

DASNYDAC Bond[®]**\$109,155,000****DORMITORY AUTHORITY OF THE STATE OF NEW YORK
ROCHESTER INSTITUTE OF TECHNOLOGY REVENUE BONDS, SERIES 2022A****Dated: Date of Delivery****Due: July 1, as shown on the inside cover**

Payment and Security: The Dormitory Authority of the State of New York Rochester Institute of Technology Revenue Bonds, Series 2022A (the "Series 2022A Bonds") are special limited obligations of the Dormitory Authority of the State of New York ("DASNY") payable solely from and secured by a pledge of (i) certain payments to be made under the Loan Agreement (the "Loan Agreement"), dated as of the date of issuance of the Series 2022A Bonds, between Rochester Institute of Technology (the "University") and DASNY, and (ii) all funds and accounts (except the Arbitrage Rebate Fund) established under DASNY's Rochester Institute of Technology Revenue Bond Resolution, adopted October 12, 2022 (the "Resolution"), and Series Resolution 2022-1 Authorizing Up To \$120,000,000 Rochester Institute of Technology Revenue Bonds adopted October 12, 2022 (the "Series 2022-1 Resolution" and together with the Resolution, the "Resolutions").

The Loan Agreement, assigned by DASNY to The Bank of New York Mellon, as trustee (the "Trustee"), is a general obligation of the University and requires the University to pay, in addition to the fees and expenses of DASNY and the Trustee, amounts sufficient to pay, when due, the principal and Redemption Price of and interest on the Series 2022A Bonds. The Loan Agreement and the obligation of the University to make payments under the Loan Agreement are general, unsecured obligations of the University. No security interest in any revenues of the University has been granted by the University to DASNY under the Loan Agreement and no mortgage on any assets of the University has been granted by the University to secure the Series 2022A Bonds.

The Series 2022A Bonds will not be a debt of the State of New York (the "State") and the State will not be liable on the Series 2022A Bonds. DASNY has no taxing power.

Description: The Series 2022A Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest (due July 1, 2023 and each January 1 and July 1 thereafter) will be payable by check or draft mailed to the registered owners of the Series 2022A Bonds at their addresses as shown on the registration books held by the Trustee or, at the option of a holder of at least \$1,000,000 in principal amount of Series 2022A Bonds, by wire transfer to the holder of such Series 2022A Bonds, each as of the close of business on the fifteenth day of the month next preceding an interest payment date. The principal or Redemption Price of the Series 2022A Bonds will be payable at the principal corporate trust office of the Trustee, as Paying Agent, or, with respect to Redemption Price, at the option of a holder of at least \$1,000,000 in principal amount of Series 2022A Bonds, by wire transfer to the holders of such Series 2022A Bonds as more fully described herein.

The Series 2022A Bonds will be issued initially under a Book-Entry Only System, registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2022A Bonds will be made in book-entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2022A Bonds, payments of the principal, Redemption Price and Purchase Price of and interest on such Series 2022A Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "PART 3 - THE SERIES 2022A BONDS - Book-Entry Only System" herein.

Redemption or Purchase: The Series 2022A Bonds are subject to redemption and purchase in lieu of optional redemption prior to maturity as more fully described herein.

Tax Exemption: In the opinion of Barclay Damon LLP, Co-Bond Counsel to DASNY, under existing law, and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by DASNY, the University, and others, interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Barclay Damon LLP is further of the opinion that interest on the Series 2022A Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code; however, for tax years beginning after December 31, 2022, interest on the Series 2022A Bonds that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. Barclay Damon LLP is also of the opinion that, under existing law, interest on the Series 2022A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York). See "PART 9 - TAX MATTERS" herein regarding certain other tax considerations.

The Series 2022A Bonds are offered when, as, and if issued and received by RBC Capital Markets, LLC (the "Underwriter"). The offer of the Series 2022A Bonds may be subject to prior sale, or withdrawn or modified at any time without notice. The offer is subject to the approval of legality by Barclay Damon LLP, Albany, New York, and Lewis & Munday, A Professional Corporation, New York, New York, Co-Bond Counsel to DASNY, and to certain other conditions. Certain legal matters will be passed upon for the University by its counsel, Nixon Peabody LLP, Rochester, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Harris Beach PLLC, New York, New York. DASNY expects to deliver the Series 2022A Bonds in definitive form in Albany, New York, on or about December 13, 2022.

RBC Capital Markets

\$109,155,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
ROCHESTER INSTITUTE OF TECHNOLOGY REVENUE BONDS, SERIES 2022A

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND CUSIPS*

<u>Maturity (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP*</u>
2028	\$2,795,000	5.00%	2.88%	110.800	65000BVV7
2029	3,965,000	5.00	2.93	112.253	65000BVW5
2030	5,195,000	5.00	2.98	113.565	65000BVX3
2031	5,595,000	5.00	3.03	114.739	65000BVY1
2032	5,905,000	5.00	3.08	115.779	65000BVZ8
2033	6,770,000	5.00	3.18 [†]	114.887 [†]	65000BWA2
2034	7,120,000	5.00	3.38 [†]	113.126 [†]	65000BWB0
2035	7,485,000	5.00	3.59 [†]	111.312 [†]	65000BWC8
2036	7,870,000	5.00	3.69 [†]	110.461 [†]	65000BWD6
2037	8,275,000	5.00	3.74 [†]	110.038 [†]	65000BWE4
2038	8,695,000	5.00	3.85 [†]	109.115 [†]	65000BWF1
2039	9,145,000	5.00	3.87 [†]	108.948 [†]	65000BWG9
2040	9,615,000	5.00	3.91 [†]	108.615 [†]	65000BWH7
2041	10,105,000	5.00	3.95 [†]	108.283 [†]	65000BWJ3
2042	10,620,000	5.00	3.97 [†]	108.118 [†]	65000BWK0

[†] Priced at the stated yield to the first optional redemption date of July 1, 2032, at a redemption price of 100%.

* Copyright, American Bankers Association (“ABA”). CUSIP numbers are assigned by, and managed on behalf of the ABA by, an organization not affiliated with DASNY. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Series 2022A Bonds, and none of DASNY, the University or the Underwriter make any representation with respect to such numbers or undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP numbers for a specific maturity are subject to being changed after the issuance of the Series 2022A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2022A Bonds.

No dealer, broker, salesperson or other person has been authorized by DASNY, the University or the Underwriter to give any information or to make any representations with respect to the Series 2022A Bonds, other than the information and representations contained in this Official Statement. If given or made, any such information or representations must not be relied upon as having been authorized by DASNY, the University or the Underwriter.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be a sale of the Series 2022A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The University has reviewed the parts of this Official Statement describing the University, the Principal and Interest Requirements, the Project, Estimated Sources and Uses of Funds, and “APPENDIX A – The University” and “APPENDIX B - Rochester Institute of Technology Consolidated Financial Statements for the Years Ended June 30, 2022 and 2021”. As a condition to delivery of the Series 2022A Bonds, the University will certify that as of the date of this Official Statement and as of delivery of the Series 2022A Bonds, such parts do not contain any untrue statements of a material fact and do not omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which the statements are made, not misleading. The University makes no representation as to the accuracy or completeness of any other information included in this Official Statement.

The Underwriter has reviewed the information in this Official Statement pursuant to their responsibilities to investors under the federal securities law, but the Underwriter does not guarantee the accuracy or completeness of such information.

References in this Official Statement to the Act, the Resolution, the Series 2022 Resolution and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2022 Resolution and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2022 Resolution and the Loan Agreement will be on file with the Trustee.

The information set forth herein relating to DASNY under the heading “PART 6 – DASNY” has been obtained from DASNY. All other information herein has been obtained from the University and other sources deemed reliable, and is not to be construed as a representation by DASNY or the Underwriter. DASNY does not guarantee the reliability, accuracy or completeness of such information nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of any security for the Series 2022A Bonds, or (3) the value or investment quality of the Series 2022A Bonds.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality or importance, and all material in this Official Statement, including its appendices, must be considered in its entirety.

Under no circumstances will the delivery of this Official Statement or any sale made after its delivery create any implication that the affairs of the University or of DASNY have remained unchanged after the date of this Official Statement.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2022A BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2022A BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT CONTAINS STATEMENTS WHICH, TO THE EXTENT THEY ARE NOT RECITATIONS OF HISTORICAL FACT, CONSTITUTE “FORWARD-LOOKING STATEMENTS.” IN THIS RESPECT, THE WORDS “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “EXPECT,” “INTEND,” “BELIEVE” AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. A NUMBER OF IMPORTANT FACTORS AFFECTING THE UNIVERSITY’S FINANCIAL RESULTS COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE STATED IN FORWARD-LOOKING STATEMENTS.

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 Rule 15c2-12 of the U.S. Securities and Exchange Commission, as amended, and in effect on the date hereof.

TABLE OF CONTENTS

<u>Part</u>	<u>Page</u>	<u>Part</u>	<u>Page</u>
PART 1 - INTRODUCTION	1	PART 6 – DASNY	11
Purpose of the Official Statement	1	PART 7 - LEGALITY OF THE SERIES 2022A BONDS	
Purpose of the Issue	1	FOR INVESTMENT AND DEPOSIT	16
Authorization of Issuance	1	PART 8 - NEGOTIABLE INSTRUMENTS	16
DASNY	2	PART 9 - TAX MATTERS	17
The University	2	PART 10 - STATE NOT LIABLE ON THE SERIES	
The Series 2022A Bonds	2	2022A BONDS	19
Payment of the Series 2022A Bonds	2	PART 11 - COVENANT BY THE STATE	19
Security for the Series 2022A Bonds	2	PART 12 - LEGAL MATTERS	19
PART 2 - SOURCE OF PAYMENT AND SECURITY		PART 13 - UNDERWRITING	20
FOR THE SERIES 2022A BONDS	3	PART 14 - CONTINUING DISCLOSURE	20
Payment of the Series 2022A Bonds	3	PART 15 - RATING	20
Security for the Series 2022A Bonds	3	PART 16 - MISCELLANEOUS	20
Events of Default and Acceleration	4	APPENDIX A – The University	A-1
Issuance of Additional Bonds	4	APPENDIX B – Rochester Institute of Technology	
General	5	Consolidated Financial Statements for	
PART 3 - THE SERIES 2022A BONDS	5	the Years Ended June 30, 2022 and 2021	B-1
General	5	APPENDIX C – Certain Definitions	C-1
Description of the Series 2022A Bonds	5	APPENDIX D – Summary of Certain Provisions of the	
Redemption and Purchase in Lieu of Redemption Provisions	6	Loan Agreement	D-1
Book-Entry Only System	7	APPENDIX E – Summary of Certain Provisions	
Principal and Interest Requirements	10	of the Resolution	E-1
PART 4 - THE PROJECT	10	APPENDIX F – Proposed Forms of Approving Opinions	
PART 5 - ESTIMATED SOURCES AND USES OF FUNDS	11	of Co-Bond Counsel	F-1
		APPENDIX G – Form of Continuing Disclosure Agreement	G-1

[THIS PAGE INTENTIONALLY LEFT BLANK]



DORMITORY AUTHORITY – STATE OF NEW YORK
REUBEN R. McDANIEL, III – PRESIDENT

515 BROADWAY, ALBANY, N.Y. 12207
ALFONSO L. CARNEY, JR., ESQ. – CHAIR

OFFICIAL STATEMENT

Relating to

\$109,155,000

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
ROCHESTER INSTITUTE OF TECHNOLOGY REVENUE BONDS, SERIES 2022A

PART 1 -INTRODUCTION

Purpose of the Official Statement

The purpose of this Official Statement, including the cover page, the inside cover page and appendices, is to provide information about the Dormitory Authority of the State of New York (“DASNY”) and the Rochester Institute of Technology (the “University”), in connection with the offering by DASNY of \$109,155,000 aggregate principal amount of its Rochester Institute of Technology Revenue Bonds, Series 2022A (the “Series 2022A Bonds”).

The following is a brief description of certain information concerning the Series 2022A Bonds, DASNY and the University. A more complete description of such information and additional information that may affect decisions to invest in the Series 2022A Bonds is contained throughout this Official Statement, which should be read in its entirety. Certain terms used in this Official Statement are defined in “APPENDIX C – Certain Definitions”.

Purpose of the Issue

The Series 2022A Bonds are being issued for the purpose of providing funds that will be used by the University to (i) pay costs of the Project (as described herein) and (ii) pay the Costs of Issuance of the Series 2022A Bonds. See “PART 4 – THE PROJECT” and “PART 5 — ESTIMATED SOURCES AND USES OF FUNDS.”

Authorization of Issuance

The Series 2022A Bonds will be issued pursuant to DASNY’s Rochester Institute of Technology Revenue Bond Resolution, adopted October 12, 2022 (the “Resolution”) and the Series Resolution 2022-1 Authorizing Up to \$120,000,000 Rochester Institute of Technology Revenue Bonds, adopted October 12, 2022 (the “Series 2022 Resolution” and, together with the Resolution, the “Resolutions”) and the Act.

In addition to the Series 2022A Bonds, the Resolution authorizes the issuance of other Series of Bonds (collectively, the “Bonds”) to, among other things, pay other Costs of one or more Projects, to pay Costs of Issuance of such Series of Bonds, to refund all or a portion of Outstanding Bonds or other notes or bonds of DASNY that were issued on behalf of the University, and to refinance other indebtedness of the University. Each Series of Bonds will be separately secured under the Resolution from each other Series of Bonds. There is no limit on the amount of additional Bonds that may be issued under the Resolution, which Bonds may be issued at any time after the scheduled delivery date of the Series 2022A Bonds.

DASNY

DASNY is a public benefit corporation of the State of New York (the “State”), created for the purpose of financing and constructing a variety of public-purpose facilities for certain educational, healthcare, governmental and not-for-profit institutions. See “PART 6 — DASNY.”

The University

The University is an independent, coeducational, nonsectarian, not-for-profit institution of higher education chartered by the Board of Regents of the State. The University is located in Rochester, New York. See “APPENDIX A — THE UNIVERSITY” and “APPENDIX B – Rochester Institute of Technology Consolidated Financial Statements for the Years Ended June 30, 2022 and 2021”.

The Series 2022A Bonds

The Series 2022A Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2023 and each January 1 and July 1 thereafter) at the rates and will mature at the times set forth on the inside cover page of this Official Statement. See “PART 3 - THE SERIES 2022A BONDS - Description of the Series 2022A Bonds”.

Payment of the Series 2022A Bonds

The Series 2022A Bonds are special limited obligations of DASNY payable solely from the Revenues which consist of certain payments to be made by the University under the Loan Agreement, dated as of the date of issuance of the Series 2022A Bonds, between the University and DASNY (the “Loan Agreement”), which payments are pledged and assigned to The Bank of New York Mellon, as trustee (the “Trustee”). See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022A BONDS — Payment of the Series 2022A Bonds”.

The Series 2022A Bonds will not be a debt of the State nor will the State be liable on them. DASNY has no taxing power. Neither the State nor DASNY has any responsibility to make payments with respect to the Series 2022A Bonds except for DASNY’s responsibility to make payments from money received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts established pursuant to the Series 2022 Resolution and pledged therefor.

Security for the Series 2022A Bonds

The Series 2022A Bonds are secured by the pledge and assignment to the Trustee of the payments to be made by the University under the Loan Agreement that constitute the Revenues and, except as otherwise provided in the Resolutions, of all funds and accounts established by the Resolutions in connection with the Series 2022A Bonds (other than the Arbitrage Rebate Fund).

The Loan Agreement is a general obligation of the University. No security interest in any revenues of the University has been granted by the University to DASNY under the Loan Agreement and no mortgage on any assets of the University has been granted by the University to secure the Series 2022A Bonds. In addition, no debt service reserve fund is being established for the Series 2022A Bonds.

Pursuant to an Assignment dated as of the date of issuance of the Series 2022A Bonds (the “Assignment”), DASNY will assign, transfer and set over to the Trustee all of DASNY’s right, title and interest in any and all moneys due to or to become due to DASNY and any and all other rights and remedies of DASNY (except for the Unassigned Rights and moneys payable to DASNY pursuant to the Unassigned Rights) under or arising out of the Loan Agreement.

See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022A BONDS — Security for the Series 2022A Bonds” and “— Issuance of Additional Bonds” and “APPENDIX D — Summary of Certain Provisions of the Loan Agreement”.

PART 2 -SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022A BONDS

Set forth below is a narrative description of certain contractual provisions relating to the source of payment of and security for the Series 2022A Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Act, the Resolutions, the Loan Agreement and the Assignment. Copies of the Resolutions, the Loan Agreement and the Assignment will be on file with the Trustee. See also "APPENDIX D — Summary of Certain Provisions of the Loan Agreement" and "APPENDIX E — Summary of Certain Provisions of the Resolution" for a more complete statement of the rights, duties and obligations of the parties thereto.

Payment of the Series 2022A Bonds

The Series 2022A Bonds will be special limited obligations of DASNY. The principal, Purchase Price and Redemption Price of and interest on the Series 2022A Bonds are payable solely from the Revenues. The Revenues consist of the payments required to be made by the University under the Loan Agreement to satisfy the principal, Purchase Price and Redemption Price of and interest on the Series 2022A Bonds. DASNY has pledged and assigned its rights to and interest in the Loan Agreement, and in all amounts payable by the University to DASNY pursuant to the Loan Agreement (other than Unassigned Rights and except for the moneys and investments from time to time in the Arbitrage Rebate Fund), to the Trustee as security for the payment of the principal, Purchase Price and Redemption Price of and interest on the Series 2022A Bonds.

The Loan Agreement is a general, unsecured obligation of the University and obligates the University to make payments to satisfy the principal, Purchase Price and Redemption Price of and interest on the Series 2022A Bonds. Payments made by the University in respect of interest on the Series 2022A Bonds are to be made on the date occurring five Business Days before such July 1 or January 1 on which interest is payable, in each case in an amount equal to the interest coming due on such July 1 and January 1. Payments by the University in respect of principal of the Series 2022A Bonds are to be made on the date occurring five Business Days before the July 1 on which such principal becomes due. The Loan Agreement also obligates the University to pay, on or prior to a redemption date or purchase date of Series 2022A Bonds called for redemption or contracted to be purchased, the amount, if any, required to pay the Redemption Price or Purchase Price of such Series 2022A Bonds. See "PART 3 - THE SERIES 2022A BONDS - Redemption and Purchase in Lieu of Redemption Provisions."

