percent of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public or (b) the close of the fifth (5th) business day after the sale date. The winning bidder agrees to promptly report to the Financial Advisor when it has sold 10 percent of a maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth (5th) business day after the sale date.

In order to provide the Issuer with information required to comply with certain conditions of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the winning bidder will be required to complete, execute and deliver to the Issuer (on or before the date of delivery of the Bonds) a certification regarding the "issue price" of the Bonds substantially in the form attached as an appendix to the Preliminary Official Statement for the Bonds, subject to modification in a manner acceptable to the Issuer. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the date of delivery of the Bonds, if its bid is accepted. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to the Issuer. **By submitting a bid for the Bonds, each bidder certifies it has an established industry reputation for underwriting new issuances of municipal bonds.** The Issuer will not accept bids from firms without an established industry reputation for underwriting new issuances of municipal bonds.

**Costs Paid by Issuer:** The costs of preparing, selling and delivering the Bonds shall be paid by the Issuer.

**Rejection of Bids:** The Issuer reserves the right to reject any and all bids.

**Waiver of Informalities:** The Issuer reserves the right to waive any informalities or irregularities in any bid.

**Good Faith Deposit:** In the event a bid for the Bonds is accepted, the acceptance of such bid shall be subject to the receipt of a good faith deposit (the "Deposit") from the Purchaser in the amount of one percent (1%) of the principal amount of the Bonds (\$200,200). The Deposit shall be made via wire transfer to the Issuer by 3:30 o'clock p.m., Louisiana (Central) Time, on the day of the sale. The Deposit will be deposited by the Issuer and the proceeds credited against the purchase price of the Bonds. In the case of neglect or refusal to comply with such bid, the deposit will be forfeited to the Issuer as and for liquidated damages. No interest will be allowed on the amount of the Deposit.

The Municipal Advisor to the Issuer will communicate the instructions for delivery of the Deposit to the Purchaser upon the award of the sale of the Bonds.

**Delivery of the Bonds:** The Bonds will be delivered to DTC on or as soon as practicable after August 12, 2026, in "book-entry only" form. The Purchaser shall pay in Federal Funds on the date of delivery the balance of the purchase price of the Bonds. The Bonds will be delivered in New Orleans, Louisiana, unless another place shall be mutually agreed upon.

**Legal Opinion of Bond Counsel and Closing Documents:** The approving legal opinion of Foley & Judell, L.L.P., who has supervised the proceedings, the Bonds and the transcript of record as passed upon will be furnished without cost to the Purchaser. Said transcript will contain the usual closing proofs, including (i) a certificate that up to the time of delivery no litigation has been filed questioning the validity of the Bonds or the taxes necessary to pay the same, and (ii) a Continuing Disclosure Certificate as hereinafter described.

**CUSIP Numbers:** It is anticipated that the American Bankers' Association Committee on Uniform Security Identification Procedures (CUSIP) identification numbers will be printed on the Bonds, but the failure to print such numbers shall not constitute cause for refusal by the Purchaser to accept delivery of and to pay for the Bonds. No CUSIP identification number shall be deemed to be part of any Bond or a part of the contract evidenced thereby, and no liability shall hereafter attach to the Issuer or any of the officers or agents thereof because of or on account of such numbers. All expenses in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the Issuer. However, the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid by the Purchaser. The Financial Advisor will request the assignment of CUSIP numbers in accordance with MSRB Rule G-34.

**Continuing Disclosure:** In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Issuer will undertake, pursuant to the resolution providing for the issuance of the Bonds and a Continuing Disclosure Certificate, to provide annual reports and notices of certain listed events. A description of this undertaking is set forth in the Official Statement. The Annual Reports are due on "or before June 30 of each year.

**Additional Information and Official Statements:** Further information and particulars, including the required procedures for bidding and the Official Statement relating to the Bonds, will be furnished electronically and upon application to the undersigned. The Purchaser will be furnished a reasonable number of final Official Statements on or before the seventh business day following the sale of the Bonds.

The Official Statement and this Notice of Bond Sale will be available in electronic format on the following website: <http://www.i-dealprospectus.com>.

Ms. Sandy Badinger, Chief Executive Officer  
St. Tammany Parish Hospital Service District No. 2  
1001 Gause Boulevard  
Slidell, Louisiana 70458  
Telephone: (985) 280-8503

**FINANCIAL AND STATISTICAL DATA RELATIVE TO THE ISSUER  
AND THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

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**FINANCIAL AND STATISTICAL DATA  
RELATIVE TO THE ISSUER AND THE  
PARISH OF ST. TAMMANY, STATE OF LOUISIANA  
AND INFORMATION CONCERNING SLIDELL MEMORIAL HOSPITAL**

**Boundaries and Area of the Issuer**

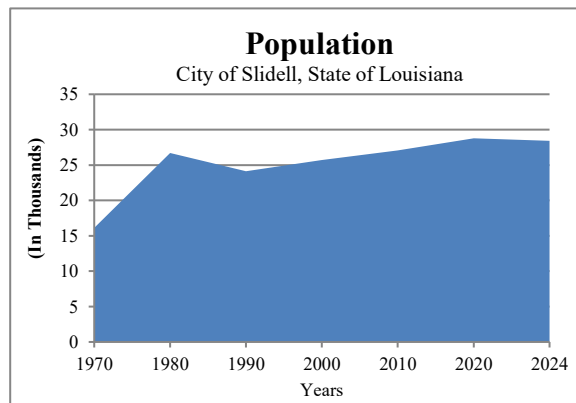
The St. Tammany Parish Hospital Service District No. 2 (the "Issuer") is located in the southeastern portion of the State of Louisiana (the "State"). The boundaries of the Issuer are coterminous with the boundaries of Wards 6, 7, 8 and 9 of the Parish of St. Tammany, State of Louisiana (the "Parish") and includes the City of Slidell, State of Louisiana (the "City") and the Slidell Memorial Hospital (the "Hospital"). The area of the Issuer is approximately 437.97 square miles. The Issuer is located across Lake Pontchartrain and the City of New Orleans, Louisiana in the vicinity of U.S. Highways 90 and 190 and near the intersection of Interstate Highways 10, 12 and 59. This is one of the few areas within the United States where three interstate highways meet. The incorporated municipalities of Pearl River (2,647) and Slidell (28,341) and the unincorporated community of Lacombe are within the boundaries of the Issuer.

**Population of the City of Slidell and the Parish**

The recent trend in the population of the City and the Parish follows:

<u>Year</u>	<u>Estimated Population</u>	
	<u>City</u>	<u>Parish</u>
1970	16,101	63,585
1980	26,718	110,554
1990	24,124	144,500
2000	25,695	191,268
2010	27,068	233,740
2020	28,781	264,570
2024	28,341	277,615

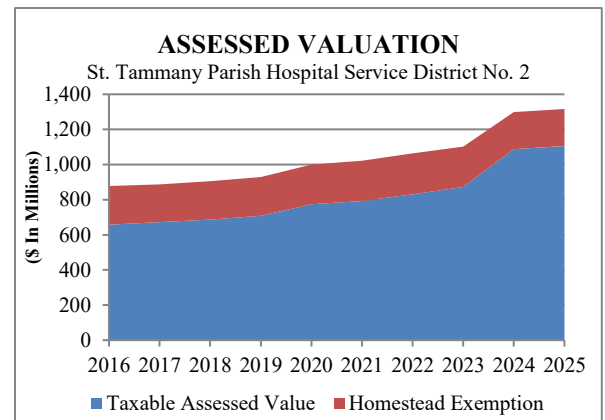
Source: U.S. Census Bureau; the Issuer.