DASNY has directed the University, and the University has agreed, to make such payments directly to the Trustee. Such payments are to be applied by the Trustee to the payment of the principal and Redemption Price of and interest on the Series 2022A Bonds.

Pursuant to the Assignment, DASNY will assign, transfer and set over to the Trustee all of DASNY's right, title and interest in any and all moneys due to or to become due to DASNY and any and all other rights and remedies of DASNY (except for the Unassigned Rights and moneys payable to DASNY pursuant to the Unassigned Rights) under or arising out of the Loan Agreement.

The Series 2022A Bonds will not be a debt of the State nor will the State be liable on them. DASNY has no taxing power. Neither the State nor DASNY has any responsibility to make payments with respect to the Series 2022A Bonds except for DASNY's responsibility to make payments from money received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts established pursuant to the Series 2022 Resolution and pledged therefor.

Security for the Series 2022A Bonds

The Series 2022A Bonds will be secured by the pledge of the Revenues and, except as otherwise provided in the Resolution, all of the funds and accounts established pursuant to the Resolutions (other than the Arbitrage Rebate Fund) See "APPENDIX E - Summary of Certain Provisions of the Resolution".

The Series 2022A Bonds are payable solely from payments made by the University under the Loan Agreement. The Loan Agreement and the obligation of the University to make payments under the Loan Agreement are general, unsecured obligations of the University. The obligations of the University to make payments or cause the same to be made under the Loan Agreement are absolute and unconditional and the amount, manner and time of making such payments are not to be decreased, abated, postponed or delayed for any cause or by reason of the

happening or non-happening of any event, irrespective of any defense or any right of set-off, recoupment or counterclaim which the University may otherwise have against DASNY, the Trustee or any Bondholder for any cause whatsoever.

No security interest in any revenues of the University has been granted by the University to DASNY under the Loan Agreement and no mortgage on any assets of the University has been granted by the University to secure the Series 2022A Bonds. In addition, no debt service reserve fund is being established for the Series 2022A Bonds.

Events of Default and Acceleration

An event of default under the Resolution with respect to the Series 2022A Bonds will exist if: (i) payment of the principal or Redemption Price of any Series 2022 Bond shall not be made by DASNY when the same shall otherwise become due and payable; (ii) payment of an installment of interest on any Series 2022 Bond shall not be made by DASNY when the same shall become due and payable; (iii) a Determination of Taxability shall have occurred and be continuing; (iv) DASNY shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Resolution, the Series 2022A Bonds, or the Series 2022 Resolution on the part of DASNY to be performed and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to DASNY by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than 25% in principal amount of the Outstanding Series 2022A Bonds, or if such default is not capable of being cured within thirty (30) days, if DASNY fails to commence within said thirty (30) days and diligently prosecute the cure thereof; or (v) an “event of default” under the Loan Agreement shall have occurred and be continuing and all sums payable by the University under the Loan Agreement has been declared immediately due and payable, which declaration shall not have been annulled. Unless otherwise specified above, an event of default under the Loan Agreement is not an event of default under the Resolution.

The Resolution provides that if an event of default (other than as described in clause (iii) of the preceding paragraph) occurs and continues, the Trustee may, and upon the written request of Holders of not less than 25% in principal amount of the Outstanding Series 2022A Bonds will, by notice in writing to DASNY and each Rating Service then rating the Outstanding Series 2022A Bonds, declare the principal of and interest on all of the Outstanding Series 2022A Bonds to be immediately due and payable. At the expiration of thirty (30) days after notice of such declaration has been given, such principal and interest on all of the Outstanding Series 2022A Bonds will become immediately due and payable. At any time after the principal of the Series 2022A Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy hereunder, the Trustee will, with the written consent of the Holders of not less than 25% in principal amount of the Series 2022A Bonds not then due by their terms and then Outstanding, by written notice to DASNY, annul such declaration and its consequences under the terms and conditions specified in the Resolution with respect to such annulment.

The Resolution provides that the Trustee is to give notice in accordance with the Resolution of each event of default known to the Trustee to the University within five (5) days, and to the Holders within thirty (30) days, in each case after obtaining knowledge of the occurrence thereof, unless such event of default has been remedied or cured before the giving of such notice; provided, however, that, except in the case of default in the payment of principal or Redemption Price of or interest on any of the Series 2022A Bonds, the Trustee will be protected in withholding such notice thereof to the Holders if and so long as the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders of the Series 2022A Bonds.

Issuance of Additional Bonds

In addition to the Series 2022A Bonds, the Resolution authorizes the issuance of other Series of Bonds to finance one or more projects and for other specified purposes, including to refund Outstanding Bonds or other notes or bonds of DASNY issued on behalf of the University or other indebtedness of the University. Each Series of Bonds will be separately secured from each other Series of Bonds under the Resolution by the pledge and assignment to the Trustee of the applicable revenues and the funds and accounts established pursuant to the Resolution and a series resolution. There is no limit on the amount of additional Bonds that may be issued under the Resolution, which Bonds may be issued at any time after the scheduled delivery date of the Series 2022A Bonds.

General

The Series 2022A Bonds will not be a debt of the State nor will the State be liable thereon. DASNY has no taxing power. Neither the State nor DASNY has any responsibility to make payments with respect to the Series 2022A Bonds except for DASNY's responsibility to make payments from money received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts established pursuant to the Series 2022 Resolution and pledged therefor.

PART 3 - THE SERIES 2022A BONDS

Set forth below is a narrative description of certain provisions relating to the Series 2022A Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Resolutions, the Loan Agreement and the Assignment, copies of which will be on file with the Trustee. See also "APPENDIX D — Summary of Certain Provisions of the Loan Agreement" and "APPENDIX E — Summary of Certain Provisions of the Resolution" for a more complete description of certain provisions of the Series 2022A Bonds.

General

The Series 2022A Bonds will be issued pursuant to the Resolution and the Series 2022 Resolution. The Series 2022A Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), pursuant to DTC's Book-Entry Only System. Purchases of beneficial interests in the Series 2022A Bonds will be made in book-entry form, without certificates. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2022A Bonds, payments of the principal, Purchase Price and Redemption Price of and interest on the Series 2022A Bonds will be made by the Trustee directly to Cede & Co. Disbursement of such payments to the DTC Participants (as hereinafter defined) is the responsibility of DTC and disbursement of such payments to the Beneficial Owners (as hereinafter defined) of the Series 2022A Bonds is the responsibility of the DTC Participants and the Indirect Participants (as hereinafter defined). If at any time the Book-Entry Only System is discontinued for the Series 2022A Bonds, the Series 2022A Bonds will be exchangeable for fully registered Series 2022 Bonds in any authorized denominations of the same maturity without charge except the payment of any tax, fee or other governmental charge to be paid with respect to such exchange, subject to the conditions and restrictions set forth in the Resolution. See "PART 3 — THE SERIES 2022A BONDS — Book-Entry Only System" and "APPENDIX E — Summary of Certain Provisions of the Resolution."

Description of the Series 2022A Bonds

The Series 2022A Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2023 and on each January 1 and July 1 thereafter) at the rates set forth on the inside cover page of this Official Statement. The Series 2022A Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

Interest on the Series 2022A Bonds will be payable by check mailed to the registered owners or, at the option of the registered owner of at least \$1,000,000 of Series 2022A Bonds, by wire transfer to the wire transfer address within the continental United States to which the registered owner has instructed the Trustee to make such payment at least five days prior to the interest payment date. If the Series 2022A Bonds are not registered in the name of DTC or its nominee, Cede & Co., the principal and Redemption Price of the Series 2022A Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of The Bank of New York Mellon, New York, New York, the Trustee and Paying Agent. For a more complete description of the Series 2022A Bonds, see "APPENDIX E – Summary of Certain Provisions of the Resolution".

Redemption and Purchase in Lieu of Redemption Provisions

The Series 2022A Bonds are subject to optional, mandatory and special redemption and to purchase in lieu of optional redemption, as described below. For a more complete description of the redemption and other provisions relating to the Series 2022A Bonds, see “APPENDIX E—Summary of Certain Provisions of the Resolution.”

Optional Redemption

The Series 2022A Bonds maturing on or before July 1, 2032 are not subject to optional redemption prior to maturity. The Series 2022A Bonds maturing on or after July 1, 2033 are subject to redemption prior to maturity at the option of DASNY, on or after July 1, 2032, in any order, in whole or in part at any time, at a Redemption Price equal to 100% of the principal amount of the Series 2022A Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Purchase in Lieu of Optional Redemption

The Series 2022A Bonds are also subject to purchase in lieu of optional redemption prior to maturity at the election of the University, with the prior written consent of DASNY, on the same terms that apply to the Series 2022A Bonds subject to optional redemption, as set forth in the Resolution.

Special Redemption

The Series 2022A Bonds are subject to redemption prior to maturity at the option of DASNY in any order, in whole or in part on any interest payment date, at a Redemption Price equal to 100% of the principal amount of Series 2022A Bonds to be redeemed, plus accrued interest to the redemption date (i) from proceeds of a condemnation or insurance award, which proceeds are not used to repair, restore or replace the Project to which such proceeds relate, and (ii) from unexpended proceeds of the Series 2022A Bonds upon the abandonment of all or a portion of the Project due to a legal or regulatory impediment.

Selection of Bonds to be Redeemed

In the case of redemption, DASNY, at the direction of the University, will select the maturities of such Series 2022A Bonds to be redeemed. If less than all Series 2022A Bonds within a maturity are to be redeemed, as long as the Series 2022A Bonds are in book-entry form registered in the name of Cede & Co., as nominee of DTC, DTC will determine by lot the amount of the interest of each DTC Direct Participant in such maturity to be redeemed. If the Series 2022A Bonds are no longer in book-entry form registered in the name of Cede & Co., as nominee of DTC, the Series 2022A Bonds or portions thereof to be redeemed shall be selected for redemption by the Trustee, by lot, using such method of selection as the Trustee shall consider proper in its discretion.

Notice of Redemption

The Trustee is to give notice of the redemption of the Series 2022A Bonds in the name of DASNY, by mail, postage prepaid, not less than 20 days nor more than 45 days prior to the redemption date to each registered owner of any Series 2022A Bonds that are to be redeemed, at such person’s address, if any, appearing upon the registry books of DASNY or if the Bonds are book-entry, by giving notice in accordance with the operational procedures of DTC and to EMMA. Any notice of redemption given which states that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price of such Series 2022A Bonds or upon the satisfaction of any other condition, may be rescinded at any time before payment of such Redemption Price if any such condition so specified is not satisfied. Upon giving such notice, the Trustee shall promptly certify to DASNY that it has mailed or caused to be mailed such notice to the owners of the Series 2022A Bonds to be redeemed in the manner provided in the Resolution. Such certificate shall be conclusive evidence that such notice was given in the manner required in the Resolution. The failure of any owner of a Series 2022A Bond to be redeemed to receive notice of redemption will not affect the validity of the proceedings for the redemption of such Series 2022A Bond.

If on the redemption date moneys for the redemption of the Series 2022A Bonds to be redeemed, together with interest thereon to the redemption date, are held by the Trustee so as to be available for payment of the redemption price, and if notice of redemption has been mailed, then interest on the Series 2022A Bonds of such maturity will

cease to accrue from and after the redemption date and such Series 2022A Bonds will no longer be considered to be Outstanding.

Notice of Purchase in Lieu of Redemption and its Effect

Notice of purchase of the Series 2022A Bonds will be given in the name of the University to the registered owners of the Series 2022A Bonds to be purchased by first-class mail, postage prepaid, not less than 20 days nor more than 45 days prior to the Purchase Date specified in such notice. The Series 2022A Bonds to be purchased are required to be tendered on the Purchase Date to the Trustee. Series 2022A Bonds to be purchased that are not so tendered will be deemed to have been properly tendered for purchase. If the Series 2022A Bonds are called for purchase in lieu of an optional redemption, such purchase will not extinguish the indebtedness of DASNY evidenced thereby or modify the terms of the Series 2022A Bonds. Such Series 2022A Bonds need not be cancelled, and will remain Outstanding under the Resolution and continue to bear interest.

The University's obligation to purchase a Series 2022A Bond to be purchased or cause it to be purchased is conditioned upon the availability of sufficient money to pay the Purchase Price for all of the Series 2022A Bonds to be purchased on the Purchase Date. If sufficient money is available on the Purchase Date to pay the Purchase Price of the Series 2022A Bonds to be purchased, the former registered owners of such Series 2022A Bonds will have no claim thereunder or under the Resolution or otherwise for payment of any amount other than the Purchase Price. If sufficient money is not available on the Purchase Date for payment of the Purchase Price, the Series 2022A Bonds tendered or deemed tendered for purchase will continue to be registered in the name of the registered owners on the Purchase Date, who will be entitled to the payment of the principal of and interest on such Series 2022A Bonds in accordance with their respective terms.

If not all of the Outstanding Series 2022A Bonds of a maturity are to be purchased, the Series 2022A Bonds of such maturity to be purchased will be selected in the same manner as Series 2022A Bonds of a maturity to be optionally redeemed in part are to be selected.

For a more complete description of the redemption and other provisions relating to the Series 2022A Bonds, see "APPENDIX E - Summary of Certain Provisions of the Resolution." Also see "- Book-Entry Only System" below for a description of the notices of redemption to be given to Beneficial Owners of the Series 2022A Bonds when the Book-Entry Only System is in effect.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2022A Bonds. The Series 2022A Bonds will be issued as fully-registered securities 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 Series 2022A Bond certificate will be issued for each maturity of the Series 2022A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC 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"). The DTC Rules applicable to its

Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2022A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022A 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 Series 2022A 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 the Series 2022A Bonds, except in the event that use of the book-entry system for the Series 2022A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022A 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 Series 2022A 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 Series 2022A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022A 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.

Redemption notices shall be sent to DTC. If less than all of the Series 2022A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to DASNY 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 the Series 2022A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments on the Series 2022A 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 DASNY or the Trustee on the 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 Trustee or DASNY, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of DASNY or the Trustee, 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.

DASNY and the Trustee may treat DTC (or its nominee) as the sole and exclusive registered owner of the Series 2022A Bonds registered in its name for the purposes of payment of the principal and redemption premium, if any, of, or interest on, the Series 2022A Bonds, giving any notice permitted or required to be given to registered owners under the Resolution, registering the transfer of the Series 2022A Bonds, or other action to be taken by registered owners and for all other purposes whatsoever. DASNY and the Trustee shall not have any responsibility or obligation to any Direct or Indirect Participant, any person claiming a beneficial ownership interest in the Series 2022A Bonds under or through DTC or any Direct or Indirect Participant, or any other person which is not shown on the registration books of DASNY (kept by the Trustee) as being a registered owner, with respect to the accuracy of

any records maintained by DTC or any Direct or Indirect Participant; the payment by DTC or any Direct or Indirect Participant of any amount in respect of the principal, redemption premium, if any, or interest on the Series 2022A Bonds; any notice which is permitted or required to be given to registered owners thereunder or under the conditions to transfers or exchanges adopted by DASNY; or other action taken by DTC as registered owner. Interest, redemption premium, if any, and principal will be paid by the Trustee to DTC, or its nominee. Disbursement of such payments to the Direct or Indirect Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the Direct or Indirect Participants.

DTC may discontinue providing its service as depository with respect to the Series 2022A Bonds at any time by giving reasonable notice to DASNY and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2022A Bond certificates are required to be printed and delivered.

DASNY may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Series 2022A Bond certificates 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 DASNY believes to be reliable, but DASNY takes no responsibility for the accuracy thereof.

Each person for whom a Participant acquires an interest in the Series 2022A Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications of DTC, which may affect such persons, to be forwarded in writing by such Participant and to have notification made of all interest payments. NEITHER DASNY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2022A BONDS.

So long as Cede & Co. is the registered owner of the Series 2022A Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2022A Bonds (other than under the caption "PART 9 — TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2022A Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference only relates to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they will be sent by the Trustee to DTC only.

For every transfer and exchange of Series 2022A Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

DASNY, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2022A Bonds if DASNY determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2022A Bonds or (ii) a continuation of the requirement that all of the Outstanding Series 2022A Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by DASNY or restricted registration is no longer in effect, Series 2022A Bond certificates will be delivered as described in the Resolution.

NONE OF DASNY, THE UNIVERSITY OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2022A BONDS UNDER THE RESOLUTIONS; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2022A BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES 2022A BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2022A BONDS; OR (VI) ANY OTHER MATTER.

Principal and Interest Requirements

The following table sets forth the amounts required to be paid by the University during each twelve-month period ending June 30 of the years shown for the payment of the principal of and interest on the Series 2022A Bonds, other indebtedness of the University, and the total thereof.

12-Month Period Ending June 30	Principal Payments on the Series 2022A Bonds	Interest Payments on the Series 2022A Bonds	Total Debt Service on the Series 2022A Bonds	Debt Service on Other Outstanding Indebtedness	Total Debt Service
2023	--	\$3,001,763	\$ 3,001,763	\$23,010,089	\$26,011,852
2024	--	5,457,750	5,457,750	23,339,508	28,797,258
2025	--	5,457,750	5,457,750	23,331,708	28,789,458
2026	--	5,457,750	5,457,750	23,484,133	28,941,883
2027	--	5,457,750	5,457,750	23,485,306	28,943,056
2028	\$ 2,795,000	5,457,750	8,252,750	23,482,651	31,735,401
2029	3,965,000	5,318,000	9,283,000	23,472,342	32,755,342
2030	5,195,000	5,119,750	10,314,750	23,441,926	33,756,676
2031	5,595,000	4,860,000	10,455,000	23,430,675	33,885,675
2032	5,905,000	4,580,250	10,485,250	23,416,973	33,902,223
2033	6,770,000	4,285,000	11,055,000	22,464,950	33,519,950
2034	7,120,000	3,946,500	11,066,500	15,876,266	26,942,766
2035	7,485,000	3,590,500	11,075,500	15,889,503	26,965,003
2036	7,870,000	3,216,250	11,086,250	15,889,290	26,975,540
2037	8,275,000	2,822,750	11,097,750	15,899,154	26,996,904
2038	8,695,000	2,409,000	11,104,000	15,897,829	27,001,829
2039	9,145,000	1,974,250	11,119,250	15,904,737	27,023,987
2040	9,615,000	1,517,000	11,132,000	15,878,534	27,010,534
2041	10,105,000	1,036,250	11,141,250	14,107,370	25,248,620
2042	10,620,000	531,000	11,151,000	14,111,052	25,262,052
2043	--	--	--	10,554,350	10,554,350
2044	--	--	--	10,554,150	10,554,150
2045	--	--	--	10,611,750	10,611,750
2046	--	--	--	10,621,250	10,621,250
2047	--	--	--	10,634,500	10,634,500
2048	--	--	--	10,645,250	10,645,250
2049	--	--	--	10,657,500	10,657,500

PART 4 - THE PROJECT

Substantially all of the proceeds of the Series 2022A Bonds will be used to (i) construct and equip a new two-story, academic research building including approximately 20 dry, wet and teaching laboratories; (ii) construct and equip a new Tiger athletic stadium with approximately 1,500 seats, including but not limited to, locker and training rooms, press box, restrooms and concession areas; (iii) undertake roof replacements and energy saving improvements on approximately 11 residence halls; (iv) effectuate residence hall renovations, including but not limited to, a refurbishment of dormitory rooms, common areas and restrooms in addition to expansion of the heating and cooling infrastructure; (v) renovate academic buildings, including but not limited to, the expansion of heating and cooling infrastructure in approximately three academic buildings; (vi) renovate the Student Alumni Union, including but not limited to, skylight and roof replacement; and (vii) pay the Costs of Issuance of the Series 2022A Bonds (the "Project").