**Assessed Valuation of the Issuer**

The recent trend in the assessed valuation of the Issuer follows:

<u>Tax Year</u>	<u>Taxable Assessed Value</u>	<u>Homestead Exemptions</u>	<u>Other Exemptions</u>	<u>Total Assessed Value</u>
2016	\$657,701,549	\$220,618,184		\$878,319,733
2017	671,844,372	214,937,545		886,781,917
2018	687,110,248	217,978,567		905,088,815
2019	708,519,877	220,606,599		929,126,476
2020	774,509,647	225,276,050		999,785,697
2021	793,050,529	227,899,356		1,020,949,885
2022	830,327,165	232,643,196		1,062,970,361
2023*	872,015,015	230,132,187	12,840,488	1,114,987,690
2024	1,087,066,974	210,965,830	3,361,454	1,302,196,768
2025	1,104,943,809	211,237,182	5,192,833	1,321,373,824



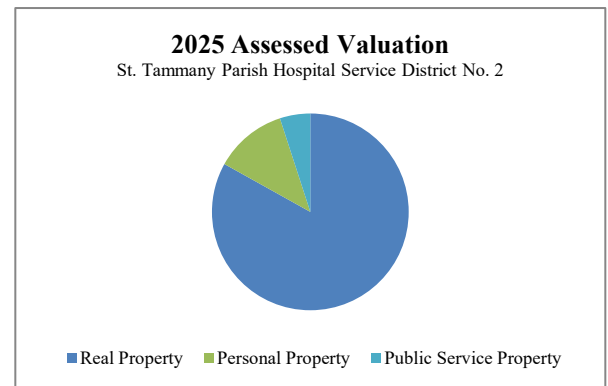
Sources: Louisiana Tax Commission; St. Tammany Parish Assessor.

\*Prior to Tax Year 2023, the Assessor excluded industrial, nonprofit, and other ad valorem exemptions from Total Assessed Value. The aggregate value of those exemptions is now specifically identified and included in Total Assessed Value; however, those exemptions are not now and historically have not been included in the Issuer's Taxable Assessed Value.

## Assessed Valuation – By Classification of Property

A summary breakdown of the assessed valuation by classification of property of the Issuer follows:

<u>Classification</u>	<u>2025 Assessed Valuation</u>
Real Property	\$1,097,859,645
Personal Property	157,425,517
Public Service Property	<u>66,088,662</u>
Total	<u>\$1,321,373,824</u>
Less: Homestead Exemption	<u>(211,237,182)</u>
Less: Other Exemption	<u>(5,192,833)</u>
Taxable Assessed Valuation	<u>\$1,104,943,809</u>



Source: St. Tammany Parish Assessor.

## Tax Collection Record

The Issuer reported the following *ad valorem* tax collection record:

<u>Tax Year</u>	<u>Amount of Property Taxes Levied</u>	<u>Deductions For Assessor &amp; Pensions</u>	<u>Net Taxes Receivable</u>	<u>Net Taxes Collected</u>	<u>Percentage Collected</u>	<u>Millage Rate</u>
2021	\$5,309,486	\$167,660	\$5,141,826	\$4,619,785	89.85%	6.75
2022	5,604,433	168,133	5,436,300	5,014,344	92.24%	6.75
2023	5,898,449	185,850	5,712,599	4,896,104	85.71%	6.75
2024	7,325,869	219,776	7,106,093	6,406,341	90.15%	6.75
2025	6,603,213	198,095	6,405,118	5,607,035	87.54%	5.99

Source: St. Tammany Parish Hospital Service District No. 2. Figures unaudited.

## Millage Rates

The recent trend in the *ad valorem* tax rates levied within the boundaries of the Issuer follows:

	<u>Millage Rates</u>				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b><u>Hospital Service District No. 2</u></b>	6.75	6.75	6.75	6.75	5.99
<b><u>Parishwide Taxes:</u></b>					
Law Enforcement District	11.14	11.14	11.14	11.14	10.31
Library	5.78	5.78	5.78	5.78	4.35
Public Health	1.69	1.78	1.69	1.78	--
Drainage Maintenance	1.69	1.69	1.69	1.69	1.56
Parish Assessor	2.47	2.49	2.47	2.49	2.00
Florida Parishes Juvenile Center	2.75	2.75	2.75	2.75	2.90
Animal Shelter	0.78	1.00	0.78	1.00	1.00
Council on Aging/STARC	1.83	1.83	1.83	1.83	1.69
Coroner	3.10	3.10	3.10	3.10	--
Mosquito District No. 2	3.57	3.35	3.57	3.35	2.27

(Table continued on the next page.)

	<b>Millage Rates</b>				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b><u>Parishwide School Taxes:</u></b>					
Constitutional School Tax	3.48	3.48	3.48	3.48	3.22
School District No. 12 Bonds	13.90	13.90	13.90	13.90	13.70
School Maintenance and Operations	4.42	4.42	4.42	4.42	4.09
School Building, Repairs, Equipment	3.14	3.14	3.14	3.14	2.91
School Security	1.90	1.90	1.90	1.90	1.76
School Additional Operations & Maint.	32.41	32.41	32.41	32.41	30.01
School Additional Support II	2.75	2.75	2.75	2.75	2.55
<b><u>Other Parish and District Taxes:</u></b>					
Parish Tax (inside municipalities)	1.37	1.44	1.37	1.44	1.44
Parish Tax (outside municipalities)	2.75	2.89	2.75	2.89	2.89
Northshore Harbor Center	0.30	0.25	0.30	0.25	--
Fire District No. 1	35.00	35.00	35.00	35.00	32.41
Fire District No. 3	34.95	34.95	34.95	34.95	34.95
Fire District No. 7	19.74	20.06	19.74	20.06	18.58
Fire District No. 11	40.30	40.30	40.30	40.30	41.00
Fire District No. 12	25.00	25.00	25.00	25.00	25.00
Recreation District No. 4	10.61	10.00	10.61	10.00	9.26
<b><u>Municipal Taxes:</u></b>					
Pearl River	9.50	5.54	9.50	5.54	5.35
Slidell	26.09	26.06	26.09	26.06	20.48

Sources: St. Tammany Parish Assessor; Louisiana Tax Commission.

## Leading Taxpayers

The ten largest property taxpayers located within the Issuer, their type of business and their 2025 assessed valuation follow:

<u>Name of Taxpayer</u>	<u>Type of Business</u>	<u>2025 Taxable Assessed Valuation</u>
1. Central LA Electric Co	Electric Utility	\$26,952,570
2. Folger Coffee Company	Coffee Manufacturing	24,236,850
3. Associated Wholesale Grocers	Grocery	14,243,402
4. Atmos Energy Corporation	Gas Utility	10,368,160
5. Fremaux Town Center Spe LLC	Shopping Center	6,930,238
6. Tri States NGL Pipeline LLC	Oil & Gas Pipeline	6,192,150
7. Horton, D R Inc-Gulf Coast	Home Builder	6,127,806
8. St. Tammany Parish Development	Development	5,407,016
9. Bayou Metal Supply	Metal Specialties	5,128,721
10. JP Morgan Chase Bank	Banking	4,070,363
<b>TOTAL</b>		<u>\$109,657,276*</u>

\*Approximately 9.92% of the 2025 taxable assessed valuation of the Issuer.

Source: St. Tammany Parish Assessor.

## Debt Statement

The debt statement of the Issuer as of August 2, 2026, is included in Appendix "F" attached hereto.

## Short Term Indebtedness

According to the Chief Executive Officer, the Issuer has no short-term indebtedness, other than normal accounts payable or as otherwise stated in this Official Statement.

**Default Record**

According to the Chief Executive Officer, the Issuer has never defaulted in the payment of its outstanding bonds or obligations.

**Audit Report**

Included by reference in Appendix "C" attached hereto are the Audited Financial Statements (the "Audit") of the Issuer for the fiscal year ended December 31, 2024, audited by LaPorte, A Professional Accounting Corporation. Their report, dated as of June 21, 2025, is included herein. The Audit pertaining to the Issuer has been included in reliance upon said report; however, such Auditors have not consented to inclusion of the financial statements herein and have not performed any additional review procedures related thereto. The Auditors did not perform any procedures relating to any of the information in this Official Statement. The Audit and the disclosures contained therein are fully incorporated in this Official Statement.

The unaudited financial statements of the Issuer for the fiscal year ended December 31, 2025, are included in Appendix "D" attached hereto.

**Budget**

Included in Appendix "E" attached hereto is the Budget of the Issuer for the fiscal year ending December 31, 2026.

**ECONOMIC INDICATORS**

**Per Capita Personal Income**

A comprehensive revision of the estimates of Per Capita Personal Income by State were published in February 2026 by the Bureau of Economic Analysis of the U.S. Department of Commerce. The recent trends in revised per capita personal income for the Parish, the State, and the United States are indicated in the following table:

	<u>Per Capita Personal Income</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
St. Tammany Parish	\$65,157	\$74,304	\$73,815	\$78,608	\$82,398
Louisiana	50,179	55,120	55,384	58,996	61,897
United States	59,151	64,692	66,298	70,002	73,204

Source: U.S. Department of Commerce, Bureau of Economic Analysis. February 5, 2026.

(The personal income level for the United States is derived as the sum of the county estimates; it differs from the national income and product accounts (NIPA) estimate of personal income because by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and others. It can also differ from the NIPA estimate because of different data sources and revision schedules.

**Employment**

The Louisiana Workforce Commission has issued revised not seasonally adjusted annual average statistics for various employment areas within Louisiana. The annual average figures for the Parish and the State were reported as follows:

<u>Year</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Parish Rate</u>	<u>State Rate</u>
2019	120,902	116,057	4,845	4.0%	4.6%
2020	116,097	107,919	8,178	7.0%	8.7%
2021	116,397	111,733	4,664	4.0%	5.6%
2022	118,867	115,374	3,493	2.9%	3.7%
2023	119,486	115,587	3,899	3.3%	3.7%

The preliminary figures for February 2026 were reported as follows:

<u>Month</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Parish Rate</u>	<u>State Rate</u>
02/26	131,166	125,801	5,365	4.1%	4.5%*

\*Seasonally adjusted rate was 4.3%.

Source: Louisiana Workforce Commission. April 29, 2026.

### **Largest Employers**

The names of ten of the largest employers, their type of business and approximate number of employees located in the Parish are as follows:

<u>Name of Employer</u>	<u>Type of Business</u>	<u>Approximate No. of Employees</u>
1. St. Tammany Parish Hospital	Healthcare	1,000-4,999
2. J Par Gulf South	Real Estate	1,000-4,999
3. Slidell Radiation Center	Healthcare	1,000-4,999
4. St. Tammany Parish Hospital Home Health	Healthcare	1,000-4,999
5. Lakeview Hospital	Healthcare	500-999
6. Rotolo Consultants Inc.	Landscape Contractors	500-999
7. Walmart Supercenter	Retail	500-999
8. Arcosa Marine Products	Ship Builders and Repairers	250-499
9. Gilsbar Insurance	Insurance	250-499
10. St. Tammany Parish Intergovt	Municipal Government	250-499

Source: Louisiana Workforce Commission. May 18, 2026.

There can be no assurance that any employer listed will continue to locate in the Issuer or continue employment at the level stated.

**ANNUAL AVERAGE ST. TAMMANY PARISH CONCURRENT ECONOMIC INDICATORS,  
2021, 2022, 2023, 2024 AND THIRD QUARTER 2025** *(All data not seasonally adjusted.)*

<b>ST. TAMMANY PARISH</b>					
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025:3</b>
<b>EMPLOYMENT</b>					
<b>Total</b>	<b>89,648</b>	<b>93,366</b>	<b>95,738</b>	<b>96,677</b>	<b>97,577</b>
Agriculture, Forestry, Fishing, and Hunting	141	144	123	114	97
Mining	792	964	919	735	728
Utilities	325	313	319	317	373
Construction	6,250	6,330	6,261	6,009	6,369
Manufacturing	3,007	3,232	3,284	3,269	3,232
Wholesale Trade	3,886	4,274	4,322	4,265	4,292
Retail Trade	13,347	13,510	13,250	12,990	12,728
Transportation & Warehousing	3,373	3,550	3,651	3,758	3,885
Information	889	1,025	1,069	1,073	1,103
Finance & Insurance	3,255	3,295	3,395	3,345	3,391
Real Estate and Rental and Leasing	972	1,043	1,095	1,065	1,071
Professional & Technical Services	5,568	5,884	5,985	6,369	6,334
Management of Companies and Enterprises	1,456	1,391	1,280	1,420	1,347
Administrative and Waste Services	3,731	4,072	4,182	4,280	4,272
Educational Services	7,444	7,711	7,972	8,075	7,641
Health Care and Social Assistance	17,163	17,714	18,819	19,232	19,869
Arts, Entertainment, and Recreation	1,518	1,726	1,867	1,980	2,276
Accommodation and Food Services	11,046	11,472	11,930	12,196	12,383
Other Services, except Public Administration	2,386	2,670	2,825	2,906	2,968
Public Administration	3,099	3,043	3,189	3,277	3,218
<b>EARNINGS (\$ in Thousands)</b>					
<b>Total</b>	<b>\$4,754,119</b>	<b>\$5,202,248</b>	<b>\$5,573,450</b>	<b>\$5,737,890</b>	<b>\$1,468,970</b>
Agriculture, Forestry, Fishing, and Hunting	5,752	6,133	6,993	6,075	1,364
Mining	121,181	146,685	182,311	142,620	29,952
Utilities	24,627	23,998	25,691	27,729	7,285
Construction	371,694	401,482	420,637	409,248	110,690
Manufacturing	192,692	206,203	223,706	233,135	59,610
Wholesale Trade	374,974	437,758	445,019	456,526	117,441
Retail Trade	448,918	474,574	468,602	463,170	117,364
Transportation & Warehousing	237,260	267,832	304,643	307,318	79,746
Information	68,626	79,479	84,515	89,754	24,675
Finance & Insurance	296,727	300,819	306,163	315,416	78,668
Real Estate and Rental and Leasing	47,543	55,085	57,665	60,508	15,321
Professional & Technical Services	381,593	433,417	464,850	522,125	132,919
Management of Companies and Enterprises	222,965	235,353	266,741	285,701	57,508
Administrative and Waste Services	160,014	189,824	202,459	222,654	58,269
Educational Services	339,531	358,024	386,581	393,053	95,551
Health Care and Social Assistance	950,404	1,021,110	1,104,477	1,143,789	313,192
Arts, Entertainment, and Recreation	33,139	41,516	47,865	50,531	14,363
Accommodation and Food Services	217,091	242,230	259,038	270,747	69,018
Other Services, except Public Administration	94,939	110,215	122,033	128,805	32,955
Public Administration	164,163	170,288	193,309	208,864	53,069

Source: Louisiana Workforce Commission.

## Banking Facilities

The Parish is served by the following banks:

### Banks

American Bank	First Bank & Trust
b1Bank	Gulf Coast Bank and Trust Company
Bank of Louisiana	Hancock Whitney Bank
BankPlus	Heritage Bank of St. Tammany
Bonvenu Bank, NA	Home Bank, National Association
Capital One, National Association	IberiaBank, A Division of First Horizon Bank
Citizens Bank & Trust Company	Investar Bank
Citizens Savings Bank	JPMorgan Chase Bank, National Association
Crescent Bank	Metairie Bank & Trust Company
Fidelity Bank	Regions Bank
Fifth District Savings Bank	Resource Bank
First American Bank & Trust	Woodforest National Bank
The First Bank	

## INFORMATION CONCERNING SLIDELL MEMORIAL HOSPITAL

### History and Background

The Slidell Memorial Hospital (the "Hospital") is a 313-bed full-service acute care, not for profit, community hospital located at 1001 Gause Boulevard, Slidell, Louisiana 70458, telephone 985-280-2200.

The Hospital was originally constructed in 1959 as an approximately 18,500 square foot, 30 bed facility. The Hospital has experienced a number of expansions, and now has three medical office buildings, an outpatient diagnostic center, a parking garage, and a new comprehensive Cancer Center.

The Hospital currently employs over 810 employees, including medical staff of 451.

The executive management staff of the Hospital consists of the following persons:

- Ms. Sandy Badinger, *Chief Executive Officer*
- Mr. Gilbert "Gil" Ganucheau, Jr., JD, *Attorney at Law*

The Administration is generally located at 901 Gause Boulevard, Suite 210, Slidell, Louisiana 70458.

Departments of the Hospital include the following:

Accounting	Legal
Administration	Materials Management
Admitting	Medical Records
Ambulatory Surgery	Operating Room
Case Management	Outpatient Rehab
Centralized Scheduling	Parenting Center
Dietary	Patient Relations
Disinfection	Patient Advocacy
Emergency Room	Pharmacy
Endoscopy	Public Affairs & Media
Imaging/Radiology	Purchasing
Intensive Care	Quality Performance Improvement
Laboratory	Respiratory
Labor & Delivery	Volunteer Services

**Utilization and Patient Service Statistics**

The following table sets forth certain statistical information relating to the operations of the Hospital for the past six (6) fiscal years:

	<b>Fiscal Year Ended December 31</b>					
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Acute Admissions	13,414	13,147	10,304	8,693	8,880	7,996
Emergency Registrations	59,474	62,683	50,042	40,190	37,277	31,922

**Competing Facilities in the Area**

There are six additional hospitals in the Parish. Sterling Surgical Hospital, a physician owned hospital specializing in surgical and pain management procedures, and Southern Surgical Hospital, specializing in orthopedics and weight loss procedures. The Northshore Medical Complex (formerly the Louisiana Heart Hospital) in nearby Lacombe reopened on September 12, 2019 as a post-acute care facility. The City of Covington has the Avala Hospital (formerly the Fairway Medical Center), which is an outpatient surgical center, and St. Tammany Parish Hospital (owned and operated by a separate hospital service-district, with 232 beds). Lakeview Regional Medical Center, with 167 beds, is located between the Cities of Mandeville and Covington.