PART 5 -ESTIMATED SOURCES AND USES OF FUNDS

The proceeds from the sale of the Series 2022A Bonds are expected to be applied as follows:

SOURCES OF FUNDS:	
Principal Amount	\$109,155,000
Original Issue Premium	<u>11,830,145</u>
TOTAL SOURCES	<u>\$120,985,145</u>
USES OF FUNDS:	
Deposit to Construction Fund	\$120,000,000
Costs of Issuance ⁽¹⁾	<u>985,145</u>
TOTAL USES	<u>\$120,985,145</u>

(1) Includes underwriter's discount, legal fees, accounting fees, printing costs and other fees and expenses of the Series 2022A Bonds.

PART 6 — DASNY

Background, Purposes and Powers

DASNY is a body corporate and politic constituting a public benefit corporation. DASNY was created in 1944 to finance and build dormitories at State teachers' colleges to provide housing for the large influx of students returning to college on the G.I. Bill following World War II. Over the years, the State Legislature has expanded DASNY's scope of responsibilities. Today, pursuant to the Dormitory Authority Act, DASNY is authorized to finance, design, construct or rehabilitate facilities for use by a variety of public and private not-for-profit entities.

DASNY provides financing services to its clients in three major areas: public facilities; not-for-profit healthcare; and independent higher education and other not-for-profit institutions. DASNY issues State-supported debt, including State Personal Income Tax Revenue Bonds and State Sales Tax Revenue Bonds, on behalf of public clients such as the State University of New York, the City University of New York, the Department of Health, the New York State Education Department, the Office of Mental Health, the Office of People with Developmental Disabilities, the Office of Addiction Services and Supports, the Office of General Services, and the Office of General Services of the State on behalf of the Department of Audit and Control. Other public clients for whom DASNY issues debt include Boards of Cooperative Educational Services ("BOCES"), State University of New York, the Workers' Compensation Board, school districts across the State and certain cities and counties that have accessed DASNY for the purpose of providing court facilities. DASNY's private clients include independent colleges and universities, private hospitals, certain private secondary schools, special education schools, facilities for the aged, primary care facilities, libraries, museums, research centers and government-supported voluntary agencies, among others.

To carry out its programs, DASNY is authorized to issue and sell negotiable bonds and notes to finance the construction of facilities for such institutions, to issue bonds or notes to refund outstanding bonds or notes, and to lend funds to such institutions. As of September 30, 2022, DASNY had approximately \$56.5 billion aggregate principal amount of bonds and notes outstanding.

DASNY also is authorized to make tax-exempt leases, with its Tax-Exempt Leasing Program (TELP). As part of its operating activities, DASNY also administers a wide variety of grants authorized by the State for economic development, education, and community improvement, which are payable to both public and private grantees from proceeds of State Personal Income Tax Revenue Bonds issued by DASNY.

DASNY is a conduit debt issuer. Under existing law, and assuming continuing compliance with tax law, interest on most bonds and notes issued by DASNY has been determined to be excludable from gross income for federal tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended. All DASNY's outstanding bonds and notes, both fixed and variable rate, are special limited obligations of DASNY payable solely

from payments required to be made by or for the account of the client institution for which the particular special limited obligations were issued. DASNY has no obligation to pay its special limited obligations other than from such payments. DASNY has always paid the principal of and interest on all of its obligations on time and in full; however, as a conduit debt issuer, payments on DASNY's special limited obligations are solely dependent upon payments made by the DASNY client for which the particular special limited obligations were issued and the security provisions relating thereto.

DASNY also offers a variety of construction services to certain educational, governmental, and not-for-profit institutions in the areas of project planning, design, and construction, monitoring project construction, purchasing of furnishings and equipment for projects, interior design of projects, and designing and managing projects to rehabilitate older facilities.

In connection with the powers described above, DASNY has the general power to acquire real and personal property, give mortgages, make contracts, operate certain facilities and fix and collect rentals or other charges for their use, contract with the holders of its bonds and notes as to such rentals and charges, borrow money, and adopt a program of self-insurance.

DASNY has a staff of approximately 475 employees located in four main offices (Albany, New York City, Buffalo and Rochester) and at approximately 39 field sites across the State.

Governance

DASNY is governed by an eleven-member board. Board members include the Commissioner of Education of the State, the Commissioner of Health of the State, the State Comptroller or one member appointed by him or her who serves until his or her successor is appointed, the Director of the Budget of the State, one member appointed by the Temporary President of the State Senate, one member appointed by the Speaker of the State Assembly, and five members appointed by the Governor, with the advice and consent of the Senate, for terms of three years. The Commissioner of Education of the State, the Commissioner of Health of the State, and the Director of the Budget of the State each may appoint a representative to attend and vote at DASNY meetings. The members of DASNY serve without compensation but are entitled to reimbursement of expenses incurred in the performance of their duties.

The Governor appoints a Chair from the members appointed by him or her and the members of DASNY annually choose the following officers, of which the first two must be members of DASNY: Vice-Chair, Secretary, Treasurer, Assistant Secretaries, and Assistant Treasurers.

The current members of DASNY are as follows:

ALFONSO L. CARNEY, JR., *Chair*, New York.

Alfonso L. Carney, Jr. was reappointed as a Member of DASNY by the Governor on June 19, 2013. Mr. Carney is a principal of Rockwood Partners, LLC, which provides medical consulting services in New York City. He has served as Acting Chief Operating Officer and Corporate Secretary for the Goldman Sachs Foundation in New York where, working with the President of the Foundation, he managed the staff of the Foundation, provided strategic oversight of the administration, communications, and legal affairs teams, and developed select Foundation program initiatives. Mr. Carney has held senior level legal positions with Altria Group Inc., Philip Morris Companies Inc., Philip Morris Management Corporation, Kraft Foods, Inc., and General Foods Corporation. Mr. Carney holds a Bachelor's degree in philosophy from Trinity College and a Juris Doctor degree from the University of Virginia School of Law. His term expired on March 31, 2016 and by law he continues to serve until a successor shall be chosen and qualified.

GERARD ROMSKI, ESQ., *Vice-Chair*, Mount Kisco.

Gerard Ronski was reappointed as a Member of DASNY by the Temporary President of the State Senate on May 9, 2016. He is Counsel and Project Executive for "Arverne by the Sea," where he is responsible for advancing and overseeing all facets of "Arverne by the Sea," one of New York City's largest mixed-use developments located in Queens, New York. Mr. Ronski is also of counsel to the New York City law firm of Rich, Intelisano & Katz, LLP.

Mr. Romski holds a Bachelor of Arts degree from the New York Institute of Technology and a Juris Doctor degree from Brooklyn Law School.

BERYL L. SNYDER, J.D., *Secretary*, New York.

Beryl L. Snyder was reappointed as a member of DASNY by the Governor on June 19, 2013. Ms. Snyder is a principal in HBJ Investments, LLC, an investment company where her duties include evaluation and analysis of a wide variety of investments in, among other areas: fixed income, equities, alternative investments and early stage companies. She holds a Bachelor of Arts degree in History from Vassar College and a Juris Doctor degree from Rutgers University. Her current term expired on August 31, 2016 and by law she continues to serve until a successor shall be chosen and qualified.

JONATHAN H. GARDNER, ESQ., Buffalo.

Jonathan H. Gardner was appointed as a Member of DASNY by the Governor on June 17, 2014. Mr. Gardner is a partner of the law firm Kavinoky Cook, LLP in Buffalo, New York. His practice areas include corporate and securities law, commercial transactions, private placements, venture capital financing and business combinations representing private and public companies. Mr. Gardner is also an adjunct professor at the University of Buffalo Law School. He holds a Bachelor of Arts degree from Brown University and a Juris Doctor degree from the University of Chicago Law School. Mr. Gardner's term expired on March 31, 2015 and by law he continues to serve until a successor shall be chosen and qualified.

WELLINGTON Z. CHEN, Queens.

Wellington Z. Chen was appointed as a Member of DASNY by the Governor on June 20, 2018. Mr. Chen is the Executive Director of the Chinatown Partnership Development Corporation. In this capacity, he leads the Chinatown Partnership in implementing initiatives in infrastructure, post 9/11 rebuilding and public space improvements in a comprehensive effort to improve the environmental and the business conditions. He is a graduate of the School of Architecture and Environmental Studies at The City College of New York. Mr. Chen's term expired on March 31, 2020 and by law he continues to serve until a successor shall be chosen and qualified.

LISA A. GOMEZ, Pelham.

Lisa A. Gomez was appointed as a Member of DASNY by the Governor on June 2, 2022. Ms. Gomez is CEO of L+M Development Partners, LLC (L+M). She previously served as Chief Operating Officer. L+M develops, builds and manages affordable housing with local agencies such as the New York City Department of Housing Preservation and Development and the New York City Housing Authority. Prior to joining L+M, Ms. Gomez held positions in the Bloomberg and Dinkins Administrations as well as with JP Morgan Chase & Co. and Silverstein Properties. Ms. Gomez has a B.A. from Louisiana State University.

JOAN M. SULLIVAN, Slingerlands.

Joan M. Sullivan was appointed as a Member of DASNY by the New York State Comptroller on March 26, 2019. Ms. Sullivan is President of On Wavelength Consulting LLC, a firm that assists governmental entities with development of public procurements and private companies with the preparation of effective responses to government solicitations. She possesses over 40 years of experience working in and for the government of New York State, including an expansive career at the NYS Office of State Comptroller where she last served as Executive Deputy Comptroller before accepting an appointment as Executive Director of The NYS Forum, Inc. Ms. Sullivan holds a Bachelor of Arts degree in Business Administration (Accounting) from Siena College.

JANICE McKINNIE, Buffalo.

Janice McKinnie was appointed as a Member of DASNY by the Speaker of the Assembly on June 12, 2020. Ms. McKinnie is the Executive Director of True Community Development Corporation where she has led various housing rehabilitation and development projects and has formed strategic alliances with local and regional community groups to promote affordable housing and economic growth within the area of Buffalo. She is also the owner of Developments By JEM, LLC, a construction and project development consulting firm and a NYS certified M/WBE

business. Ms. McKinnie is a graduate of the State University College of Buffalo and holds a Master's degree in organizational leadership from Medaille College.

BETTY A. ROSA, *Commissioner of Education of the State of New York, Bronx; ex-officio.*

Dr. Betty A. Rosa was appointed by the Board of Regents to serve as Commissioner of Education and President of the University of the State of New York effective February 8, 2021. Previously, Dr. Rosa assumed the role of Interim Commissioner of Education and President of the University of the State of New York from August 14, 2020 through February 7, 2021. Dr. Rosa had served as a member of the Board of Regents and as Chancellor thereof from March 2016 through August 2020. She started her career with the NYC Department of Education as a paraprofessional and later served as a teacher, assistant principal, principal in the Bronx and, upon appointment, assumed the responsibilities of Superintendent of Community School District 8 then Senior Superintendent of the Bronx. Dr. Rosa is a nationally recognized education leader who has over 30 years of instructional and administrative experience with an expertise in inclusive education, cooperative teaching models, student achievement and policy implementation. She received a B.A. in psychology from the City College of New York and an Ed. M. and Ed. D. in Administration, Planning and Social Policy from Harvard University as well as two other Master of Science in Education degrees, one in Administration and Supervision and the other in Bilingual Education from the City College of New York and Lehman College respectively.

ROBERT F. MUJICA, JR., *Budget Director of the State of New York, Albany; ex-officio.*

Robert F. Mujica Jr. was appointed Director of the Budget by the Governor and began serving on January 14, 2016. He is responsible for the overall development and management of the State's fiscal policy, including overseeing the preparation of budget recommendations for all State agencies and programs, economic and revenue forecasting, tax policy, fiscal planning, capital financing and management of the State's debt portfolio. Prior to his appointment, Mr. Mujica was Chief of Staff to the Temporary President and Majority Leader of the Senate and concurrently served as the Secretary to the Senate Finance Committee. For two decades, he advised various elected and other government officials in New York on State budget, fiscal and policy issues. Mr. Mujica received his Bachelor of Arts degree in Sociology from Brooklyn College at the City University of New York. He received his Master's degree in Government Administration from the University of Pennsylvania and holds a Juris Doctor degree from Albany Law School.

MARY T. BASSETT, MD, MPH., *Commissioner of Health of the State of New York, Albany; ex-officio.*

Mary T. Bassett, MD, MPH., was appointed Commissioner of Health on December 1, 2021. She previously served as Director of the François-Xavier Bagnoud (FXB) Center for Health and Human Rights at Harvard University and FXB Professor of the Practice of Health and Human Rights in the department of Social and Behavioral Sciences at the Harvard T.H. Chan School of Public Health. Prior to that, she served as Commissioner of the New York City Department of Health and Mental Hygiene, Director for the Doris Duke Charitable Foundation's African Health Initiative and Child Well-Being Prevention Program; and as Deputy Commissioner of Health Promotion and Disease Prevention at the New York City Department of Health and Mental Hygiene. Early in her career, Dr. Bassett served on the medical faculty at the University of Zimbabwe and went on to serve as Associate Director of Health Equity at the Rockefeller Foundation's Southern Africa Office. After returning to the United States, she served on the faculty of Columbia University, including as Associate Professor of Clinical Epidemiology in the Mailman School of Public Health. Dr. Bassett received a B.A. in History and Science from Harvard University, an M.D. from Columbia University's College of Physicians and Surgeons, and an M.P.H. from the University of Washington.

The principal staff of DASNY are as follows:

REUBEN R. McDANIEL, III is the President and chief executive officer of DASNY, responsible for the overall management of DASNY's administration and operations. Mr. McDaniel possesses more than 30 years of experience in financial services, including public finance, personal wealth management, corporate finance and private equity. During his career in public finance, he participated in more than \$75 billion in tax-exempt bond issuances throughout the country. He has also managed investment portfolios and business assets for a variety of professionals. He previously served as Chair of the Atlanta Board of Education for Public Schools. Mr. McDaniel holds an undergraduate degree in Economics and Mathematics from the University of North Carolina at Charlotte and a Master of Business Administration from the University of Texas at Austin.

PAUL G. KOOPMAN is the Vice President of DASNY and assists the President in the administration and operation of DASNY. Mr. Koopman joined DASNY in 1995 managing the Accounts Payable and Banking and Investment Units followed by management positions in the Construction Division including Managing Senior Director of Construction where he was the primary relationship manager for some of DASNY's largest clients and provided oversight of DASNY's construction administration functions. Most recently, Mr. Koopman served as Managing Director of Executive Initiatives of DASNY where he worked closely with executive staff on policy development, enterprise risk management, and strategic planning. His career in public service began in 1985 with the NYS Division of the Budget, and then continued as Chief Budget Analyst for the New York State Facilities Development Corporation. A graduate of the Rockefeller College of Public Affairs, he holds a Master of Arts degree in Public Administration with a Public Finance concentration, and a Bachelor of Arts degree in Political Science from the State University of New York, University at Albany.

KIMBERLY A. ELLIS is the Chief Financial Officer and Treasurer of DASNY. As Chief Financial Officer and Treasurer, Ms. Ellis is responsible for supervising DASNY's investment program, general accounting, accounts payable, accounts receivable, financial reporting functions, payroll and information services, as well as the development and implementation of financial policies, financial management systems and internal controls for financial reporting. Prior to her appointment to Chief Financial Officer and Treasurer, Ms. Ellis served in numerous senior positions within the Finance Division of DASNY, including as Deputy Financial Officer and Assistant Director of Investments, where she had direct involvement with the management of DASNY's financial operations, including DASNY's overall investment portfolio and the coordination and development of DASNY's annual operating budget and capital plans. Ms. Ellis holds a Bachelor of Science degree in Accounting from the State University of New York at Buffalo.

R. NADINE FONTAINE is General Counsel to DASNY. Ms. Fontaine is responsible for all legal services including legislation, litigation, contract matters, and the legal aspects of all DASNY financings. Ms. Fontaine is licensed to practice law in the States of New York and Connecticut, as well as the United States District Courts for the Southern District of New York, the Eastern District of New York, and the District of Connecticut. She has over twenty-seven years of combined legal experience in the private and public sector. Ms. Fontaine most recently served as First Assistant Counsel to the Governor and, prior thereto, served as Assistant Counsel to the Governor for Economic Development, Public Finance & Procurement and Assistant Counsel for Human Services. She holds a Bachelor of Arts degree from the State University of New York at Stony Brook University and a Juris Doctor degree from Pace University School of Law.

PORTIA LEE is the Managing Director of Public Finance and Portfolio Monitoring. She is responsible for supervising and directing DASNY bond issuance in the capital markets, implementing and overseeing financing programs, overseeing DASNY's compliance with continuing disclosure requirements and monitoring the financial condition of existing DASNY clients. Ms. Lee previously served as Senior Investment Officer at the New York State Comptroller's Office where she was responsible for assisting in the administration of the long-term fixed income portfolio of the New York State Common Retirement Fund, as well as the short-term portfolio, and the Securities Lending Program. From 1995 to 2005, Ms. Lee worked at Moody's Investors Service where she most recently served as Vice President and Senior Credit Officer in the Public Finance Housing Group. She holds a Bachelor of Arts degree from the State University of New York at Albany.

STEPHEN D. CURRO is the Managing Director of Construction. Mr. Curro is responsible for DASNY's construction groups, including design, project management, resource acquisition, contract administration, interior design, real property, sustainability and engineering, as well as other technical services. Mr. Curro joined DASNY in 2001 as Director of Technical Services, and most recently served as Director of Construction Support Services. He is a registered Professional Engineer in New York and has worked in the construction industry for more than 30 years. He holds a Bachelor of Science in Civil Engineering from the University of Rhode Island, a Master of Engineering in Structural Engineering from Rensselaer Polytechnic Institute and a Master of Business Administration from Rensselaer Polytechnic Institute's Lally School of Management.

CAROLINE V. GRIFFIN is the Chief of Staff of DASNY. She coordinates policy and operations across all of DASNY's business lines and serves as chief advisor on all DASNY operations. In addition, Ms. Griffin directly manages DASNY's work in communications, marketing, and intergovernmental affairs. She previously served in leadership roles for three New York State governors, managing and overseeing government operations and

intergovernmental affairs, as well as serving as chief liaison for the governor's office with federal, state and local elected officials. Ms. Griffin holds a Bachelor of Arts degree in Communications from Boston College.

Claims and Litigation

Although certain claims and litigation have been asserted or commenced against DASNY, DASNY believes that such claims and litigation either are covered by insurance or by bonds filed with DASNY, or that DASNY has sufficient funds available or the legal power and ability to seek sufficient funds to meet any such claims or judgments resulting from such matters.

There is not now pending any litigation against DASNY (i) restraining or enjoining the issuance or delivery of the Series 2022A Bonds nor (ii) challenging the validity of the Series 2022A Bonds or the proceedings and authority under which DASNY will issue the Series 2022A Bonds.

Other Matters

New York State Public Authorities Control Board

The New York State Public Authorities Control Board (the "PACB") has authority to approve the financing and construction of any new or reactivated projects proposed by DASNY and certain other public authorities of the State. The PACB approves the proposed new projects only upon its determination that there are commitments of funds sufficient to finance the acquisition and construction of the projects. DASNY obtains the approval of the PACB for the issuance of all its bonds and notes.

Legislation

From time to time, bills are introduced into the State Legislature which, if enacted into law, would affect DASNY and its operations. DASNY is not able to represent whether such bills will be introduced or become law in the future. In addition, the State undertakes periodic studies of public authorities in the State (including DASNY) and their financing programs. Any of such periodic studies could result in proposed legislation which, if adopted, would affect DASNY and its operations.

Environmental Quality Review

DASNY complies with the New York State Environmental Quality Review Act and with the New York State Historic Preservation Act of 1980, and the respective regulations promulgated thereunder to the extent such acts and regulations are applicable.

Independent Auditors

The accounting firm of KPMG LLP audited the financial statements of DASNY for the fiscal year ended March 31, 2022. Copies of the most recent audited financial statements are available upon request at the offices of DASNY.

PART 7 - LEGALITY OF THE SERIES 2022A BONDS FOR INVESTMENT AND DEPOSIT

Under New York State law, the Series 2022A Bonds are securities in which all public officers and bodies of the State and all municipalities and municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees, committees, conservators and other fiduciaries in the State may properly and legally invest funds in their control.

The Series 2022A Bonds may be deposited with the State Comptroller to secure deposits of State moneys in banks, trust companies and industrial banks.

PART 8 - NEGOTIABLE INSTRUMENTS

The Series 2022A Bonds are negotiable instruments as provided in the Act, subject to the provisions for registration and transfer contained in the Resolution and in the Series 2022A Bonds.

PART 9 - TAX MATTERS

Opinion of Co-Bond Counsel

In the opinion of Barclay Damon LLP, Co-Bond Counsel to DASNY, under existing law, and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by DASNY, the University, and others, interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Barclay Damon LLP is further of the opinion that interest on the Series 2022A Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code; however, for tax years beginning after December 31, 2022, interest on the Series 2022A Bonds that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. Barclay Damon LLP is also of the opinion that, under existing law, interest on the Series 2022A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

Barclay Damon LLP expresses no opinion regarding any other federal, state or local tax consequences with respect to the Series 2022A Bonds. The opinion of Barclay Damon LLP speaks as of its issue date and does not contain or provide any opinion or assurance regarding the future activities of DASNY or the University or about the effect of future changes in the Code, the applicable regulations, rulings, judicial decisions, the interpretation thereof or the enforcement thereof by the Internal Revenue Service (the “IRS”). In addition, Barclay Damon LLP expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, the exclusion of interest on the Series 2022A Bonds from gross income for federal income tax purposes. See “APPENDIX F – Proposed Forms of Approving Opinions of Co-Bond Counsel”.

General

The Code imposes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2022A Bonds in order that interest on the Series 2022A Bonds be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the use of proceeds of the Series 2022A Bonds and the facilities financed by such proceeds, restrictions on the investment of such proceeds and other amounts, and the rebate of certain earnings in respect of such investments to the United States. DASNY, the University, and others have made certain representations, certifications of fact, and statements of reasonable expectations and DASNY and the University have given certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2022A Bonds from gross income under Section 103 of the Code. The opinion of Barclay Damon LLP assumes continuing compliance with such covenants as well as the accuracy and completeness of such representations, certifications of fact, and statements of reasonable expectations. In addition, Barclay Damon LLP has relied on the opinion of Nixon Peabody LLP, counsel to the University, regarding, among other things, all matters concerning the current status of the University as an organization described in Section 501(c)(3) of the Code, and the operation of the facilities financed by the Series 2022A Bonds as being in furtherance of the University’s exempt purposes. The opinion is subject to a number of qualifications and limitations. Furthermore, counsel to the University has not given any opinion or assurance about the future activities of the University.

In the event of the inaccuracy or incompleteness of any such representations, certifications of fact or statements of reasonable expectation, or of the failure by DASNY or the University to comply with any such covenants, including failure of the University to maintain its status as an organization described in Section 501(c)(3) of the Code or to operate the facilities financed with the Series 2022A Bonds in a manner that is in furtherance of the University’s exempt purposes, the interest on the Series 2022A Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance and delivery of the Series 2022A Bonds, regardless of the date on which the event causing such inclusion occurs. Further, although the interest on the Series 2022A Bonds is excludable from gross income for federal income tax purposes, receipt or accrual of the interest may otherwise affect the tax liability of a Beneficial Owner of a Series 2022A Bond. The tax effect of receipt or accrual of the interest will depend upon the tax status of a Beneficial Owner of a Series 2022A Bond and such Beneficial Owner's other items of income, deduction or credit. Barclay Damon LLP expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2022A Bonds.

Certain Collateral Federal Income Tax Consequences

Prospective purchasers of the Series 2022A Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of the Series 2022A Bonds may have collateral federal income tax consequences for certain taxpayers, including financial corporations, insurance companies, Subchapter S corporations, certain foreign corporations, individual recipients of social security or railroad retirement benefits, individuals benefiting from the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their own tax advisors as to any possible collateral consequences of their ownership of, accrual or receipt of interest on, or disposition of the Series 2022A Bonds. Barclay Damon LLP expresses no opinion regarding any such collateral federal income tax consequences.

Original Issue Discount

The excess of the principal amount of a maturity of a Series 2022A Bond over the issue price of such maturity of a Series 2022A Bond (a “Discount Bond”) constitutes “original issue discount,” the accrual of which, to the extent properly allocable to the Beneficial Owner thereof, constitutes “original issue discount” which is excluded from gross income for federal income tax purposes to the same extent as interest on such Discount Bond. For this purpose, the issue price of a maturity of Series 2022A Bonds is the first price at which a substantial amount of each such maturity of Series 2022A Bonds is sold to the public. Further, such original issue discount accrues actuarially on a constant yield basis over the term of each Discount Bond and the basis of such Discount Bond acquired at such initial offering price by an initial purchaser of each Discount Bond will be increased by the amount of such accrued discount. Beneficial Owners of Discount Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Discount Bonds.

Bond Premium

The Series 2022A Bonds purchased, whether at original issuance or otherwise, at prices greater than the respective stated principal amount thereof are “Premium Bonds.” Premium Bonds will be subject to requirements under the Code relating to tax cost reduction associated with the amortization of bond premium and, under certain circumstances, the Beneficial Owner of Premium Bonds may realize taxable gain upon disposition of such Premium Bonds even though sold or redeemed for an amount less than or equal to such owner’s original cost of acquiring Premium Bonds. The amortization requirements may also result in the reduction of the amount of stated interest that a Beneficial Owner of Premium Bonds is treated as having received for federal tax purposes (and an adjustment to basis). Beneficial Owners of Premium Bonds are advised to consult with their own tax advisors with respect to the tax consequences of ownership of Premium Bonds.

Backup Withholding and Information Reporting

Interest paid on tax-exempt obligations is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. Interest on the Series 2022A Bonds may be subject to backup withholding if such interest is paid to a registered owner who or which (i) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (ii) has been identified by the IRS as being subject to backup withholding. Amounts withheld under the backup withholding rules will be paid to the IRS as federal income tax withheld on behalf of the registered owners of the Series 2022A Bonds and would be allowed as a refund or credit against such owner’s federal income tax liability (or the federal income tax liability of the beneficial owner of the Series 2022A Bonds, if other than the registered owner).

Legislation

Current and future legislative proposals, if enacted into law, administrative actions or court decisions, at either the federal or state level, may cause interest on the Series 2022A Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to state income taxation, or otherwise have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2022A Bonds for federal or state income tax purposes. The introduction or enactment of any such legislative proposals, administrative actions or court decisions may also affect, perhaps significantly, the value or marketability of the Series 2022A Bonds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of Beneficial Owners of the Series 2022A Bonds may occur. Prospective purchasers of the Series 2022A Bonds should consult their own advisors regarding any pending or proposed federal or state tax

legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Barclay Damon LLP expresses no opinion. The opinion of Barclay Damon LLP is based on current legal authority, covers certain matters not directly addressed by such authority and represents the judgment of Barclay Damon LLP as to the proper treatment of the Series 2022A Bonds for federal income tax purposes. It is not binding on the IRS or the courts.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (H.R. 5376) into law. For tax years beginning after December 31, 2022, this legislation will impose a 15 percent alternative minimum tax on the adjusted financial statement income of certain corporations. Interest on the Series 2022A Bonds will be included in the adjusted financial statement income of such corporations for purposes of computing the corporate alternative minimum tax imposed under the Code.

Miscellaneous

Barclay Damon LLP's engagement with respect to the Series 2022A Bonds ends with the issuance of the Series 2022A Bonds and, unless separately engaged, Barclay Damon LLP is not obligated to defend DASNY, the University or the Beneficial Owners regarding the tax-exempt status of interest on the Series 2022A Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than DASNY and its appointed counsel, including the University and the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which DASNY legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2022A Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2022A Bonds, and may cause DASNY, the University, or the Beneficial Owners to incur significant expense.

Prospective purchasers of the Series 2022A Bonds should consult their own tax advisors regarding the foregoing matters.

PART 10 - STATE NOT LIABLE ON THE SERIES 2022A BONDS

The Act provides that notes and bonds of DASNY are not a debt of the State, that the State is not liable on them and that such notes and bonds are not payable out of any funds other than those of DASNY. The Resolution specifically provides that the Series 2022A Bonds are not a debt of the State and that the State is not liable on them.

PART 11 - COVENANT BY THE STATE

The Act states that the State pledges and agrees with the holders of DASNY's notes and bonds that the State will not limit or alter the rights vested in DASNY to provide projects, to establish and collect rentals therefrom and to fulfill agreements with the holders of DASNY's notes and bonds or in any way impair the rights and remedies of the holders of such notes or bonds until such notes or bonds and interest thereon and all costs and expenses in connection with any action or proceeding by or on behalf of the holders of such notes or bonds are fully met and discharged. Notwithstanding the State's pledges and agreements contained in the Act, the State may in the exercise of its sovereign power enact or amend its laws which, if determined to be both reasonable and necessary to serve an important public purpose, could have the effect of impairing these pledges and agreements with DASNY and with the holders of DASNY's notes or bonds.

PART 12 - LEGAL MATTERS

Certain legal matters incidental to the authorization and issuance of the Series 2022A Bonds by DASNY are subject to the approval of Barclay Damon LLP, Albany, New York, and of Lewis & Munday, A Professional Corporation, New York, New York, Co-Bond Counsel, whose respective approving opinions will be delivered with the Series 2022A Bonds. The proposed forms of those opinions are set forth in APPENDIX F hereto.

Certain legal matters will be passed upon for the University by its counsel, Nixon Peabody LLP, Rochester, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Harris Beach PLLC, New York, New York.

PART 13 - UNDERWRITING

RBC Capital Markets, LLC, as Underwriter of the Series 2022A Bonds, has agreed, subject to certain conditions, to purchase the Series 2022A Bonds from DASNY at an aggregate purchase price of \$120,494,475.51, which represents the par amount of the Series 2022A Bonds, less the Underwriter's discount of \$490,669.04, plus an original issue premium of \$11,830,144.55, and to make a public offering of Series 2022A Bonds at prices that are not in excess of the public offering prices stated on the applicable inside cover page of this Official Statement. The Underwriter will be obligated to purchase all such Series 2022A Bonds if any are purchased.

The Series 2022A Bonds may be offered and sold to certain dealers at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter and its affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of DASNY and the University. The Underwriter and its affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of DASNY and the University.

PART 14 - CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the University will enter into a written agreement (the "Continuing Disclosure Agreement") for the benefit of the Holders of the Series 2022A Bonds with Digital Assurance Certification, L.L.C. ("DAC"), as disclosure dissemination agent, and the Trustee. The proposed form of the Continuing Disclosure Agreement is attached hereto as "APPENDIX G - Form of Continuing Disclosure Agreement."

In the past five years, the University has not failed to comply, in any material respects, with any previous continuing disclosure undertaking entered into in connection with any tax-exempt offerings.

PART 15 - RATING

The Series 2022A Bonds have been assigned a long-term rating of "A1" by Moody's Investors Service, Inc. ("Moody's"). Such rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from the rating agency at the following address: Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. There is no assurance that such rating will prevail for any given period of time or that it will not be revised downward or withdrawn entirely by Moody's if, in the judgment of Moody's, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2022A Bonds.

PART 16 - MISCELLANEOUS

References in this Official Statement to the Act, the Resolution, the Series 2022-1 Resolution, the Loan Agreement and the Assignment do not purport to be complete. Refer to the Act, the Resolution, the Series 2022-1 Resolution, the Loan Agreement and the Assignment for full and complete details of their provisions. Copies of the Resolution, the Series 2022-1 Resolution, the Loan Agreement and the Assignment will be on file with the Trustee.

The agreements of DASNY with Holders of the Series 2022A Bonds are fully set forth in the Resolutions. Neither any advertisement of the Series 2022A Bonds nor this Official Statement is to be construed as a contract with purchasers of the Series 2022A Bonds.

Any statements in this Official Statement involving matters of opinion, whether or not expressly stated, are intended merely as expressions of opinion and not as representations of fact.

The information set forth herein relating to DASNY under the heading “PART 6 – DASNY” has been obtained from DASNY. All other information herein has been obtained from the University and other sources deemed reliable, and is not to be construed as a representation by DASNY or the Underwriter. DASNY does not guarantee or warrant the reliability, accuracy or completeness of such information nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of the security for the Series 2022A Bonds, or (3) the value or investment quality of the Series 2022A Bonds.

The information regarding DTC and DTC’s book-entry only system has been furnished by DTC.

“APPENDIX C — Certain Definitions,” “APPENDIX D — Summary of Certain Provisions of the Loan Agreement,” “APPENDIX E — Summary of Certain Provisions of the Resolution” and “APPENDIX F — Proposed Forms of Approving Opinions of Co-Bond Counsel” have been prepared by Barclay Damon LLP, Albany, New York, and Lewis & Munday, A Professional Corporation, New York, New York, Co-Bond Counsel.

“APPENDIX B – Rochester Institute of Technology Consolidated Financial Statements for the Years Ended June 30, 2022 and 2021” contains the financial statements of the University as of and for the years ended June 30, 2022 and 2021, which have been audited by PricewaterhouseCoopers LLP, independent certified public accountants, as stated in their report appearing therein.

“APPENDIX G – Form of Continuing Disclosure Agreement” has been prepared by Harris Beach PLLC, New York, New York, counsel to the Underwriter.

The University has reviewed the parts of this Official Statement describing the University, the Principal and Interest Requirements, the Project and the Estimated Sources and Uses of Funds. The University, as a condition to issuance of the Series 2022A Bonds, is required to certify that as of the date of this Official Statement and as of the date of issuance of the Series 2022A Bonds, such parts do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which the statements are made, not misleading.

The University has agreed to indemnify DASNY, the Underwriter and certain others against losses, claims, damages and liabilities arising out of any untrue statements or omissions of statements of any material fact as described in the preceding paragraph.

[Balance of page intentionally left blank]

The execution and delivery of this Official Statement by an Authorized Officer have been duly authorized by DASNY.

**DORMITORY AUTHORITY OF
THE STATE OF NEW YORK**

By: /s/ Reuben R. McDaniel, III
Authorized Officer

APPENDIX A
THE UNIVERSITY

[THIS PAGE INTENTIONALLY LEFT BLANK]

THE UNIVERSITY

GENERAL INFORMATION

Introduction

Since its founding in 1829, Rochester Institute of Technology (“RIT” or the “University”) has established a tradition of excellence in application-driven career education which includes an array of degree programs spanning the STEM disciplines, the liberal arts, art and design, film and animation and photography, as well as health sciences, business, computing, game design, and education for the deaf. In addition to being one of the nation’s oldest and original Cooperative Education (Co-op) institutions, RIT is the third-largest producer of STEM graduates among private universities in the United States, and home of the world’s first Ph.D. program focused on sustainable production. Total enrollment in fall 2022 was 19,772, which includes 16,868 undergraduate and 2,904 graduate students, who represent all 50 states and more than 100 countries. Eighty-four percent of the students were enrolled at RIT’s main campus with the remaining 16% enrolled at its international locations. RIT’s main campus enrollment includes 1,907 international students (11%), over 5,500 students of color (33%), and over 900 deaf and hard-of-hearing (“DHH”) students (6%). There are currently more than 140,000 RIT alumni worldwide.