**Sources of Revenue**

Payments for services provided are made in certain cases by the patient, and in other cases, on behalf of the patient by a commercial insurer or managed care organization. As a result of contractual arrangements with certain of these payors, the Hospital may be paid less than full charges for services provided to patients. Net patient service revenue as reported by the Hospital represents the estimated net realizable amount expected to be received for services provided.

Medicare is a federal program available to individuals age 65 or over and to certain other qualified individuals. Medicaid is a federal and state medical assistance program available to individuals meeting certain income or other need requirements. Payments for inpatient and outpatient services provided to Medicare beneficiaries are prospectively determined amounts established by federal legislation and regulations based upon the classification of the beneficiary's illness. Payments for inpatient and outpatient services provided to Medicaid beneficiaries are generally on a per diem or fixed fee subject to certain limitations. The Medicare and Medicaid programs are subject to statutory and regulatory changes, and are also subject to administrative rulings, interpretations and discretions; governmental funding restrictions; requirements of more stringent utilization review; and other similar matters that may significantly reduce payments to the Hospital under either or both of such programs.

Commercial insurers pay the Hospital for covered services provided to beneficiaries generally based upon the Hospital's full charges or, in certain instances, a contractual percentage of full charges. The Hospital's established rates for services are not subject to approval by these payors.

The table below shows the percentage of the Hospital's gross patient revenues by payment source for the past six (6) fiscal years:

<u>Payer</u>	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>
Medicare	58%	57%	56%	54%	57%	56%
Medicaid	12%	14%	15%	17%	15%	15%
Commercial Insurance	28%	28%	27%	27%	27%	27%
Uninsured	2%	1%	2%	2%	1%	2%
TOTAL	100%	100%	100%	100%	100%	100%

Source: *Annual Financial Statements (2019-2024)* of St. Tammany Parish Hospital Service District No. 2.

## **Patient Services**

The table below lists the major specialties and services presently offered by the Hospital and its medical staff:

Bone Density Testing (DEXA)	Health Education	Pain Management
Breast Biopsy	Health Screenings	Parenting Education
Cardiac Catheterization	Infusion Therapy	PET/CT
Cardiac Interventional Care Unit	Interventional Mammography	Pharmacy Services
Cardia Rehabilitation	Interventional Radiology	Physical Therapy
Cardiac Telemetry Unit	Joint Replacement	Prenatal Education
Care Management	Labor & Delivery Unit	Respiratory Care
CT Scan	Laboratory Testing	Speech Therapy
Day Surgery Center	Lactation Services	Stress Tests
Diabetes Management	Level III Neonatal Intensive Care Unit	Support Groups
Digital Mammography	Medical Intensive Care Unit	Surgical Intervention
Ear, Nose and Throat Surgery	MRI Scan	Ultrasound Imaging
Educational Programs	Neurosurgery	Urological Services
EKG	Nuclear Imaging Studies	Vascular Studies
Electrophysiology	Orthopedic Surgery	Wellness Programs
Endoscopic Procedures	Outpatient Rehab	Wound Care
General Surgery	Pacemaker Implantation	X-Ray: Routine & Fluoroscopy
Gynecological Surgery		

In addition, the Hospital includes the following entities: Slidell Memorial Health Foundation Inc., which provides the Hospital with supplemental funds for various programs; the SMH Physician Network which employs physicians to create alignment with the healthcare community in the provision of services; and the Slidell Radiation Center, Inc.

### **Ochsner Joint Operating Agreement**

On July 2, 2015, the Issuer entered into a Joint Operating Agreement (the "JOA") with Ochsner Clinic Foundation d/b/a Ochsner Health System ("Ochsner"), which is a Louisiana nonprofit corporation and organization described in Section 501(c)(3) of the Code, to integrate their operations in the Parish to enable the Hospital to improve the quality of care it delivers at and to deliver it at a more affordable cost for patients in in the Parish.

Under the JOA, each of the Issuer and Ochsner governs its own respective assets and operations in the Parish and retains all of its pre-JOA powers, rights and duties under applicable laws in respect thereto. A Strategy and Oversight Committee composed of eight members, four of which are appointed by Ochsner and four of which are appointed by the Issuer, acts as an advisory committee under the JOA, with the authority to renew and make recommendations to the Issuer and Ochsner. The initial term of the JOA is 20 years, and it automatically renews for one-year terms thereafter.

Financial integration pursuant to the JOA is accomplished based on allocations of combined adjusted operating income from joint operations of the Issuer and Ochsner in the proportion of fifty percent to the Issuer and fifty percent to Ochsner. For additional information concerning the JOA, see Note 16 to the audited financial statements of the Issuer included in Appendix "C" hereto.

Effective July 1, 2023, the Organization entered into a Strategic Partnership Agreement with Ochsner Clinic Foundation for Ochsner to provide administrative services to support the Organization with operations and the delivery of health care services. Additionally, Ochsner Medical Center – Northshore was leased to Slidell Memorial and is now operated as a satellite hospital of Slidell Memorial called Slidell Memorial East. Ochsner is reimbursed for certain costs that it incurs in providing services to the Organization and also receives administrative service fees.

**AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2024**

The 2024 Audited Financial Statements of St. Tammany Parish Hospital Service District No. 2 can be viewed at the Municipal Securities Rulemaking Board - Electronic Municipal Market Access (MSRB-EMMA) site using the following link:

<https://emma.msrb.org/P11895785-P11448476-P11894970.pdf>

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**UNAUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2025**