In its 11 degree-granting entities, RIT offers 24 certificate, advanced certificate and diploma programs, 23 associate degree programs, 78 bachelor’s degree programs, 68 master’s degree programs and 11 Ph.D. programs. Ph.D. programs are offered in astrophysical sciences and technology, biomedical and chemical engineering, color science, computing and information sciences, electrical and computer engineering, imaging science, mathematical modeling, mechanical and industrial engineering, microsystems engineering and sustainability. The range of academic programs at the University includes: business and management, computing and information sciences, engineering and engineering technology, biotechnology, biomedical and health sciences, film and animation, game design and development, sustainability, packaging science, hospitality and service management, science and mathematics, imaging science, fine arts, crafts, design, photographic and imaging arts and technologies, and social sciences including psychology, international studies, public policy and criminal justice. Leveraging its strong connections with employers and research opportunities, RIT continuously evaluates its program portfolio and develops new academic programs or curriculum revisions to ensure that the University is meeting the future career needs and interests of its students and their potential employers.

Under an agreement with the U.S. Department of Education, in 1968 the University established the National Technical Institute for the Deaf (“NTID”) to provide technical training and education for DHH persons. The federal government provides funding through an appropriation, currently covering approximately 80% of NTID’s total operating costs, as well as matching funds for the University’s Federal Endowment Fund. The remaining operating costs are covered by tuition and fees collected from students and revenues from other sources. Beginning in 2016, NTID has received funds in its annual appropriation to support the NTID Southeast Regional STEM Center which was established to expand the geographic reach of activities and services supported by NTID consistent with its mission and strategic plan. The federal appropriation is applied for on an annual basis and its continuation is subject to the federal government’s continued support of the program.

RIT also delivers programs at six international locations including: RIT Croatia operating in Dubrovnik, Croatia (1997) and Zagreb, Croatia (2011); RIT Dubai operating in Dubai, United Arab Emirates (2008); RIT Kosovo operating in Pristina, Kosovo (2003); RIT China operating in Beijing, China and Weihai, China (2015). RIT Global Delivery Corporation (“GDC”), a separate, wholly owned subsidiary of RIT manages the international locations. RIT’s main campus is responsible for providing oversight for the faculty, curriculum, and student services at the international locations; the leadership team of each location coordinates all other operational aspects.

In recent years, enrollment growth has been steady despite changing demographics. Since 2018, RIT’s overall student headcount has increased 3.8%, with international enrollments accounting for the largest portion of this increase. In addition, more than 52% of RIT’s fall 2022 main campus new students came from outside of New York State. The University anticipates that enrollment will remain stable and maintain modest enrollment growth targets in the near term. Three critical elements of the University’s enrollment strategy are: 1) further investment in program-based recruiting and marketing to improve student demand for programs that have exceptional employer demand; 2) furthering RIT’s commitment to being one of the nation’s leading Co-op institutions and, 3) identification and implementation of academic and non-academic programs that add incremental value to the marketplace (i.e. Performing Arts Scholars Program, American Crafts Experience, etc.).

In 1912, RIT became one of the first universities in the nation to offer cooperative education. For more than 100 years RIT students have been combining on-the-job experience with classroom and laboratory instruction. In addition to serving as a quality source of practical experience, the co-op program allows RIT students to earn funds to support their education.

The RIT campus occupies a 1,300-acre site in suburban Rochester, New York. The campus consists of approximately 6.2 million gross square feet of program space allocated among residential, academic, research and administrative buildings. Between 2018 and 2022, the University invested approximately \$276.5 million in several campus buildings; facilities to meet current curricular demands for state-of-the-industry technology and applied research laboratories; student residence facilities to increase and enhance the overall residential program in direct response to enrollment growth and students' needs and preferences; as well as a health clinic.

RIT has invested significantly in the last ten years to enrich the student experience outside the classroom and provide additional opportunities for student leadership, engagement, success, and personal growth. University housing offers a variety of on-campus living accommodations and special interest living options to over 6,400 students. There are more than 300 student clubs and organizations on campus, providing opportunities for service, leadership development, and socializing, as well as 32 Greek letter organizations.

The University offers a number of athletic and wellness programs for its students. The University's intercollegiate athletic program includes 22 men's and women's sports competing at the National Collegiate Athletic Association ("NCAA") Division III level; and two sports, men's and women's ice hockey, competing at the Division I level. These teams include approximately 650 student-athletes. RIT's intercollegiate athletics teams have a history of excellence, recording many impressive seasons and capturing a number of conference and national championships. RIT is a member of the NCAA, with select teams participating in the Atlantic Hockey Association, College Hockey America, Empire Collegiate Wrestling Conference and Liberty League conference. The RIT Department of Wellness Education offers more than 270 wellness activity courses, serving over 5,500 participants annually. RIT's Center for Recreational Sports also sponsors teams in 22 different sports and activities with over 60 leagues and approximately 1,900 unique student participants annually. Additionally, an outdoor education program offers adventure-based and wilderness classes and operates a climbing gym. In addition, the Center for Recreational Sports supports 48 competitive and recreational sports clubs with over 2,100 participants annually. These programs, as well as other recreation activities, are supported by specialized, professional staff and extensive first-class facilities and equipment.

Governance

The University is governed by a Board of Trustees, consisting of 42 voting members including the President. Emeriti trustees provide advice, counsel and assistance to the Board without having voting power. Board members are elected to four-year terms. The full Board of Trustees meets three times annually, with the official annual meeting occurring in November of each year. The officers of the Board of Trustees are the Chair of the Board of Trustees, one or more Vice Chairs, the Secretary of the University, and the General Counsel. The Chair and Vice Chairs are elected by resolution of the entire Board of Trustees at the annual meeting. The Secretary and General Counsel are appointed and serve at the pleasure of the President of the University, in consultation with the chair of the Board of Trustees, do not have voting power and are not counted in determining quorum.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

The current members of the Board of Trustees are as follows:

Richard T. Aab *
President
RTA Associates, LLC

Robert W. August
Managing Partner
Laser Wash Group LLC

Mark G. Barberio '85
Principal
Markapital, LLC

Richard T. Bourns *
Retired Senior Vice President
Eastman Kodak Company

Brooks H. Bower '74
Chairman and Chief Executive
Officer
Papercone Corp. East

Donald N. Boyce * '67
Retired Chairman of the Board
IDEX Corporation
Chair Emeritus

Andrew N. Brenneman '86, '88
Senior Client Director-T-Mobile
USA
T-Mobile

Charles S. Brown, Jr.* '79
Retired Executive Director,
Center for Excellence in Math
and Science
Rochester Area Colleges

William A. Buckingham * '64
Retired Executive Vice President
M&T Bank
Chair Emeritus

David J. Burns
Principal and Founder
Global Business Advisory
Services LLC

Ann L. Burr *
Retired Chairman, Frontier
Communications of Rochester
Vice President, Customer
Engagement
Frontier Communications

Carol B. Cala '97, '00
Vice President of Corporate
Environment, Safety & Health
Lockheed Martin Corporation

Essie L. Calhoun-McDavid *
Retired Chief Diversity Officer and
Director
Community Affairs Vice President
Eastman Kodak Company

Mary Lu Clark *

Thomas Curley * '77
Retired President and CEO
The Associated Press

Dale J. Davis, Esq. '96
Chief IP Counsel & Deputy
General Counsel
Cummins INC

Richard Davis, Ph.D.
CEO
Rochester Regional Health

Sudhakar G. Dixit * '74
Chairman
Newtex Industries, Inc.

Hyacinth V. Drummond '91
Founder
Dreamseeds Children's Program

B. Thomas Golisano *
Chairman
Paychex, Inc.

Arthur A. Gosnell
Chairman and CEO
Stonehurst Capital LLC

Victoria D. Griffith '93
Retired Vice President, Quality
Assurance & Purchasing
Farmers Restaurant Group
Women's Council Representative

Brian H. Hall * '78
Retired Vice Chairman
The Thomson Corporation
Chair Emeritus

Jeffrey K. Harris '75
Retired Corporate Vice President
Situational Awareness
Lockheed Martin Corporation
Chair

Darshan N. Hiranandani '02, '03
Managing Director
Hiranandani Group of Companies

Susan R. Holliday '85
Retired President and Publisher
Rochester Business Journal
Vice Chair

Jay T. Holmes*
Retired Executive Vice President
and Chief Administrative Officer
Bausch & Lomb, Inc.

Andrew R. Jacobson '90, '96
Enrolled Agent
AJ Tiger Tax Services

Bruce R. James * '62, '64
President and CEO
Nevada New-Tech Inc.
Chair Emeritus

Herbert W. Jarvis *
Former President and CEO
Sybron Corporation

Thomas F. Judson, Jr. *
Chairman
The Pike Companies

Richard A. Kaplan *
Retired CEO
CurAegis Technologies

Rick A. Kittles, Ph.D. '89
Professor & Founding Director,
Health Equity
City of Hope Cancer Center

Robert J. Kohler, Jr.* '59
Retired Executive Vice President
and General Manager
TRW Avionics & Surveillance
Group

Christopher W. Lehfeldd, D.D.S.
Dentist
Elmwood Dental Group, PC

Britta MacIntosh '89
Sr. Vice President
Western Region & London
Operations
Ameresco, Inc.

Pamela Lloyd-Ogoke '81
Chief of Community Integration
Services & Supports
North Carolina Division of
Vocational Rehabilitation Services
NTID NAG Chair

Joseph M. Lobo **II** * '95
Former President & CEO
JML Optical Industries, Inc.

Lawrence J. Matteson *
Retired Vice President
Imaging & Information Systems
Eastman Kodak Company

Austin W. McChord '09
CEO
Casana Care, Inc.

Thomas C. McDermott *
Retired Chairman, CEO, and
President
Goulds Pumps, Inc.

Dana A. Mehnert
President
L3Harris Technologies
Communication Systems Sector

Roosevelt Mercer, Jr.
Chief Executive Officer &
Executive Director
Virginia Commercial Space Flight
Authority

David C. Munson, Jr.
President
Rochester Institute of Technology

Sharon D. Napier '04
Chair and Founder
Partners + Napier

Brian P. O'Shaughnessy '81, '84
Partner
Dinsmore & Shohl LLP

Gerard Q. Pierce '77
CEO
HR Works Inc.

Susan M. Puglia
Retired Vice President,
University Programs & Vice Chair,
IBM Academy of Technology
IBM Corporation
Vice Chair

Jane Ratcliffe Pulver *

Thomas S. Richards *
Former Mayor
City of Rochester

Ronald S. Ricotta '79
CEO & President
Century Mold Company, Inc.

Jorge M Rodriguez '15
Chief Executive Officer
Sorenson Communication

Harris H. Rusitzky * '56, '91
President
The Greening Group

Richard E. Sands *
Executive Vice Chairman
Constellation Brands, Inc.

E. Philip Saunders *
Chairman
Saunders Management

Nicholas M. Schneider, Ph.D. '10
Principal
Boston Consulting Group
Alumni Association President

Frank S. Sklarsky '78
Retired Executive VP and Chief
Financial Officer
PPG Industries, Inc.

John M. Summers *
Chief Executive Officer
Graywood Companies, Inc.

Kevin J. Surace '85
Chairman and CTO
Appvance Inc.

James P. Swift '88
Senior Advisor
PSG

Sharon Ting
President
Ting & Associates, Inc.

Harry P. Trueheart III *
Chairman Emeritus
Nixon Peabody LLP +

Donald J. Truesdale '87
Chief Executive Officer
Ardea Partners
Chair Emeritus

Frederick T. Tucker * '63
Retired Executive Vice President
and Deputy to the CEO
Motorola, Inc.

Clayton P. Turner '90
Director
NASA Langley Research Center

Kim E. VanGelder '86
Chief Information Officer & Senior
Vice President
Eastman Kodak Company

Judy B. von Bucher *

Chester N. Watson '74
Retired General Auditor
General Motors Corporation

Robert D. Wayland-Smith *
Retired Vice President and Manager
Upstate Trust & Investment
Division
Chase Manhattan Bank, N.A.

Dinah G. Weisberg '97, '03
President and CEO
REDCOM Laboratories, Inc.

William A. Whiteside, Jr. *
Retired Partner
Fox, Rothschild, LLP
Chair Emeritus

Christine B. Whitman
Chairman and CEO
Complemar Partners, Inc.
Chair Emeritus

Kathy M. Yu '91
Retired Director/Advisor
Microsoft, Intel

Ronald L. Zarrella
Chairman Emeritus
Bausch & Lomb, Inc.

*Emeritus Trustee

+ The firm of Nixon Peabody LLP serves
as counsel to the University

Administration

The President of RIT is appointed by the Board of Trustees and, as chief executive officer, is principally responsible for the administration of the University. All other senior executive officers are nominated by the President and appointed by the Board of Trustees. The senior executive officers are listed below:

Dr. David C. Munson, Jr., President

Dr. Munson became the 10th President of RIT in 2017 bringing over 40 years of experience in higher education to the University's leadership role. Prior to RIT, he served as the Robert J. Vlasic Dean of Engineering at the University of Michigan from 2006 to 2016. From 1979 to 2003, Dr. Munson was the Robert C. MacClinchie Distinguished Professor of Electrical and Computer Engineering, Research Professor in the Coordinated Science Laboratory and a faculty member in the Beckman Institute for Advanced Science and Technology at the University of Illinois. In 2003, he became Chair of the Department of Electrical Engineering and Computer Science at the University of Michigan prior to becoming dean. Dr. Munson's teaching and research interests are in the area of signal and image processing. His current research is focused on radar imaging and computer tomography. He is co-founder of InstaRecon Inc., a start-up firm to commercialize fast algorithms for image formation in computer tomography. He is affiliated with the Infinity Project, where he is coauthor of a textbook on the digital world, which has been used in hundreds of high schools nationwide to introduce students to engineering. Dr. Munson earned his BS degree in Electrical Engineering (with distinction) from the University of Delaware in 1975. He earned an MS and MA in Electrical Engineering from Princeton University in 1977, followed by a PhD in Electrical Engineering in 1979, also from Princeton.

Dr. Ellen Granberg, Provost and Senior Vice President for Academic Affairs

Dr. Granberg joined RIT in August of 2018, becoming the first woman to serve as provost at the University. She previously served as Senior Associate Provost at Clemson University. She earned a BA degree in History from UC Davis and spent 11 years working in the telecommunications industry as a project manager and technical director in software development. In 1995, she left industry to pursue advanced degrees, earning her PhD in Sociology from Vanderbilt University in 2001. That same year, she joined the faculty at Clemson University and went on to be promoted to Chair of the Department of Sociology and Anthropology, Associate Provost for Faculty Affairs and Senior Associate Provost.

Dr. James H. Watters, Senior Vice President for Finance & Administration

Dr. Watters came to RIT in 1994 as Budget Director and was soon appointed to the position of Senior Vice President of Finance and Administration and Treasurer where he oversees the activities of more than 740 full-time employees and 1,500 student workers. Dr. Watters provides oversight of the University's annual operating and capital budgets, as well as, its endowment, working capital and public debt portfolios. Areas reporting to Dr. Watters include student auxiliary operations; human resources; financial and tax reporting; accounting and payroll; post-award research administration; insurance; public safety; audit; legal; information technology and security; institutional research; and facilities operations, design and construction.

Dr. Watters serves as Vice Chair and Treasurer of RIT's GDC which oversees RIT's international campuses and as Chair of the RIT Croatia board of trustees and Secretary for RIT Dubai's board of trustees. Earning a BS, MS and PhD at the University of Pittsburgh, he spent his academic and previous professional years there prior to joining the RIT leadership team.

Dr. Sandra S. Johnson, Senior Vice President, Student Affairs

Dr. Johnson was appointed RIT's Senior Vice President for Student Affairs in 2014. Dr. Johnson is responsible for overseeing a comprehensive range of programs and services to engage, support, and develop students at RIT. Prior to joining RIT, Dr. Johnson served in a variety of leadership positions in higher education at Hofstra University, Columbia University, and Barnard College. She holds a PhD in Higher Education Management from the University of Pennsylvania, as well as a MEd from Teachers College, Columbia University and a BA in Political Science from State University of New York, College at Oswego.

Dr. Gerard Buckley, President, National Technical Institute for the Deaf and Vice President and Dean

Dr. Buckley has more than 30 years of experience in higher education, including more than 20 years serving in a variety of roles at NTID. He was appointed to his current post in 2011. From 1990 to 1993, Dr. Buckley served as Chairperson and Assistant Professor of the Department of Educational Outreach at NTID, followed by five years as Director of NTID's Center for Outreach and Assistant Professor on the RIT/NTID social work support team. From 1998 to 2003, he served as NTID's Associate Dean for Student Services, and held the position of NTID Assistant Vice President for College Advancement with responsibility for the admission, placement, marketing, and outreach operations of the college from 2004 until 2011. He holds a BS in Social Work from RIT/NTID, an MSW from the University of Missouri and an EdD in Special Education from the University of Kansas.

Ian Mortimer, Vice President of Enrollment Management & Associate Provost, RIT Certified

Mr. Mortimer joined RIT in 2018 as Vice President of Enrollment Management with responsibility for expanding and improving the student profile of RIT including continuing to improve student selectivity, class quality and diversity, and admitting students who are most likely to thrive at RIT. He is also responsible for developing an enrollment marketing plan and strategically managing financial aid resources. In June 2022, the University launched RIT Certified, a new initiative that aims to meet the needs of the changing job market, naming Mr. Mortimer as Associate Provost. In addition, Mr. Mortimer manages RIT's K-12 outreach program which integrates higher education and STEM programming in under-represented high schools throughout the nation. Prior to joining RIT, Mr. Mortimer served as Vice President for Enrollment and Student Experience at Nazareth College in Rochester since 2013. Prior to that, he served as Vice President for Enrollment Management at Champlain College in Burlington, VT. Mr. Mortimer is finalizing his Doctorate in Business Administration degree from Drexel University, earned an MBA from RIT's Saunders College of Business in 2004 and holds a MSEd in Counseling Psychology and a BS degree in English, both from St. Bonaventure University.

Mr. Mortimer resigned from RIT effective December 2, 2022. The University will appoint an interim Vice President of Enrollment Management while it conducts a national search for a replacement. The search process will have participation from University stakeholders, including members of the Board of Trustees, and will be facilitated by a nationally recognized recruitment search firm specializing in higher education.