**8400 - Slidell Memorial Hospital**  
**Accrual Basis Balance Sheet**  
**For the Month Ending Dec 2025**  
**(\$000)**

<b>ASSETS</b>	<b>Current Month</b>	<b>Prior Month</b>	<b>Diff</b>	<b>PY End</b>	<b>Diff</b>
Cash & Cash Equivalents	90,874	145,131	(54,257)	80,986	9,888
Deposits With Trustee	5,022	4,709	313	4,484	538
Patient Acct Receivable Net	27,504	29,031	(1,526)	33,869	(6,364)
Accounts Receivable Other	28,731	32,796	(4,065)	9,971	18,760
Pledges	0	0	0	0	0
Inventory	2,192	2,441	(249)	3,423	(1,231)
Prepaid Expenses	1,417	1,584	(167)	1,526	(109)
Cost Report Settlements	0	0	0	0	0
<b>Total Current Asset</b>	<b>155,741</b>	<b>215,693</b>	<b>(59,951)</b>	<b>134,258</b>	<b>21,483</b>
Assets Limited By Board Inv	7,935	6,983	952	15,767	(7,832)
Assets Limited Under Bond Inv	32,983	32,890	93	0	32,983
Assets Limited Under Self Ins	0	0	0	0	0
Donor Restricted Investments	0	0	0	0	0
<b>Subtotal Assets Limited to Use</b>	<b>40,917</b>	<b>39,873</b>	<b>1,044</b>	<b>15,767</b>	<b>25,151</b>
Assets Limited Fr Current Liab	0	0	0	0	0
<b>Non Current Assets Limited to Use</b>	<b>40,917</b>	<b>39,873</b>	<b>1,044</b>	<b>15,767</b>	<b>25,151</b>
Investments Other	0	0	0	0	0
Goodwill	0	0	0	0	0
Other Intangible Assets	0	0	0	0	0
Investment In Subsidiaries	0	0	0	0	0
Investment In Other Entities	1,954	1,998	(45)	1,405	549
Property Net of Accum Depreciation	129,793	123,140	6,653	122,017	7,776
Construction In Progress	1,802	8,635	(6,833)	1,400	402
ROU Asset	72,154	72,664	(510)	78,193	(6,039)
Deferred Finance Costs	0	0	0	0	0
Other Assets	12,690	13,011	(321)	4,122	8,568
<b>Total Assets</b>	<b>415,051</b>	<b>475,013</b>	<b>(59,962)</b>	<b>357,162</b>	<b>57,889</b>
<b>LIABILITIES AND CAPITAL</b>					
Accounts Payable	5,567	5,663	(96)	7,438	(1,871)
Cost Report Settlements	(2,209)	(2,278)	69	(1,710)	(500)
Bonds Payable Current	3,150	3,150	(0)	3,085	65
Accrued Interest On Bonds	938	780	158	471	467
Accrued Payroll Salary Expense	3,927	3,679	248	3,588	339
Accrued Payroll Taxes	5	887	(883)	747	(743)
Accrued GPT-Employees	2,191	2,247	(57)	2,249	(58)
Accrued GPT-Physicians	153	339	(186)	204	(51)
Accrued Payroll Benefits	4,204	4,934	(729)	3,942	262
Pension Obligation-Current	(0)	(0)	(0)	(0)	0
Deferred Liability	2	133	(132)	(0)	2
Due to Related Parties	(0)	(0)	(0)	(0)	0
Third Party Settlements	(0)	(0)	(0)	(0)	0
Other Current Liabilities	38,211	97,462	(59,251)	30,632	7,578
Notes Payable Current	(0)	(0)	(0)	(0)	0
Lease Obligation - Current	3,911	3,892	19	3,567	344
Long Term Debt-Current	1,869	1,869	(0)	1,857	12
<b>Total Current Liabilities</b>	<b>61,917</b>	<b>122,757</b>	<b>(60,840)</b>	<b>56,069</b>	<b>5,847</b>
Pension/Post Retirement Obl	13	136	(122)	13	(0)
Self Insurance Trust Liab	(0)	(0)	(0)	(0)	0
Bonds Payable-Non Current	73,099	73,149	(50)	45,172	27,927
Long Term Debt	(0)	(0)	(0)	(0)	0
Other Non-Current Liabilities	91,482	92,215	(733)	84,835	6,647
<b>Total Liabilities</b>	<b>226,512</b>	<b>288,257</b>	<b>(61,745)</b>	<b>186,090</b>	<b>40,421</b>
Temporarily Restricted	(0)	(0)	(0)	(0)	0
Permanently Restricted	(0)	(0)	(0)	(0)	0
Board Designated Fund Balance	(0)	(0)	(0)	(0)	0
Unrestricted Fund Balance	188,539	186,756	1,783	171,072	17,468
<b>Net Assets</b>	<b>188,539</b>	<b>186,756</b>	<b>1,783</b>	<b>171,072</b>	<b>17,468</b>
<b>Total Liab and Net Assets</b>	<b>415,051</b>	<b>475,013</b>	<b>(59,962)</b>	<b>357,162</b>	<b>57,889</b>

**8400 - Slidell Memorial Hospital**  
**Accrual Basis Income Statement**  
**For the Month and Year to Date Ending Dec 2025**  
**(\$000)**

	Year to Date						
	ACTUAL	BUDGET	VAR	%VAR	PRIOR	VAR	%VAR
<b>Gross Charges</b>	<b>2,101,243</b>	<b>2,374,567</b>	<b>(273,324)</b>	<b>(11.5%)</b>	<b>2,216,522</b>	<b>(115,280)</b>	<b>(5.2%)</b>
Net Patient Revenue	362,170	394,226	(32,056)	(8.1%)	365,246	(3,076)	(0.8%)
Physician Supervn/Faculty Svc	0	0	0	0.0%	0	0	0.0%
Rental Income	3,140	2,548	592	23.2%	2,675	465	17.4%
Government DGME Reimbursement	0	0	0	0.0%	0	0	0.0%
Restricted Funds Transfer	0	0	0	0.0%	0	0	0.0%
Unrestricted Contribution	88	0	88	0.0%	311	(222)	(71.6%)
Exchange Transaction Revenue	0	0	0	0.0%	0	0	0.0%
Other Revenue	35,204	27,217	7,987	29.3%	31,789	3,415	10.7%
Equity Income	549	370	179	48.3%	481	68	14.1%
<b>TOTAL OPERATING REVENUE</b>	<b>401,150</b>	<b>424,361</b>	<b>(23,210)</b>	<b>(5.5%)</b>	<b>400,501</b>	<b>649</b>	<b>0.2%</b>
Physician Salaries	9,842	9,156	(686)	(7.5%)	9,500	(342)	(3.6%)
Other Providers	2,416	2,382	(34)	(1.4%)	3,016	599	19.9%
Employee Salaries	65,965	70,576	4,611	6.5%	63,990	(1,975)	(3.1%)
Benefits	11,075	12,030	955	7.9%	11,166	90	0.8%
Outside Provider Expense	0	0	0	0.0%	0	0	0.0%
Medical Supplies & Services	88,840	93,241	4,400	4.7%	94,010	5,170	5.5%
Supplies	200	116	(85)	(73.1%)	98	(102)	(104.2%)
Building & Equipment	4,619	5,232	613	11.7%	3,916	(703)	(17.9%)
Insurance	4,489	4,566	66	1.5%	3,939	(550)	(14.0%)
Prof Fees & Purch Svcs	168	0	(168)	0.0%	133	(35)	(26.0%)
Gen & Administrative	184,929	198,806	13,877	7.0%	182,869	(2,060)	(1.1%)
Shared Services	0	0	0	0.0%	0	0	0.0%
<b>TOTAL OPERATING EXPENSE</b>	<b>372,544</b>	<b>396,094</b>	<b>23,550</b>	<b>5.9%</b>	<b>372,637</b>	<b>93</b>	<b>0.0%</b>
<b>OPERATING EBITDA B/F CORP</b>	<b>28,606</b>	<b>28,266</b>	<b>340</b>	<b>1.2%</b>	<b>27,864</b>	<b>742</b>	<b>2.7%</b>
Corporate EBITDA Allocations	0	0	0	0.0%	0	0	0.0%
<b>OPERATING EBITDA</b>	<b>28,606</b>	<b>28,266</b>	<b>340</b>	<b>1.2%</b>	<b>27,864</b>	<b>742</b>	<b>2.7%</b>
Depreciation	17,970	19,007	1,037	5.5%	16,826	(1,144)	(6.8%)
Amortization	0	0	0	0.0%	0	0	0.0%
Interest	6,143	5,210	(933)	(17.9%)	6,279	136	2.2%
Provision For Income Taxes	0	0	0	0.0%	0	0	0.0%
OHS Corp Alloc Dep & Int	0	0	0	0.0%	0	0	0.0%
<b>INCOME FROM OPERATIONS</b>	<b>4,493</b>	<b>4,049</b>	<b>444</b>	<b>11.0%</b>	<b>4,759</b>	<b>(266)</b>	<b>(5.6%)</b>
Investment Income	5,750	6,302	(552)	(8.8%)	6,711	(961)	(14.3%)
Realized Gain <Loss>	0	0	0	0.0%	0	0	0.0%
Unrealized Gain(Loss) All Inv	0	0	0	0.0%	0	0	0.0%
Unrealized Gain (Loss) on Equity Investments	0	0	0	0.0%	0	0	0.0%
Pension Service Costs (Credits)	0	0	0	0.0%	0	0	0.0%
Loss On Defeasance	0	0	0	0.0%	0	0	0.0%
Other Non Operating Revenue	7,224	5,600	1,624	29.0%	5,616	1,608	28.6%
<b>Total Non-Operating Revenue</b>	<b>12,975</b>	<b>11,902</b>	<b>1,073</b>	<b>9.0%</b>	<b>12,328</b>	<b>647</b>	<b>5.2%</b>
<b>EXCESS REVENUE OVER EXPENSES</b>	<b>17,468</b>	<b>15,951</b>	<b>1,516</b>	<b>9.5%</b>	<b>17,086</b>	<b>381</b>	<b>2.2%</b>
Attributable to Noncontrol Int	0	0	0	0.0%	0	0	0.0%
Net Unrealized Gain/Loss	0	0	0	0.0%	0	0	0.0%
Additional Min Pension Liab	0	0	0	0.0%	0	0	0.0%
Loss On Interest Rate Lock	0	0	0	0.0%	0	0	0.0%
Net Assts Fr Captl Acquisiti	0	0	0	0.0%	0	0	0.0%
<b>ASSETS B/F EXTRAORDINARY ITM</b>	<b>17,468</b>	<b>15,951</b>	<b>1,516</b>	<b>9.5%</b>	<b>17,086</b>	<b>381</b>	<b>2.2%</b>
6/12/2025, 3:20 PM							
<b>Incr/(Decr) Unrebr Net Assets</b>	<b>17,468</b>	<b>15,951</b>	<b>1,516</b>	<b>9.5%</b>	<b>17,086</b>	<b>381</b>	<b>2.2%</b>