Dr. Keith B. Jenkins, Vice President & Associate Provost for Diversity and Inclusion

Dr. Jenkins was appointed Vice President and Associate Provost for Diversity and Inclusion in 2017. He leads the University's diversity initiatives, specifically on the broad issues of recruitment, retention and engagement of diverse faculty, staff and students. Dr. Jenkins joined RIT in 1992 and has been recognized with numerous awards in both teaching and diversity initiatives. His research work focuses on intercultural communication, political and visual rhetoric, and most recently focusing his research on pragmatism and the rhetoric of inclusion in President Barack Obama's 2008 presidential campaign. Dr. Jenkins received a BA degree from the University of Arkansas and a MA and PhD from Florida State University.

Dr. Ryne Raffaele, Vice President for Research

Dr. Raffaele was appointed Vice President for Research at RIT in 2011. A national leader in solar energy and nanotechnology development, Dr. Raffaele served as the Director of the National Center for Photovoltaics, a component of the U.S. Department of Energy's National Renewable Energy Laboratory ("NREL"), from 2009-2011. Prior to joining NREL, Dr. Raffaele spent 10 years at RIT as professor of physics and microsystems engineering. He built the NanoPower Research Laboratory into an international leader in solar cell and battery research and also served as the first academic director of the Golisano Institute for Sustainability. He has a BS and MS degrees in Physics from Southern Illinois University and a PhD in Physics from the University of Missouri-Rolla.

Phillip D. Castleberry, Vice President for Development and Alumni Relations

Mr. Castleberry was named Vice President for Development and Alumni Relations in 2020. A 20-year veteran of higher education advancement and fundraising, Mr. Castleberry formerly served as Vice President for Institutional Advancement at St. John Fisher College. Prior to St. John Fisher College, Mr. Castleberry was involved with two separate \$1 billion campaigns at national research universities. This includes the University of Rochester, where he served as associate vice president of university advancement, and Washington University in St. Louis. He holds a BS degree in

Political Science and Speech Communication from the University of Central Missouri and a MS in Political Science from the University of Missouri-Kansas City.

Dr. Lisa A. Chase, Vice President and Secretary of the Institute

Dr. Chase was named Vice President and Secretary of the Institute in 2020. She joined RIT in December 2000 and was named Vice President for Development and Alumni Relations in 2006 after serving as an Assistant Vice President of Development and Campaign Director at Stevens Institute of Technology. She earned a PhD in Higher Education Management from the University of Pennsylvania, an MS in Corporate and Public Communications from Seton Hall University, and a BS from the University of Delaware in Interdisciplinary Studies.

Vanessa J. Herman, Vice President for Government and Community Relations

Ms. Herman was named Vice President for Government and Community Relations in 2021. She previously served as Assistant Vice President for Government and Community Relations at Pace University, as the Director of Government Relations at Applied DNA Sciences at Stony Brook University and prior to that she spent more than 12 years as Assistant Director of Governmental Relations at Stony Brook University. She has a BS degree in Political Science and Sociology and a MS in Literature and Sociology from Stony Brook University.

John K. Trierweiler, Vice President and Chief Marketing Officer, Marketing and Communications

Mr. Trierweiler was named RIT's first Chief Marketing Officer in 2016. He brings more than 30 years of experience in marketing, advertising, and product management, and is responsible for creating and implementing a holistic and integrated marketing and branding strategy for the University. In his role, Mr. Trierweiler oversees several University marketing and communications departments including Communications, Marketing and Branding, Creative Services, Production Services, and Web Services. Prior to joining RIT, Mr. Trierweiler served as Chief Marketing Officer for the Ross School of Business at the University of Michigan. Before working in higher education, he held executive positions at companies including Cablevision Systems, Time Warner Cable, Bumble Bee Seafoods Co., and H.J. Heinz. He earned a BA in Interdisciplinary Humanities from Michigan State University and holds an MBA from the University of Michigan.

Robert Colón, Vice President and General Counsel

Mr. Colón joined RIT in 2005 as Minett Professor and was named chief legal officer in 2007, being responsible for all legal matters involving and affecting RIT. Mr. Colón received his Law Degree from Harvard Law School and a BS from the University of Rochester in Political Science and Economics. Upon his graduation from law school, he clerked for the Honorable David G. Larimer, United States district court judge for the eastern district of New York. Prior to accepting his role as chief legal officer, he was the assistant attorney general in charge of the Rochester regional office for then attorney general Eliot Spitzer. Prior to joining the attorney general's office, Mr. Colón was manager of legal affairs for Paychex, Inc., a payroll processing company headquartered in Rochester, NY and had a private practice concentrating in labor and employment law.

Employees and Employee Relations

As of fall 2022, the University has 1,099 full-time and 438 part-time faculty members and approximately 2,358 full-time and 144 part-time and extended part-time non-faculty employees. RIT's employee groups are not covered by collective bargaining agreements. The relationship between RIT and the various employee groups is good.

OPERATING INFORMATION

Admissions and Student Enrollment

Full-time equivalent enrollment (FTE) for fall 2022 is 16,844 FTE students. The University has implemented an externally-focused strategic growth plan resulting in sustained high overall academic quality of the student body, improvements in selectivity, increased market demand, more diverse student population, and broader national and international market base for student recruitment. While RIT has an undergraduate emphasis, the University offers a wide ranging portfolio of 68 graduate programs and 11 doctorate programs. The tables below provide the enrollment for FTE students and total enrolled students, including all graduate and undergraduate students, and the numbers for first year applications, first year students accepted for admission, and first year full-time students enrolled at the University over the

past five academic years. Unless otherwise indicated, the data presented below pertaining to RIT’s student population include those attending both domestic and international campuses.

Fall Enrollment

	<u>Fall 2018</u>	<u>Fall 2019</u>	<u>Fall 2020</u>	<u>Fall 2021</u>	<u>Fall 2022</u>
Undergraduate FTE	13,666	13,466	13,608	14,327	14,686
Undergraduate Headcount	15,946	15,750	15,739	16,668	16,868
Graduate FTE	2,212	2,260	2,159	2,263	2,158
Graduate Headcount	3,101	3,147	2,929	3,050	2,904
Total Enrollment FTE	15,878	15,726	15,767	16,590	16,844
Total Headcount	19,047	18,897	18,668	19,718	19,772

First Year Full-Time Applications and Enrollment

	<u>Fall 2018</u>	<u>Fall 2019</u>	<u>Fall 2020</u>	<u>Fall 2021</u>	<u>Fall 2022</u>
Total Applications	20,986	21,987	24,163	23,508	26,089
Acceptances	13,601	14,889	17,048	16,589	17,177
Acceptance Rate	64.8%	67.7%	70.6%	70.6%	65.8%
Number Enrolled	3,406	3,247	3,627	4,098	4,029
Matriculation Yield	25.0%	21.8%	21.3%	24.7%	23.5%

Approximately 40% of the fall 2022 freshman matriculants are in the top 10% of their graduating classes. The University competes for these students against public universities and other selective private colleges and universities. Total undergraduate, graduate and transfer applications to RIT for fall 2022 were 35,108 an increase of approximately 11.6% over the previous fall.

The following table presents the mean combined SAT scores for all of the University’s first year students for the last five academic years. The SAT became optional for admission to RIT beginning with the fall 2021 class.

Mean Combined SAT Scores*

	<u>Fall 2018</u>	<u>Fall 2019</u>	<u>Fall 2020</u>	<u>Fall 2021</u>	<u>Fall 2022</u>
Critical Reading and Math	1,297	1,305	1,291	1,348	1,351

* Excludes scores from students attending international campuses.

The table below presents the geographic profile of the University’s students for the past five academic years.

**Geographic Profile of Entering Freshmen
By Percentage of Class**

	<u>Fall 2018</u>	<u>Fall 2019</u>	<u>Fall 2020</u>	<u>Fall 2021</u>	<u>Fall 2022</u>
New York State	40%	37%	40%	37%	38%
Other United States	39%	43%	44%	43%	40%
Foreign	<u>21%</u>	<u>20%</u>	<u>16%</u>	<u>20%</u>	<u>22%</u>
Total	100%	100%	100%	100%	100%

The distribution of the University’s enrollment, domestically and internationally, across the nine colleges and two degree granting units is approximately as follows: Art and Design 9.9%, Business 11.5%, Computing and Information Sciences 27.6%, Engineering 17.3%, Engineering Technology 8.7%, Health Sciences & Technology 2.8%, Liberal Arts 3.2%, NTID 3.1%, Science 6.1%, and 9.8% other. The University has conferred an average of 4,554 degrees per year

during the last five years. Over this time period, 69% of the degrees were awarded to undergraduates. The following table lists the number of undergraduate and graduate degrees conferred for the last five academic years completed:

Degrees Conferred					
	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
Undergraduate Degrees	2,981	3,243	3,395	3,117	3,018
Graduate Degrees	<u>1,402</u>	<u>1,366</u>	<u>1,348</u>	<u>1,477</u>	<u>1,422</u>
Total*	4,383	4,609	4,743	4,594	4,440

* Includes approximately, on average, 130 undergraduate and graduate certificates awarded annually over the past five years.

Tuition and Fees and Student Financial Aid

Published freshman tuition, room and board and other fees per student for the last five fiscal years are listed below:

Student Charges					
	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
Tuition	\$43,546	\$45,244	\$50,564	\$52,030	\$53,720
Room and Board	13,046	13,540	13,976	14,432	14,978
Other Fees	<u>809</u>	<u>896</u>	<u>976</u>	<u>1,051</u>	<u>1,133</u>
Total	\$57,401	\$59,680	\$65,516	\$67,513	\$69,831

The University employs a sophisticated strategy to determine the best allocation of University, government and other student financial assistance resources with a focus on meeting the students' financial needs, optimizing student enrollment (first year student matriculants, as well as, student retention), maintaining overall academic quality and diversity of the student body, and increasing net tuition revenue. The University carefully manages net tuition revenue as it represents approximately 49% of RIT's operating income. The discount rate, expressed as total University scholarships as a percentage of gross tuition revenues, was approximately 49.0% in 2022 and 46.5% in 2021. Management continues to deploy a variety of strategies to ensure that the discount rate will remain relatively flat or increase slightly over the next several years.

All incoming freshman and transfer students received merit or need-based aid during academic year 2021/22. In fiscal year 2021/22, students received more than \$57.2 million under the Federal Direct Stafford Student Loan Program. Parents received \$23.2 million in the Federal Parent Loan for Undergraduate Students (PLUS) Program and students received \$1.6 million in the Federal Direct PLUS Loans for graduate students program. Federal grants to students from the Pell Grant and Supplemental Educational Opportunity Grant (SEOG) amounted to approximately \$20.7 million. Students enrolled at the University received approximately \$7.8 million in grants from New York State's Tuition Assistance Program and other State scholarships and grants. In fiscal year 2021/22 students earned approximately \$30.0 million from campus-based employment opportunities, of which approximately \$4.0 million was earned under the Federal Work-Study Program. The aforementioned sources of funds represent financial resources provided to students through the federal and state government and are in addition to the University scholarship grants outlined below. University scholarship grants came from the following sources in the academic years as follows:

Sources of University Scholarship Grants (dollars in thousands)

	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
Institutional Support Funds ¹	\$192,799	\$207,698	\$216,872	\$259,168	\$299,450
Sponsor Support Funds ²	<u>11,900</u>	<u>12,227</u>	<u>16,191</u>	<u>17,171</u>	<u>20,014</u>
Total	\$204,699	\$219,925	\$233,063	\$276,339	\$319,464

¹ Operating resources without donor restrictions.

² Resources from donor restricted and University-designated sources as well as external sources, including federal, state and private grants and/or contributions.

Faculty

The teaching faculty included 1,041 full-time and 427 part-time and adjunct members for the fall 2022. Of the teaching faculty, approximately 63% are tenured/tenure track and approximately 73% hold terminal degrees in their fields. Consistent with its priority objective of ensuring that each student has a high degree of personal attention and substantial regular access to faculty, the University maintains a student to faculty ratio of approximately 13 to 1. Approximately 66% of RIT's undergraduate classes have fewer than 30 students. The following table sets forth the faculty profile for the past five academic years.

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
Full-Time	1,045	1,046	1,014	1,033	1,041
Part-Time & Adjunct	<u>380</u>	<u>426</u>	<u>365</u>	<u>418</u>	<u>427</u>
Total	1,425	1,472	1,379	1,451	1,468
Faculty FTE	1,172	1,188	1,136	1,172	1,183
Percent Tenured/Tenure Track	67%	66%	66%	65%	63%

ANNUAL FINANCIAL STATEMENT INFORMATION

Budget and Reporting Procedures

The Finance Committee of the Board of Trustees is actively involved in the major financial decisions of the University and through careful oversight ensures that financial resources are managed effectively and allocated appropriately according to established priorities. The committee is charged with ensuring that new budget allocations included in each fiscal year's preliminary budget are aligned with the University's strategic plan.

The annual planning and budgeting process begins in December of the preceding fiscal year and culminates at the following November's Board of Trustees meeting where the final budget is approved by the full Board of Trustees.

This iterative process begins with high level, long-range assumptions and projections, proceeds to lower levels of specificity, and eventually results in a detailed budget that the operating units use to ensure that the University meets a balanced budget. RIT operates on a permanent budget basis, meaning that operating units carry forward their expense budgets from one year to the next with global adjustments for merit pay, benefits expense, and other University-wide funded costs. In the annual budget process the administration evaluates proposals for new spending which, if approved, are added to each unit's operating budget.

Setting the budget planning assumptions for each budget year is accomplished through a collaborative, constituent-based process. The Budget Planning Committee sets the assumptions within which the budget is prepared and participates in the budget hearing process. The Budget Planning Committee is a cross-functional group that consists of the University President, Provost and Senior Vice President of Academic Affairs representing all the colleges, Senior Vice President for Finance & Administration, Vice President for Enrollment Management, Associate Vice President for Budget and Financial Planning, president of the Faculty Senate, chair of the Resource Allocation and Budget Committee of the Faculty Senate, president of Student Government, and chair of Staff Council.

Budget hearings conclude in mid-March with funding requests summarized by the Budget Office. The Budget Office prepares a draft allocation of available funds matched to requests that will make the most progress in key areas and are best aligned with the University's strategic goals. This draft allocation is provided to the Provost and the Senior Vice President of Finance & Administration as a working model from which a revised allocation is prepared and shared with the President. The President approves the final allocations. In all phases of this process, the allocation decisions take into account the key performance indicators and measures of success based on the University's strategic goals. Following budget hearings and approval by senior management, the next year's budget is then finalized and recommended to the Finance Committee of the Board of Trustees, and following their approval, the budget is presented to the full Board of Trustees for final approval.

During the pandemic years, senior management pivoted from the formal budget process and adopted interim procedures to nimbly address the financial challenges brought forth by the pandemic. The processes to manage the

University's expenditures against the budget was focused on cost control and done through close collaboration amongst the University President, Provost and Senior Vice President of Academic Affairs, and the Senior Vice President of Finance and Administration. The main priority during this time was to preserve the financial well-being of the University while protecting the health and safety of the campus community. This modified process in operation through fiscal year 2022/23 was successful in attaining both of the aforementioned goals.

The current operating budget for fiscal year 2022/23 provides for a balanced budget. The University monitors its actual budget results monthly and performs periodic interim analysis and review of operating results. Interim results and projected year-end results are communicated to the Finance Committee of the Board of Trustees at their regularly scheduled meetings.

Summary of Financial Information

The University presents its financial statements in accordance with generally accepted accounting principles. The financial statements as of June 30, 2022 and 2021 and for the years then ended are included as "APPENDIX B – ROCHESTER INSTITUTE OF TECHNOLOGY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2022 AND 2021". The following tables present summaries extracted from the University's audited financial statements for the fiscal years ended June 30, 2018 through June 30, 2022. These tables are derived from, and should be read in conjunction with, the information contained in Appendix B.

Summary of Activities¹ As of June 30, (dollars in thousands)

	2018	2019	2020	2021	2022
Operating revenues:					
Tuition and fees, net	\$301,797	\$313,370	\$325,319	\$317,419	\$333,122
Sales and services of auxiliary enterprises	87,163	87,183	66,541	67,921	86,066
Grants and contracts	116,230	126,519	140,170	156,469	182,636
Private contributions	11,302	9,246	12,987	10,556	10,439
Investment return	39,857	43,806	47,588	44,035	47,398
Other sources	<u>22,994</u>	<u>22,938</u>	<u>20,365</u>	<u>15,662</u>	<u>21,344</u>
Total operating revenues	<u>579,343</u>	<u>603,062</u>	<u>612,970</u>	<u>612,062</u>	<u>681,005</u>
Operating expenses:					
Salaries and wages	299,324	305,121	307,292	301,647	317,903
Benefits	93,880	94,031	100,651	95,769	100,360
Postretirement benefits	5,860	3,736	4,393	4,691	4,582
Purchased services	40,994	46,423	43,263	43,042	52,588
Materials and supplies	45,471	48,920	41,574	41,337	52,570
Depreciation	40,585	40,675	42,769	42,808	42,305
Interest	7,825	8,166	10,115	10,085	8,541
Utilities, taxes, and insurance	13,275	13,518	11,093	12,359	13,704
Travel for scholarship, professional development and recruitment	9,970	10,222	7,062	1,088	5,451
Other	<u>11,481</u>	<u>11,979</u>	<u>20,385</u>	<u>18,160</u>	<u>36,746</u>
Total operating expenses	<u>568,665</u>	<u>582,791</u>	<u>588,597</u>	<u>570,986</u>	<u>634,750</u>
Net operating activities prior to gain on sale	10,678	20,271	24,373	41,076	46,255
Gain on the sale of property	<u>7,353</u>	<u>6,428</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net operating activities	<u>18,031</u>	<u>26,699</u>	<u>24,373</u>	<u>41,076</u>	<u>46,255</u>
Nonoperating activities:					
Investment return, net	47,053	11,592	(12,419)	331,754	(83,495)
Contributions for long-term assets	58,473	21,344	17,074	13,986	17,238
Grants and contracts for long-term assets	929	15,826	660	364	5,314
Net periodic postretirement benefit cost other than service cost	(9,451)	232	127	562	1,160
Other postretirement benefit changes	94,748	(13,019)	(9,234)	741	19,433
Beneficiary payments and change in value of deferred giving arrangements	(693)	(218)	(143)	(269)	249
Other	<u>(5,258)</u>	<u>2,454</u>	<u>2,101</u>	<u>(1,257)</u>	<u>(2,458)</u>
Net nonoperating activities	<u>185,801</u>	<u>38,211</u>	<u>(1,834)</u>	<u>345,881</u>	<u>(42,559)</u>
Increase in net assets	203,832	64,910	22,539	386,957	3,696
Net assets at beginning of year	<u>1,228,657</u>	<u>1,432,489</u>	<u>1,497,399</u>	<u>1,519,938</u>	<u>1,906,895</u>
Net assets at end of year	\$1,432,489	\$1,497,399	\$1,519,938	\$1,906,895	\$1,910,591

¹ Includes With and Without Donor Restrictions Activities

Management Discussion Fiscal Year 2021/22

The University's without donor restrictions operating margin for fiscal year ending June 30, 2022 was \$44.2 million or 6.5% (compared to 5.9% in 2021) due primarily to an operating revenue increase of \$72.2 million, or 11.9%, attributable to increases in grants and contracts, sales and services of auxiliaries, and tuition and fees less discount, combined with an increase in operating expenses of \$63.8 million, or 11.2%, primarily related to increases in compensation, purchased services, materials and supplies, other expenses and travel. The operating revenue increase was primarily driven by a 26.7% increase in sales and services of auxiliaries (housing and dining) and 17.1% increase in grants and contracts. Grants and contracts revenue growth was largely attributable to a \$15.4 million funding increase from the American Rescue Plan Act (ARPA) and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) awarded specifically to address the financial impact of lost revenues and campus modifications due to the pandemic. Operating expense growth was driven by increased compensation costs, purchased services, materials and supplies and student support costs related to Federal grant revenue received for that purpose. The compensation increase is comprised of salaries and wages, \$16.2 million or 5.4%, and benefit costs, \$4.5 million, or 4.8%; compensation costs combined account for 66.6% of total operating expenses. Purchased services and materials and supplies, combined, increased \$20.8 million and account for 16.6% of total operating expenses.