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**BUDGET  
FOR THE FISCAL YEAR ENDING  
DECEMBER 31, 2026**

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SLIDELL MEMORIAL HOSPITAL  
SUMMARY BUDGET FINANCIAL INDICATORS  
FISCAL YEAR 2026 Budget as 11/20/2025  
(Reported in Thousands)

\*\*\*\*\* FINAL \*\*\*\*\*

Key Statistics and Statement of Revenue & Expenses	2025 Projection	2026 Budget	Variance	Variance %
Discharges	13,353	13,733	380	2.85%
Patient days	53,841	54,930	1,089	2.02%
ALOS	4.03	4.00	(0.03)	-0.80%
Adjusted Discharges	39,738	28,897	(10,841)	-27.28%
Adjusted Patient Days	160,232	115,583	(44,649)	-27.87%
Births	1,099	1,109	10	0.91%
Surgeries	10,237	10,179	(58)	-0.57%
OP Catheterization Patients	905	969	64	7.07%
Outpatient Imaging Procedures	145,759	147,216	1,457	1.00%
Radiation Center Procedures	36,495	0	(36,495)	-100.00%
Chemo/Infusion Therapy Patients	22,682	6,436	(16,246)	-71.63%
Emergency Visits	58,727	59,275	548	0.93%
Paid FTE's, total	1,428	1,384	(44)	-3.08%
Net patient revenue	\$368,899	\$322,287	(46,612)	-12.64%
Other operating revenue	\$42,733	\$36,968	(5,765)	-13.49%
Total operating revenue	\$411,632	\$359,255	(52,377)	-12.72%
Salaries, wages & contract labor	\$79,711	\$75,230	(4,481)	-5.62%
Employee benefits	\$12,041	\$11,765	(276)	-2.29%
Med Supplies	\$97,342	\$64,477	(32,865)	-33.76%
Other Supplies	\$223	\$238	15	6.73%
Bldg & Equipment	\$4,334	\$4,469	135	3.11%
Insurance	\$4,430	\$4,530	100	2.26%
Gen & Administrative	\$183,222	\$170,600	(12,622)	-6.89%
Total operating expenses	\$381,303	\$331,309	(49,994)	-13.11%
EBIDA	\$30,329	\$27,946	(2,383)	-7.86%
EBIDA %	7.4%	7.8%	0	5.58%
Depreciation/amortization	\$24,281	\$25,030	749	3.08%
Operating margin	\$6,048	\$2,916	(3,132)	-51.79%
Interest income	\$5,272	\$6,087	815	15.46%
Property tax revenue	\$7,274	\$6,200	(1,074)	-14.76%
Revenue in excess of expense	\$18,594	\$15,203	(3,391)	-18.24%
Utilization of Available Fund Balance	\$0	\$0	0	
Revenue in excess of expense	\$18,594	\$15,203	(3,391)	-18.24%

**Capital Expenditure Budget Allocation**

<b>Revenue in Excess of Expense</b>		<b>\$15,203</b>	
Less;Debt Service Payments		\$2,019	
<b>Proposed Capital Budget</b>		<b>\$13,184</b>	

**Major Assumptions:**

Discharges - Additional Bed Capacity, normalized for slower months in 2025 (i.e., snow storm)  
Surgeries - New physicians. OP surgeries overstated due to Pain cases in 1st floor ASU in 2025  
Other Volumes - Various Growth Initiatives (nominal growth)  
Rad Onc/Chemo Infusion - These volumes move to Ochsner, only non-chemo infusion remains at SMH  
FTE's/SW&B - Cancer Center FTE's move to Ochsner  
Merit - 2% Increase; Market 1%  
Supplies - Cancer Center supplies/drugs move to Ochsner  
Insurance - New Policies, New Bldg coverage  
G/A - Mgmt Fee changes due to Cancer Center transition  
Depreciation - New Bldg Addition

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**DEBT STATEMENT**

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**STATEMENT OF DIRECT BONDED DEBT  
AS OF JULY 2, 2026**

*(The accompanying notes are an integral part of this statement.)*

<u>Notes</u>	<u>Name of Issuer &amp; Issue</u>	<u>Interest Rates (%)</u>	<u>Dated Date</u>	<u>Final Maturity Date</u>	<u>Principal Outstanding</u>	<u>Principal Amount Due Within One Year</u>
<b><u>Direct Debt of St. Tammany Parish Hospital Service District No. 2</u></b>						
(1)	General Obligation Refunding Bonds, Series 2019	3.05	1/29/19	3/01/29	\$2,575,000	\$870,000
(1)	Taxable General Obligation Refunding Bonds, Series 2019	2.72-3.44	11/21/19	3/01/36	5,610,000	470,000
(1)	Taxable General Obligation Refunding Bonds, Series 2021	1.6-2.35	4/13/21	3/01/32	6,325,000	980,000
(1)	General Obligation Bonds, Series 2021	4.0-5.0	7/22/21	3/01/41	19,290,000	910,000
(1)	General Obligation Bonds, Series 2025	4.75-5.0	9/10/25	3/01/45	31,500,000	1,020,000
(2)	Hospital Indebtedness, Series 2018	3.70	8/09/18	7/01/28	3,114,000	1,767,000

**NOTES**

- (1) Secured by and payable from unlimited *ad valorem* taxation.
- (2) Secured by and payable in principal and interest solely by a pledge and dedication of the net income, revenue and receipts of the hospital.

*The above statement excludes the outstanding debt of all operating and capital leases.)*

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**ESTIMATED ANNUAL DEBT SERVICE REQUIREMENTS**

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**ESTIMATED ANNUAL DEBT SERVICE REQUIREMENTS ON OUTSTANDING DEBT  
AND GENERAL OBLIGATION BONDS, SERIES 2026, OF  
ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

CALENDAR YEAR	OUTSTANDING BONDS (a)			SERIES 2026 BONDS (b)			ESTIMATED TOTAL REQUIREMENTS		
	<i>(3/1)</i> PRINCIPAL	<i>(3/1; 9/1)</i> INTEREST	TOTAL	<i>(3/1)</i> PRINCIPAL	<i>(3/1; 9/1)</i> INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2026		1,398,992.00	1,398,992.00					1,398,992.00	1,398,992.00
2027	4,250,000.00	2,722,234.50	6,972,234.50	0.00	1,053,830.56	1,053,830.56	4,250,000.00	3,776,065.06	8,026,065.06
2028	4,380,000.00	2,566,637.75	6,946,637.75	75,000.00	999,125.00	1,074,125.00	4,455,000.00	3,565,762.75	8,020,762.75
2029	4,515,000.00	2,402,874.50	6,917,874.50	75,000.00	995,375.00	1,070,375.00	4,590,000.00	3,398,249.50	7,988,249.50
2030	3,835,000.00	2,243,764.75	6,078,764.75	75,000.00	991,625.00	1,066,625.00	3,910,000.00	3,235,389.75	7,145,389.75
2031	4,005,000.00	2,088,961.00	6,093,961.00	250,000.00	983,500.00	1,233,500.00	4,255,000.00	3,072,461.00	7,327,461.00
2032	4,185,000.00	1,925,094.25	6,110,094.25	500,000.00	964,750.00	1,464,750.00	4,685,000.00	2,889,844.25	7,574,844.25
2033	3,190,000.00	1,766,309.00	4,956,309.00	965,000.00	928,125.00	1,893,125.00	4,155,000.00	2,694,434.00	6,849,434.00
2034	3,345,000.00	1,619,808.00	4,964,808.00	1,015,000.00	878,625.00	1,893,625.00	4,360,000.00	2,498,433.00	6,858,433.00
2035	3,490,000.00	1,472,213.50	4,962,213.50	1,065,000.00	826,625.00	1,891,625.00	4,555,000.00	2,298,838.50	6,853,838.50
2036	3,645,000.00	1,317,564.50	4,962,564.50	1,120,000.00	772,000.00	1,892,000.00	4,765,000.00	2,089,564.50	6,854,564.50
2037	3,125,000.00	1,167,637.50	4,292,637.50	1,175,000.00	714,625.00	1,889,625.00	4,300,000.00	1,882,262.50	6,182,262.50
2038	3,270,000.00	1,022,512.50	4,292,512.50	1,235,000.00	654,375.00	1,889,375.00	4,505,000.00	1,676,887.50	6,181,887.50
2039	3,425,000.00	870,512.50	4,295,512.50	1,300,000.00	591,000.00	1,891,000.00	4,725,000.00	1,461,512.50	6,186,512.50
2040	3,580,000.00	711,387.50	4,291,387.50	1,365,000.00	524,375.00	1,889,375.00	4,945,000.00	1,235,762.50	6,180,762.50
2041	3,750,000.00	544,787.50	4,294,787.50	1,435,000.00	454,375.00	1,889,375.00	5,185,000.00	999,162.50	6,184,162.50
2042	2,155,000.00	405,662.50	2,560,662.50	1,510,000.00	380,750.00	1,890,750.00	3,665,000.00	786,412.50	4,451,412.50
2043	2,265,000.00	295,162.50	2,560,162.50	1,590,000.00	303,250.00	1,893,250.00	3,855,000.00	598,412.50	4,453,412.50
2044	2,385,000.00	181,893.75	2,566,893.75	1,670,000.00	221,750.00	1,891,750.00	4,055,000.00	403,643.75	4,458,643.75
2045	2,505,000.00	62,625.00	2,567,625.00	1,755,000.00	136,125.00	1,891,125.00	4,260,000.00	198,750.00	4,458,750.00
2046				1,845,000.00	46,125.00	1,891,125.00	1,845,000.00	46,125.00	1,891,125.00
<b>TOTALS</b>	<b>65,300,000.00</b>	<b>26,786,635.00</b>	<b>92,086,635.00</b>	<b>20,020,000.00</b>	<b>13,420,330.56</b>	<b>33,440,330.56</b>	<b>85,320,000.00</b>	<b>40,206,965.56</b>	<b>125,526,965.56</b>

(a) Outstanding: Refunding Series 2019, Taxable Refunding Series 2019, Taxable Refunding Series 2021, Series 2021 and Series 2025.

(b) Dated 8/12/2026. Preliminary subject to change.

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**PROPOSED FORM OF LEGAL OPINION  
OF  
FOLEY & JUDELL, L.L.P.**

**[PROPOSED FORM OF LEGAL OPINION]**

Honorable Board of Commissioners  
St. Tammany Parish Hospital Service District No. 2  
Slidell, Louisiana

**\$20,020,000**  
**GENERAL OBLIGATION BONDS, SERIES 2026**  
**OF**  
**ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

We have acted as bond counsel to the St. Tammany Parish Hospital Service District No. 2 (the "Issuer"), in connection with the issuance of the captioned bonds (the "Bonds"). The Bonds have been issued by the Issuer pursuant to a resolution adopted by its governing authority on May 28, 2026, as supplemented by a resolution adopted on [July 27, 2026] (collectively, the "Resolution"), for the purpose of constructing, acquiring, extending and improving hospital and related health care facilities of the District, and acquiring equipment and furnishings therefor, including, to the extent feasible, those specific projects for cancer and emergency care, outpatient pediatric care, primary care and women's and infant health care, all as set forth in the "Capital Improvement Plan" approved by the District on January 6, 2025, title to which shall be in the public, and paying the costs of issuance of the Bonds, under the authority conferred by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974, Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, and were authorized at an election held on May 3, 2025, the result of which election has been duly promulgated in accordance with law.

We have examined the provisions of the Constitution and statutes of the State of Louisiana (the "State"), a certified transcript of the proceedings of the governing authority of the Issuer relating to the issuance of the Bonds, and such other documents, proofs and matters of law as we deemed necessary to give the opinions below.

As to questions of fact material to our opinions below, we have relied upon certified proceedings and other certifications and representations of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion, as of the date hereof and under existing law, that:

1. The Bonds are valid and binding general obligations of the Issuer, and the full faith and credit of the Issuer is pledged for the payment of the Bonds.
2. All taxable property within the territory of the Issuer is subject to the levy of an ad valorem tax for the payment of the principal of and interest on the Bonds, without limit as to rate or amount.
3. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not a specific item of tax preference for purposes of the federal alternative minimum tax

imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

4. Pursuant to the aforementioned constitutional and statutory authority, the Bonds and the interest or other income thereon or with respect thereto shall be exempt from all income tax and other taxation in the State.

The opinion given in numbered paragraph 3 above is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, regardless of the date on which the event causing such inclusion occurs.

We express no opinion as to any federal, state or local tax consequences arising with respect to the Bonds other than as expressly set forth herein.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors and by equitable principles, to the extent constitutionally applicable, and that their enforceability may also be subject to the exercise of the sovereign police powers of the State, or its governmental bodies, and the exercise of judicial discretion in appropriate cases.

The opinions given in this letter are given as of the date set forth above, and we assume no obligation to revise or supplement such opinions to reflect any facts or circumstances that may later come to our attention or any changes in law that may later occur.

Respectfully submitted,

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**APPENDIX "I"**

**PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE**

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**CONTINUING DISCLOSURE CERTIFICATE**  
**\$20,020,000**  
**GENERAL OBLIGATION BONDS, SERIES 2026**  
**OF**  
**ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the St. Tammany Parish Hospital Service District No. 2 (the "Issuer"), acting through the Chairman, Secretary and Chief Executive Officer of its governing authority, the Board of Commissioners of St. Tammany Parish Hospital Service District No. 2, in connection with the issuance of the above captioned issue of General Obligation Bonds, Series 2026 (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the governing authority of the Issuer on [May 28, 2026], as supplemented by a resolution adopted on [July 27, 2026] (collectively, the "Resolution"), and are described in that certain Official Statement dated [July 15, 2026] (the "Official Statement") which contains certain information concerning the Issuer, the Bonds and certain financial and other information relating thereto. The Issuer covenants and agrees as follows:

SECTION 1. *Definitions.* In addition to the definitions set forth in the preceding paragraph and in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

**"Annual Report"** shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

**"Bondholder"** shall mean any owner of the Bonds, including any owner of a beneficial interest in the Bonds.

**"Dissemination Agent"** shall mean the Chief Executive Officer, whose mailing address is Slidell Memorial Hospital, 1001 Gause Boulevard, Slidell, Louisiana 70458, or any successor Dissemination Agent designated by the Issuer.

**"Governing Authority"** shall mean the Board of Commissioners of St. Tammany Parish Hospital Service District No. 2.

**"Listed Events"** shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

**"MSRB"** shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access Center ("EMMA") which has been designated by the Securities and Exchange Commission as the single centralized repository for the collection and availability of continuing disclosure documents for purposes of the Rule, and which is available at the following web address:

**Municipal Securities Rulemaking Board**  
**Electronic Municipal Market Access Center**  
<http://emma.msrb.org>

**"Participating Underwriter"** shall mean the original Purchaser, the firm acting as underwriter in the primary offering of the Bonds.

**"Rule"** shall mean Rule 15c2-12 (b) (5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 2. *Purpose of the Disclosure Certificate.* This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and the Participating Underwriter, and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 3. *Provision of Annual Reports.* (a) On or before June 30th of each year, commencing June 30, 2027, the Issuer shall, or shall cause the Dissemination Agent to, provide to the MSRB an Annual Report which is consistent with the requirements set forth in Section 4 below. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as set forth below; *provided* that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report. If the Issuer's fiscal year changes, it shall give, or shall cause to be given, notice of such change in the same manner as for a Listed Event under Section 5, and this Disclosure Certificate shall, to the extent necessary, be automatically amended so that the due date of the Annual Report as provided in this paragraph shall be the last day of the sixth month following the end of the new fiscal year, and such new date shall be included in the notice given pursuant to this sentence.

(b) If the Annual Report is not provided to the MSRB by the date required in (a) above, the Issuer shall, or shall cause the Dissemination Agent to, send in a timely manner a Notice of Failure to File Annual Report to the MSRB, in substantially the form attached as **Exhibit A**.