Free cashⁱ generated from operations, after debt service and other claims, was \$94.3 million and \$62.6 million in 2022 and 2021, respectively. The 2022 amount exceeded planned capital requirements, equipment purchases and facilities repairs, as well as additions to reserves for facilities renewal and replacement and strategic initiatives. The financial results continue to show an improving operating margin consistent with the University's projections and strategic objectives.

Government Grants and Contracts

In fiscal year 2021/22 the University received a total of \$72.3 million in new awards, reflecting the efforts of 216 principal investigators. This represents a 47% decrease over fiscal year 2020/21, primarily attributable to awards received by RIT in fiscal year 2020/21 related to the Higher Education Emergency Relief Funds (HEERF II and III) established by the CRRSAA and ARPA totaling \$47.2 million, as well as awards received by NTID under CRRSAA and ARPA totaling \$30.3 million. Grant and contract revenue, excluding Federal funding from CRRSAA and ARPA, increased \$10.7 million from 2020/21 to 2021/22. The following table summarizes awards by funding source for the last five years:

Awards by Funding Source Type* As of June 30, (dollars in thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Federal Agencies	\$29,283	\$35,396	\$54,259	\$115,777	\$40,313
New York State	30,563	11,112	15,774	11,414	21,368
Corporations	3,690	3,807	4,243	7,092	4,832
Foundations	1,838	1,773	941	1,391	3,221
Other	<u>626</u>	<u>541</u>	<u>1,328</u>	<u>877</u>	<u>2,607</u>
Total	\$66,000	\$52,629	\$76,545	\$136,551	\$72,341

* Reported as awards are received by the University's Sponsored Research Services Office.

Revenue from grants and contracts are generally recognized as earned in the University's audited financial statements as the related costs are incurred under the grant or contract agreements. Amounts received in advance are reported as deferred revenues.

ⁱ An internal non-GAAP measure of the University's performance calculated as follows: Net operating surplus including the gain on sale of property plus depreciation/amortization plus/minus the difference between interest paid and interest expense and the difference between postretirement benefits service expense and premiums paid less capital equipment purchases and long-term debt principal payments. This analysis reflects the amount of cash available from annual operations to transfer to reserves for future/planned capital expenditures.

Fundraising

The University regularly receives annual support from private gifts and grants. In addition, the University receives capital gifts from private sources, primarily for the endowment or for specific facilities projects.

The following table summarizes the total amount reported (including net pledges) in unrestricted and restricted private gifts, grants and contracts for the last five years as recorded in the audited financial statements of the University:

Private Gifts, Grants and Contracts* As of June 30, (dollars in thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Without Donor Restrictions Gifts, Grants and Contracts	\$ 7,065	\$ 11,000	\$18,878	\$ 10,826	\$ 7,687
With Donor Restrictions Gifts	36,225	19,702	11,613	14,847	19,265
With Donor Restrictions Endowed Gifts	<u>30,674</u>	<u>5,572</u>	<u>4,189</u>	<u>4,409</u>	<u>7,075</u>
Total	\$73,964	\$36,274	\$34,680	\$30,082	\$34,027

* With the exception of philanthropic grants from foundations, private grants and contracts, as reported in the University's audited financial statements, are excluded from fund raising activities.

Cash and Cash Equivalents and Investments

Total cash and cash equivalents and investments are as follows:

Cash and Cash Equivalents and Investments As of June 30, (dollars in thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Endowment*	\$902,565	\$951,293	\$957,976	\$1,288,508	\$1,233,728
Working Capital	247,397	241,100	271,565	328,466	370,799
Deferred Giving	14,719	14,099	13,215	14,597	11,814
Held With Trustees	<u>14,488</u>	<u>14,628</u>	<u>139,241</u>	<u>130,792</u>	<u>90,757</u>
Total	\$1,179,169	\$1,221,120	\$1,381,997	\$1,762,363	\$1,707,098

* Unadjusted for net contributions receivable and accruals.

Endowment

At June 30, 2022, the University's endowment had a fair value of \$1,233.7 million (\$1,257.4 million adjusted). The June 30, 2022 adjusted fair value was comprised of \$582.2 million of the original contributed value and \$675.2 million of investment appreciation. At June 30, 2021, the University's endowment had a fair value of \$1,288.5 million (\$1,302.9 million adjusted), with the adjusted fair value comprised of \$558.8 million of the original contributed value and \$744.1 million of investment appreciation.

The endowment portfolio is comprised of 1,074 individual endowment funds. Each fund is either a true endowment, having been specifically endowed by its donor(s), or a quasi-endowment, having been designated for long-term investment by the University's Board of Trustees. Depending upon the terms of the original gift, each fund's income is either restricted to a particular purpose, or used to support the overall operations of the University, including the provision of future debt service payments (see "Endowment Spending Policy" below). As of June 30, 2022, 46.3% of the fund consisted of endowment with donor restrictions and 53.7% of endowment without restrictions. Total with and without donor restrictions endowment funds provided approximately \$47.4 million of annual support to the operation of the University in fiscal year 2021/22.

The Endowment Committee of the Board of Trustees establishes the investment and spending policies for the endowment and similar funds and oversees their implementation, in conjunction with the University's external consultant. The investment policies address such considerations as asset allocation, risk and manager selection. The investment policy asset allocation targets are: public equity 38%, fixed income 5%, and alternative investments 57%. Alternative investment targets include allocations to private equity (25%), real assets (7%) and hedge funds (25%). From a strategic view, the policy allocations are: growth assets 70%, risk reduction assets 23% and inflation protection assets 7%.

Endowment Spending Policy

The University's Endowment Committee has adopted a total return endowment spending policy whereby 5% of the average market value of the endowment over the previous 20 quarters is distributed to the operating budget and related restricted accounts. The total spending distribution should be at least equal to 3.50% but not greater than 5.25% of the beginning of the year portfolio market value. The objective of the policy is to preserve the value of the endowment and stabilize operating support for the University's budget. The spending policy is based upon the premise that the real value of the endowment will be preserved if the nominal earnings on the portfolio over a period of years equals or exceeds the sum of the spending rate plus inflation. For fiscal years 2008 through 2022, the actual endowment spending rate has averaged 3.95% annually.

Working Capital, Deferred Giving and Held with Trustees

In addition to the endowment portfolio, the University maintains a working capital investment portfolio, investments pursuant to underlying donor deferred giving agreements and moneys on deposit with trustees for the University's outstanding debt.

The working capital portfolio consists of cash and cash equivalents, and liquid short- and intermediate-term investments used for ongoing operations and funding of capital projects.

The deferred giving investments represent assets of charitable remainder trusts, gift annuity agreements and other deferred giving instruments. These investments are restricted in accordance with the terms of the trust or gift annuity agreements and are not immediately available for operating or capital purposes. Upon termination of the underlying deferred gift agreements, the remaining proceeds are available for use or investment pursuant to the donors' restrictions.

The investments held by the trustees of RIT's outstanding debt are for the purposes of debt service (principal and interest) payments and unused bond proceeds available for respective project construction costs.

Properties and Facilities

The University's facilities include approximately 183 buildings (6.2 million gross square feet of space) situated on 1,300 acres as well as student housing for approximately 6,400 students.

Students have access to high-tech learning centers, smart classrooms with state-of-the-art computers, software, and multimedia technologies across all nine colleges including computer engineering facilities, a laser optics lab and a robotics program. RIT's students explore the creative aspects of many industries with a balance of technological and theoretical approaches, using the latest equipment and technology in its computer facilities and studios.

In December 2019, RIT accepted a gift of real estate in Penfield, NY to expand the University's research and educational offerings in ecology, agriculture, sustainability and other fields. The "Tait Preserve of RIT" is located 25 minutes from the University's Henrietta campus and 10 minutes from downtown Rochester. The 177-acre property, situated amidst wooded hills and open meadows, includes a 60-acre lake and a 5,000-square-foot luxury lodge. Given its convenient location, RIT uses the facility for a wide variety of education, research and conservation activities including: environmental education and research, incorporating K-12 programming; agriculture and aquaculture research and education, including sustainable agriculture and community engagement; conservation, sustainability and urban ecology research and training; events and hospitality community functions and youth recreation. RIT is committed to preserving and protecting the ecosystem and only anticipates adding infrastructure as required to maximize the site's potential. Portions of the land are being used for agricultural research and education to develop farming practices that benefit both the land and community.

In 2020, the ESL Global Cybersecurity Institute opened its 52,000 square foot state-of-the-art facility for cybersecurity education, training and research. The cost of the project totaled approximately \$22 million which was partially funded by a \$5 million New York State grant, \$15 million in contributions and the balance funded from University resources. In addition to computer labs, teaching spaces and conference center, it is home to the Cyber Range and Training Center, a virtual and physical lab that allows people to simulate cyberattacks and problem-solving scenarios.

Construction began in December 2020 on the Student Hall for Exploration and Development (SHED), a creative hub for the University’s makerspace and performing art studios and theaters. Being the largest construction project undertaken since the Henrietta campus opened in 1968, the SHED will cover more than 120,000 square feet of new construction as well as more than 83,000 square feet of renovations in Wallace Library and Monroe Hall. The design includes natural spaces, a courtyard, and landscaped passages throughout the building and under a glass bridge. Bond financing through the DASNY (Series 2019A) and private gifts of \$21.3 million will offset the construction costs which are expected to exceed \$100 million.

Plans have begun for a performing arts complex that will feature a 750-seat theater located adjacent to Institute Hall and Engineering Hall. The first phase of construction is expected to be completed in January 2024. The three-story building will be more than 40,000 square feet with a theater that is expected to have two balconies and feature an historic restored theater pipe organ. It will be instrumental in developing a performing arts program for non-majors, providing opportunities for creative students who want to continue their passions for music, dance, theater, and other performing arts. Bond financing through DASNY (Series 2019A), private gifts and University funds will support the anticipated cost of more than \$40 million.

Saunders College of Business will increase its current footprint by approximately 80 percent with the construction of a four-story 35,000 square foot addition to Max Lowenthal Hall that incorporates applied learning and collaboration elements, including, additional classrooms, applied research laboratories, event space, a large auditorium and student team rooms. The \$19 million project is being funded by contributions and University resources. Construction is anticipated to be completed in January 2024.

The University’s residence facilities, including residence halls, suites, studios, apartments and townhouses serve approximately 6,400 students. Students may choose living arrangements according to their personal preferences. Lifestyle floor options, single-sex, gender inclusive and honors housing are available. In addition, traditional Greek fraternities and sororities and seven special interest houses are designed for students wishing to live with others who share their interest in art, computer science, engineering, general science, international diversity, photo and unity.

Property, Plant and Equipment
As of June 30,
(dollars in thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Building and capital improvements	\$999,589	\$1,038,463	\$1,075,317	\$1,114,503	\$1,126,860
Equipment and software	157,104	168,325	173,286	156,296	156,881
Less: accumulated depreciation	<u>(560,838)</u>	<u>(591,053)</u>	<u>(627,204)</u>	<u>(644,591)</u>	<u>(680,589)</u>
	595,855	615,735	621,399	626,208	603,152
Land	10,881	10,807	11,723	11,924	11,924
Special collections	12,380	12,507	12,806	13,073	13,020
Construction-in-progress	<u>35,392</u>	<u>19,286</u>	<u>27,314</u>	<u>30,405</u>	<u>96,178</u>
Property, plant and equipment, net	\$654,508	\$658,335	\$673,242	\$681,610	\$724,274

The University has a long-term capital improvement schedule which is comprised of routine repair items, as well as, major renewal or new facility development projects. The funding for this capital improvement plan comes from multiple sources including renewal and replacement reserves, donor contributions, external sponsors, and the issuance of debt. Management incorporates in the University’s annual operating budget the incremental amounts necessary to maintain all new facilities, and factors these increased costs into the overall capital planning process. The base operating budget carries approximately \$17 million for capital purposes including annual funding of the repair and renewal reserves, acquisition of equipment and current capital improvement projects.

Outstanding Indebtedness

Long-term debt (in thousands) at June 30, 2022 is summarized as follows:

DASNY Rochester Institute of Technology Tax-Exempt Revenue Bonds	
Series 2006A, 5.25%	\$ 5,350
Series 2012, 4.00%	1,780
Series 2019A, 4.00% to 5.00%	119,635
Series 2020A, 5.00%	44,490
DASNY Rochester Institute of Technology Taxable Revenue Bonds	
Series 2019B, 2.19% to 3.44%	144,475
Other debt, 3.18% to 3.56% ¹	<u>983</u>
Total long-term debt, principal	316,713
Bond premium/discount, net	28,343
Unamortized debt issuance costs, net	<u>(1,670)</u>
Total long-term debt, net	\$343,386

¹ Variable rate debt; rates listed are those in effect as of June 30, 2022.

The Series 2006A Bonds and the Series 2012 Bonds matured on July 1, 2022 and are no longer outstanding. The Series 2019A and 2020A Bonds are general, unsecured tax-exempt fixed rate obligations of the University. The Series 2019B Bonds are general unsecured taxable fixed rate obligations of the University. Other debt consists of finance leases. Total annual debt service is incorporated in the University's operating budget.

Retirement Plan

All full-time or extended part-time (approximately 1,040 hours per year) employees, with the exception of student employees whose employment is incidental to their educational programs at RIT and independent contractors (independent contractors include leased employees or contract workers hired through, or who are employees of, an outside agency), may participate in the salary reduction component of the University's 403(b) retirement plan (the "Plan") upon the first day of the month following their hire date. This same population of employees, with an additional exception of adjuncts (faculty and staff), may participate in the matching contributions component of the Plan under terms based on their hire date. Employees hired before January 1, 2006, or rehired with an adjusted date of hire before January 1, 2006, are eligible for matching contributions on the first day of the calendar month coinciding with or immediately after the second anniversary of the date of hire with RIT. Employees hired on or after January 1, 2006, or rehired with an adjusted date of hire on or after January 1, 2006, are eligible for matching contributions on the first day of the first calendar month coinciding with or immediately after the first anniversary of the date of hire with RIT. Under the Plan, employees must elect a minimum of a 2% salary deferral to obtain a University match. For employees hired prior to January 1, 2006, the University contribution is 10% of eligible compensation for those employees electing a 2% salary deferral. Employees hired on or after January 1, 2006, are eligible for a graduated University match ranging from 4% to 9% when the employee elects a salary deferral from 2% to 5%. All retirement benefits are funded and fully vested under a defined contribution program. Employees may participate in the program through TIAA or through Fidelity Investment Corp. Total pension expense for fiscal year 2022 was \$22.4 million.

Insurance

The University carries a broad range of property and general liability coverage, including directors' and officers' liability coverage, in amounts customary for universities of similar size. Insurance presently in effect on the University's property is written on an all-risk policy with a limit of \$700 million on buildings and contents.

Strategic Plan and Initiatives

In 2018, the RIT Board of Trustees approved a strategic plan entitled "Greatness Through Difference 2018-2025". This strategic plan, along with the RIT Vision and Mission, captures core initiatives of the University. The plan's 25 goals are highlighted across four dimensions: People, Programs, Places, and Partnerships. The animating theme of the plan is innovation - the pivotal innovation that can only be achieved through harnessing the power residing within the intersection of RIT's core strengths of technology, the arts, and design. In the RIT context, "innovation" is not about novelty or even

originality; it is about leveraging these signature strengths to produce graduates in every discipline capable of practicing transformative innovation that serves the greater good.

The goals included in the strategic plan are supported by the University's capital campaign. "Transforming RIT: The Campaign for Greatness". This blended campaign seeks support from a multitude of investors from RIT's alumni, parents and friends to RIT's government and corporate partners, research foundations, and agencies and has a \$1 billion goal. The four pillars of the campaign: attract exceptional talent, enhance the student experience, improve the world through research and discovery, and lead future special initiatives, are intended to assist in the success of RIT's strategic plan. As of June 30, 2022, the University has raised \$912 million.

Future Capital Borrowing Plans

The University has no plans or commitments for future capital borrowing in the foreseeable future.

Cybersecurity

The University relies on a large and complex technology environment to conduct its operations and faces multiple cybersecurity threats including, but not limited to, hacking, phishing, viruses, malware, and other attacks on its computing and other digital networks and systems. As a recipient, provider, and creator of personal, private, or sensitive information, the University is the target of cybersecurity incidents that could result in adverse consequences, requiring a mitigating response. The University attempts to minimize the risk of cybersecurity threats and maintains a security posture designed to deter such threats including providing mandatory training, aligning policies and practices with the National Institute of Standards and Technology Cybersecurity Framework, encrypting sensitive data on key systems and implementing multi-factor authentication among other numerous protective measures. Additionally, third-party service providers that work with the University also face cybersecurity threats that could spread or materially adversely affect the operation or financial condition of the University.