SECTION 4. *Content of Annual Reports.* The Annual Report shall contain or incorporate by reference the following:

- (a) Audited financial statements of the Issuer for the preceding fiscal year. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format preferred by the Issuer, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.
- (b) Any change in the basis of accounting used by the Issuer in reporting its financial statements. The Issuer currently follows GAAP principles and mandated Louisiana statutory accounting requirements as in effect from time to time. In the event of any material change in such requirements the impact of such changes will be described in the Annual Report of the year such change occurs.
- (c) The assessed value of taxable property in the Issuer and homestead exemptions for the most recent tax year available.
- (d) The assessed value of property by classifications for the Issuer for the most recent tax year available.
- (e) The *ad valorem* tax levies and collections of the Issuer for the most recent tax year available.
- (f) A listing of the ten largest *ad valorem* taxpayers within the Issuer for the most recent tax year available.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a deemed final official statement, it shall be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. *Reporting of Listed Events.* (a) This section shall govern the giving of notices of the occurrence of any of the following Listed Events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material;
- (xv) Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect Bondholders; or
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall direct the Dissemination Agent to file as soon as possible, but in no event more than ten business days after the occurrence of the event, a notice of such occurrence with the MSRB.

(c) The term "financial obligation" as used in Section 5(a)(xv) and (xvi) above shall have the meaning given to such term in the Issuer's Post-Issuance Compliance Policy for Municipal Securities in effect on the date hereof, as said policy may be amended from time to time.

SECTION 6. *Management Discussion of Items Disclosed.* If an item required to be disclosed as part of the Annual Report or the Listed Events would be misleading without discussion, the Issuer shall additionally provide a statement clarifying the disclosure in order that the statement made will not be misleading in light of the circumstances in which it is made.

SECTION 7. *Termination of Reporting Obligation.* The obligations of the Issuer under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. *Dissemination Agent.* The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. *Amendment; Waiver.* Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted;

(b) This Disclosure Certificate, as amended, or the provision, as waived, would, in the opinion of counsel expert in federal securities laws selected by the Issuer, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by Bondholders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Bondholders, (ii) does not, in the opinion of counsel expert in federal securities laws selected by the Issuer, materially impair the interests of the Bondholders, (iii) is necessary to comply with a change in the legal requirements or other change in law, including any change in the requirements of the Rule, or (iv) is otherwise permitted by federal securities laws at the time of such amendment.

In the event of any such amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report relating to the Issuer and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of change of accounting principles, on the presentation) of financial information or operating data being presented by or in respect of the Issuer.

SECTION 10. *Additional Information.* Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall not have any obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. *Default.* In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or the Participating Underwriter may take such actions as may be necessary and appropriate, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. *Beneficiaries.* This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

SECTION 13. *Other Stipulations.* Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB. Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be in Portable Document Format (.pdf) and word-searchable (without regard to diagrams, images and other non-textual elements).

[SIGNATURE PAGE TO CONTINUING DISCLOSURE CERTIFICATE]

IN FAITH WHEREOF, the undersigned has executed this Continuing Disclosure Certificate on this, the [12<sup>th</sup> day of August, 2026].

**ST. TAMMANY PARISH HOSPITAL  
SERVICE DISTRICT NO. 2**

By: \_\_\_\_\_  
Title: Chairman

By: \_\_\_\_\_  
Title: Secretary

By: \_\_\_\_\_  
Title: Chief Executive Officer

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**BOOK-ENTRY ONLY SYSTEM**

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## **BOOK-ENTRY ONLY SYSTEM**

The Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by The Depository Trust Company ("DTC"), New York, New York. So long as such book-entry only system is used, only DTC will receive or have the right to receive physical delivery of the Bonds and, except as otherwise provided herein with respect to Beneficial Owners of Beneficial Ownership Interests, Beneficial Owners will not be or be considered to be, and will not have any rights as owners or holders of the Bonds under the Bond Resolution.

The following information about the book-entry only system applicable to the Bonds has been supplied by DTC. The Issuer makes no representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will initially act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Rating of AA+. The DTC Rules applicable to its Participants are on file with the U.S. Securities and Exchange Commission (the "SEC"). More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership.

DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, the Bonds are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE ISSUER AND UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DTC PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (i) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE BONDS, (ii) CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN BONDS, OR (iii) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DTC PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SEC, AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE ISSUER, UNDERWRITER NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS; (3) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

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**PROPOSED FORM OF CERTIFICATE OF UNDERWRITER**

**The Purchaser will be expected to execute and deliver to the Issuer the following Proposed Form of Certificate of Underwriter as may be applicable to the circumstances existing on the date of sale, subject to modification in a manner acceptable to the Issuer.**

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**\$20,020,000**  
**GENERAL OBLIGATION BONDS, SERIES 2026**  
**ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2**

**CERTIFICATE OF UNDERWRITER**

This certificate is furnished by \_\_\_\_\_, on behalf of itself and the other members of its bidding group, if any (collectively, the "Purchaser"), in connection with the purchase of \$20,020,000 aggregate principal amount General Obligation Bonds, Series 2026 (the "Bonds"), of the St. Tammany Parish Hospital Service District No. 2 (the "Issuer"), by the Purchaser at competitive sale. The undersigned hereby certifies as set forth below with respect to the sale and issuance of the Bonds:

1. The undersigned is duly authorized to execute this certificate on behalf of the Purchaser and has been fully apprised of the facts and circumstances forming the basis of this certificate.

2. Insert appropriate option below:

***Option 1, 3 Bids Received:***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

***Option 2, 10% of Each Maturity Sold:***

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

***Option 3, Some Maturities Use Hold-the-Offering-Price Rule:***

(a) As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

(b) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(c) As set forth in the Notice of Sale and bid award, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering

Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

***Option 4, All Maturities Use Hold-the-Offering-Price Rule:***

(a) The Purchaser offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Sale and bid award, the Purchaser has agreed in writing that, (i) for each Maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. The Purchaser has (a) determined the aggregate purchase price of the Bonds to be \$\_\_\_\_\_, representing the sum of the aggregate principal amount of the Bonds equal to \$\_\_\_\_\_, [plus a net premium][less a net discount] of \$\_\_\_\_\_, plus accrued interest of \$\_\_\_\_\_; (b) determined the yield on the Bonds for arbitrage purposes, calculated in accordance with the methodology set forth in the Code, to be \_\_\_\_\_%; and (c) determined the weighted average maturity of the Bonds, calculated based on reoffering price, to be \_\_\_\_\_ years.

4. No Bonds were sold in exchange for property or rights to use any other types of property.

\_\_\_\_. The Purchaser further represents that, in our judgment, the present value of the bond insurance premium (the "Premium") paid to [Name of Insurer] (the "Insurer") for issuing the bond insurance policy with respect to the Bonds is less than the present value of the interest estimated to be saved as a result of having such bond insurance. Present value, for this purpose, is computed by using the yield to maturity on the Bonds (with regard to the Premium) as the discount rate. The Premium was determined in an arm's length transaction and represents a reasonable charge for the transfer of credit risk. In addition, no portion of the Premium represents an indirect payment of costs of issuance, including rating agency fees, or the provisions of additional services by the Insurer or by others for the benefit of the Issuer.

\_\_\_\_. In addition to terms defined elsewhere herein, the terms below shall have the following meanings in this certificate:

[(a) "General Rule Maturities" means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."]

[(b) "Hold-the-Offering-Price Maturities" means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."]

[(c) "Holding Period" means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (which date shall be \_\_\_\_\_, 2026), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

- (d) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.
- (e) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (f) "Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [DATE].
- (g) "Tax Compliance Certificate" means the Tax Compliance Certificate for the Bonds to which this certificate is attached.
- (h) "Underwriter" means, collectively, (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. We are not engaged in the practice of law, and nothing in this certificate represents our interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Foley & Judell, L.L.P., as bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds; however, the foregoing information may not be relied upon by any other person for any other purpose.

[UNDERWRITER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_\_\_. [Closing date]

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**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

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## MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: \_\_\_\_\_

MEMBER: [NAME OF MEMBER]

BONDS: \$ \_\_\_\_\_ in aggregate principal  
amount of [NAME OF TRANSACTION]  
[and maturing on]

Effective Date: \_\_\_\_\_

Risk Premium: \$ \_\_\_\_\_

Member Surplus Contribution: \$ \_\_\_\_\_

Total Insurance Payment: \$ \_\_\_\_\_

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the “Insurer’s Fiscal Agent”) for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer’s Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer’s Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer’s Fiscal Agent on behalf of BAM. The Insurer’s Fiscal Agent is the agent of BAM only, and the Insurer’s Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer’s Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: \_\_\_\_\_  
Authorized Officer

SPECIMEN

**Notices (Unless Otherwise Specified by BAM)**

Email:

[claims@buildamerica.com](mailto:claims@buildamerica.com)

Address:

28 Liberty Street, 59<sup>th</sup> Floor  
New York, New York 10005

Telecopy:

212-962-1524 (attention: Claims)

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