Litigation

Litigation and other claims incident to the operation of the University are pending against the University. While the ultimate liability of the University, if any, is not presently determinable, such litigation and other claims, in the judgment of the University, will not in the aggregate have a material adverse effect on the University's current financial position.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

ROCHESTER INSTITUTE OF TECHNOLOGY CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2022 and 2021

[THIS PAGE INTENTIONALLY LEFT BLANK]

Rochester Institute of Technology

**Consolidated Financial Statements
June 30, 2022 and 2021**

Rochester Institute of Technology
Index
June 30, 2022 and 2021

	Page(s)
Report of Independent Auditors	1-2
Consolidated Financial Statements	
Balance Sheets.....	3
Statements of Activities.....	4-5
Statements of Cash Flows.....	6
Notes to Consolidated Financial Statements.....	7-34



Report of Independent Auditors

To the Board of Trustees of the Rochester Institute of Technology

Opinion

We have audited the accompanying consolidated financial statements of the Rochester Institute of Technology and its subsidiaries (the "University"), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for one year after the date the financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the University audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Fairport, New York
November 10, 2022

Rochester Institute of Technology
Consolidated Balance Sheets
June 30, 2022 and 2021
(in thousands)

	2022	2021
Assets		
Cash and cash equivalents	\$ 116,880	\$ 113,842
Cash and cash equivalents, held with trustees	31,901	17,734
Accounts receivable, net	16,722	20,035
Inventories and other assets	23,579	21,264
Contributions receivable, net	50,789	57,247
Student loans receivable, net	10,412	14,589
Investments, at fair value	1,558,317	1,630,787
Property, plant and equipment, net	724,274	681,610
Total assets	\$ 2,532,874	\$ 2,557,108
Liabilities		
Accounts payable and accrued expenses	\$ 68,107	\$ 60,672
Deferred revenues and other liabilities	81,531	78,626
Accrued postretirement benefits	117,703	138,804
Federal Perkins Loan Program advances	11,556	15,535
Long-term debt, net	343,386	356,576
Total liabilities	622,283	650,213
Net assets		
Without donor restrictions	1,235,983	1,210,387
With donor restrictions	674,608	696,508
Total net assets	1,910,591	1,906,895
Total liabilities and net assets	\$ 2,532,874	\$ 2,557,108

The accompanying notes are an integral part of these Consolidated Financial Statements.

Rochester Institute of Technology
Consolidated Statements of Activities
For the fiscal year ended June 30, 2022
(With summarized financial information for the year ended June 30, 2021)
(in thousands)

			2022	2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Operating revenues and other support				
Tuition and fees (includes discounts of \$319,464 and \$276,339, respectively)	\$ 333,122	\$ -	\$ 333,122	\$ 317,419
Sales and services of auxiliaries	86,066	-	86,066	67,921
Grants and contracts	182,092	544	182,636	156,469
Private contributions	1,125	9,314	10,439	10,556
Investment return	25,190	22,208	47,398	44,035
Other sources	21,344	-	21,344	15,662
Net assets released from restrictions	29,968	(29,968)	-	-
Total operating revenues and other support	678,907	2,098	681,005	612,062
Operating expenses				
Salaries and wages	\$ 317,903	\$ -	\$ 317,903	\$ 301,647
Benefits	100,360	-	100,360	95,769
Postretirement benefits	4,582	-	4,582	4,691
Purchased services	52,588	-	52,588	43,042
Materials and supplies	52,570	-	52,570	41,337
Depreciation	42,305	-	42,305	42,808
Interest	8,541	-	8,541	10,085
Utilities, taxes and insurance	13,704	-	13,704	12,359
Travel for scholarship, professional development and recruitment	5,451	-	5,451	1,088
Other	36,746	-	36,746	18,160
Total operating expenses	634,750	-	634,750	570,986
Net operating activities	44,157	2,098	46,255	41,076
Nonoperating activities				
Investment return, net	\$ (46,796)	\$ (36,699)	\$ (83,495)	\$ 331,754
Net assets released from restrictions	4,293	(4,293)	-	-
Contributions of cash and other financial assets for long-term assets	153	16,666	16,819	9,205
Contributions of nonfinancial assets for long-term use	419	-	419	4,781
Grants and contracts for long-term assets	5,029	285	5,314	364
Net periodic postretirement benefit cost other than service cost	1,160	-	1,160	562
Other postretirement benefit changes	19,433	-	19,433	741
Beneficiary payments and change in value of deferred giving arrangements	-	249	249	(269)
Other	(2,252)	(206)	(2,458)	(1,257)
Net nonoperating activities	(18,561)	(23,998)	(42,559)	345,881
Increase (decrease) in net assets	25,596	(21,900)	3,696	386,957
Net assets at beginning of year	1,210,387	696,508	1,906,895	1,519,938
Net assets at end of year	\$ 1,235,983	\$ 674,608	\$ 1,910,591	\$ 1,906,895

The accompanying notes are an integral part of these Consolidated Financial Statements.

Rochester Institute of Technology
Consolidated Statement of Activities
For the fiscal year ended June 30, 2021
(in thousands)

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and other support			
Tuition and fees (includes discounts of \$276,339)	\$ 317,419	\$ -	\$ 317,419
Sales and services of auxiliaries	67,921	-	67,921
Grants and contracts	155,453	1,016	156,469
Private contributions	1,326	9,230	10,556
Investment return	23,167	20,868	44,035
Other sources	15,662	-	15,662
Net assets released from restrictions	25,766	(25,766)	-
Total operating revenues and other support	606,714	5,348	612,062
Operating expenses			
Salaries and wages	\$ 301,647	\$ -	\$ 301,647
Benefits	95,769	-	95,769
Postretirement benefits	4,691	-	4,691
Purchased services	43,042	-	43,042
Materials and supplies	41,337	-	41,337
Depreciation	42,808	-	42,808
Interest	10,085	-	10,085
Utilities, taxes and insurance	12,359	-	12,359
Travel for scholarship, professional development and recruitment	1,088	-	1,088
Other	18,160	-	18,160
Total operating expenses	570,986	-	570,986
Net operating activities	35,728	5,348	41,076
Nonoperating activities			
Investment return, net	\$ 174,580	\$ 157,174	\$ 331,754
Net assets released from restrictions	8,914	(8,914)	-
Contributions of cash and other financial assets for long- term assets	17	9,188	9,205
Contributions of nonfinancial assets for long-term use	4,781	-	4,781
Grants and contracts for long-term assets	10	354	364
Net periodic postretirement benefit cost other than service cost	562	-	562
Other postretirement benefit changes	741	-	741
Beneficiary payments and change in value of deferred giving arrangements	-	(269)	(269)
Other	(1,122)	(135)	(1,257)
Net nonoperating activities	188,483	157,398	345,881
Increase in net assets	224,211	162,746	386,957
Net assets at beginning of year	986,176	533,762	1,519,938
Net assets at end of year	\$ 1,210,387	\$ 696,508	\$ 1,906,895

The accompanying notes are an integral part of these Consolidated Financial Statements.

Rochester Institute of Technology
Consolidated Statements of Cash Flows
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

	2022	2021
Cash flows from operating activities		
Change in net assets	\$ 3,696	\$ 386,957
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation, amortization and accretion expense	41,696	41,886
Loss on disposal of property, plant and equipment	1,604	258
Realized and unrealized net loss (gain) on investments	46,793	(371,188)
Contributions and government grants restricted for long-term purposes	(29,849)	(16,030)
Noncash contributions of property, plant, equipment and securities	(419)	(4,781)
Gain on extinguishment of debt	-	(126)
Asset retirement obligation liquidation and adjustment	1,522	(956)
Changes in assets and liabilities:		
Accounts receivable	3,313	(1,544)
Inventories and other assets	(2,860)	(52)
Contributions receivable	6,458	5,143
Student loans receivable	133	147
Accounts payable and accrued expenses	2,897	14,324
Deferred revenues and other liabilities	623	(5,209)
Accrued postretirement benefits	(21,101)	(1,154)
Net cash provided by operating activities	54,506	47,675
Cash flows from investing activities		
Purchases of investments	(583,260)	(378,210)
Proceeds from the sales and maturities of investments	608,968	389,645
Proceeds from the sale of property	-	37
Payments received on student loans	4,044	5,288
Acquisition of property, plant and equipment	(81,306)	(43,215)
Net cash used in investing activities	(51,554)	(26,455)
Cash flows from financing activities		
Contributions and contracts restricted for long-term purposes	20,084	14,293
Proceeds from sale of contributed securities	9,733	1,759
Payments of long term debt	(11,585)	(11,976)
Debt issuance costs	-	(196)
Decrease in refundable government grants for student loans	(3,979)	(4,519)
Net cash provided by (used in) financing activities	14,253	(639)
Increase in cash, cash equivalents and restricted cash	17,205	20,581
Cash, cash equivalents and restricted cash - beginning of year	131,576	110,995
Cash, cash equivalents and restricted cash - end of year	\$ 148,781	\$ 131,576
Supplemental disclosures of cash flow information		
Interest paid (capitalized interest of \$2,036 and \$898 recorded in 2022 and 2021, respectively)	\$ 12,526	\$ 11,577
Contributions of long-term assets	419	4,781
Contributions of marketable securities	10,248	1,993
Increase (decrease) in construction-related payables	4,539	(1,330)
Asset exchanged under asset retirement obligation	-	3,680
See Note 3 for supplemental cash flow disclosures for leases		

The accompanying notes are an integral part of these Consolidated Financial Statements.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

1. Summary of Significant Accounting Policies

a. Organization

Rochester Institute of Technology (University, RIT) is a privately endowed, co-educational university comprised of nine colleges and two degree-granting academic units. The University, which occupies approximately 1,300 acres in Rochester, New York, has approximately 20,000 full and part-time undergraduate and graduate students and 4,000 employees.

The following organizations are consolidated into the financial statements of the University:

- 5257 West Henrietta Road, LLC (Inn), doing business as the RIT Inn & Conference Center, is a not-for-profit single member limited liability company with the University as its sole member. The Inn is a dual-use 304-room full service hotel with 215 rooms available for student housing during the academic year.
- Magic Spell Studios, LLC (MAGIC Spell) is a not-for-profit single member limited liability company with the University as its sole member. MAGIC Spell operates a center for research and development of digital media directly supporting the charitable and educational activities of the University. During 2022, all assets and liabilities of MAGIC Spell were transferred to the University and a voluntary dissolution of the company was completed.
- RIT Campus Club, Inc. (Campus Club) is a not-for-profit subsidiary of the University. Campus Club was established to support certain aspects of the University's dining operations.
- RIT Global Delivery Corporation, Inc. (GDC) is a wholly owned not-for-profit subsidiary of the University established to develop and deliver global instruction. RIT Croatia, a subsidiary of GDC, delivers instructional services in Croatia. GDC also delivers instructional services in the United Arab Emirates where it operates RIT Dubai in conjunction with the Dubai Silicon Oasis Authority; in Kosovo through the American University in conjunction with the Kosovo Foundation; and in Beijing and Weihai, China through a partnership with Beijing Jiatong University.
- RIT Venture Fund I, LLC (Fund I) is a for-profit limited liability company; the University is its investor member and sole investor. The Fund was formed to make investments in seed, venture and growth-stage companies that involve students, faculty, alumni and/or technologies owned or developed by the University. RIT VF Arc Holdings, LLC is a limited liability company; Fund I is its investor member and sole investor.

b. Basis of Accounting

The University's Consolidated Financial Statements are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) in the United States of America. All significant intercompany transactions and accounts have been eliminated.

c. Use of Estimates

The preparation of financial statements in conformity with GAAP in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from estimates.

d. Cash, Cash Equivalents and Restricted Cash

The total cash, cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows is comprised of cash and cash equivalents and cash and cash equivalents held with trustees on the Consolidated Balance Sheets. Cash, cash equivalents and restricted cash include cash, money market funds and U.S. government securities with maturities of three months or less when purchased. Cash equivalents within the University's investment portfolio are reported as investments. The University classifies restricted cash as cash and cash equivalents held with trustees. These funds will be used for construction of or debt service payments on certain facilities.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

e. Inventories and Other Assets

The University's technology store inventory is valued at cost using the first-in, first-out (FIFO) retail method. Other inventories are stated at the lower of cost, generally on a FIFO basis, or market value.

Capitalized implementation costs and corresponding accumulated amortization for software recorded as a hosting arrangement deemed a service contract total \$2,983 and \$2,215 at June 30, 2022 and 2021, respectively, and are included in inventories and other assets on the Consolidated Balance Sheets. These costs are amortized over the term of the associated hosting arrangement on a straight-line basis and included in purchased services on the Consolidated Statements of Activities.

Operating lease right-of-use (ROU) assets are included in inventories and other assets on the Consolidated Balance Sheets.

f. Contributions Receivable

Contributions to the University, either from donors or grantors, provide funding for academic programs, research, investment in facilities and student support. Contributions due after one year are discounted at a range from 1.3% to 4.0%, to their fair value, based upon the fiscal year in which the contribution is to be received. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for potentially uncollectible contributions receivable is provided based upon management's judgment and analysis of the creditworthiness of the donors or grantors, past collection experience and other relevant factors.

g. Investments

Investments are recorded at fair value based on quoted market prices when available. The estimated fair value for certain investments in private equity, real asset, hedge and other externally managed funds are based on valuations provided by external investment managers. These investments are generally less liquid than other investments, and the values reported by the general partner or investment manager may differ from the values that would have been reported, had a ready market for these securities existed. The valuations necessarily involve estimates, appraisals, assumptions and methods which are reviewed by the University and external investment management.

To minimize the risk of loss, externally managed hedge fund investments are diversified by strategy, manager and number of positions. The risk of any derivative exposure associated with such funds is limited to the amount invested with each manager.

The University's interest rate risk management strategy provides for maximum flexibility within its debt structure, seeks to lower its cost of capital, and manages risk on a portfolio basis. The University does not hold or issue derivative financial instruments for trading purposes; however, the Board of Trustees has authorized investments in derivatives to maintain asset class ranges, hedge non-U.S. dollar investments and currencies, and provide for defensive portfolio strategies. Derivative investments are recorded at fair value and valuation gains and losses are included on the Consolidated Statements of Activities.

Investment return included in operating revenues and other support consists of amounts appropriated by the Board of Trustees from the University's pooled endowments, as well as income and realized gains and losses on investments from working capital and a trust of which the University is a partial beneficial owner. Any difference between total return and amounts appropriated for expenditure from the pooled endowments and income and realized gains reinvested per donor restrictions is reported within nonoperating activities.

h. Life Income, Gift Annuities, and Interest in Perpetual Trusts Held by Others

The University's split-interest agreements with donors consist primarily of gift annuity agreements and irrevocable charitable remainder trusts for which the University serves as trustee. Assets held in the trusts are included in investments and total \$11,814 and \$14,597 at June 30, 2022 and 2021, respectively. Contribution revenues are recognized when trusts (or annuity agreements) are established, after recording liabilities for the present value of the estimated future payments to be made to beneficiaries. The liabilities are adjusted annually for changes in the value of assets, accretion of the discount, and other changes in the estimates of future benefits. Discount rates are used to calculate the net present

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

value of the obligations, and are based on market rates commensurate with the beneficiary's life expectancy. As of June 30, 2022 and 2021 liabilities associated with split interest agreements total \$7,473 and \$8,421, respectively.

The University is also the beneficiary of certain perpetual trusts held and administered by others. The present value of the estimated future cash receipts from the trusts is recognized in investments and as contribution revenue. The carrying value of the investments is adjusted annually for changes in fair value.

i. Property, Plant and Equipment

Land, buildings, capital improvements, equipment, capitalized software exclusive of implementation costs for hosting arrangements considered service contracts, special collections and construction-in-progress are stated at cost at the time of acquisition or fair value (if contributed). Asset retirement costs are initially recorded at fair value and are included in buildings and capital improvements.

Special collections include works of art, literary works, historical treasures and artifacts that are maintained in the University's libraries and public areas of the campus. These collections are protected and preserved for public exhibition, education, research and the furtherance of public service.

Contributed property, plant and equipment, including special collections, are recognized as revenue in the period in which the items are gifted. Property, plant and equipment acquired through federal appropriations, grants and contracts where the Federal Government retains a reversionary interest are also capitalized and depreciated. Interest on borrowings during construction is capitalized.

Depreciation is recognized using the straight-line method with useful lives of 30 to 50 years for buildings, 8 to 30 years for building improvements, 10 to 30 years for site improvements, 4 to 15 years for automobiles, furniture, fixtures and equipment, and 3 to 10 years for software exclusive of implementation costs for hosting arrangements considered service contracts. Land, special collections and construction-in-progress are not depreciated. The cost and accumulated depreciation of property, plant and equipment sold or retired have been eliminated. Costs incurred for maintenance, repairs and renewals of relatively minor items are expensed as incurred.

Finance lease ROU assets are included in equipment and software in property, plant and equipment on the Consolidated Balance Sheets.

j. Premium on Long-Term Debt

Premiums arising from the original issuance of long-term debt are amortized on the effective interest method over the life of the debt. The unamortized portion of these premiums is included in long-term debt on the Consolidated Balance Sheets.

k. Classifications of Net Assets

The University reports its net assets and changes therein according to two classifications: without donor restrictions and with donor restrictions based upon the existence or absence of donor-imposed restrictions. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions with the exception of investment expenses which are reported in both net asset classes.

Net Assets Without Donor Restrictions

Net assets without donor restrictions are derived from tuition, sales and services of auxiliaries, contributions, and other support that are not subject to explicit donor-imposed restrictions. Certain net assets classified as without donor restrictions for external reporting purposes are board-designated for specific purposes or uses under various internal operating and administrative arrangements of the University.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

Net Assets With Donor Restrictions

Net assets with donor restrictions are derived from contributions (from donors and grantors) or income and gains on contributed assets, including the original amount of gifts which donors have given to be maintained in perpetuity, as well as net assets from endowments not yet appropriated for spending by the University that are subject to explicit donor-imposed restrictions on expenditure. Restrictions include support for specific colleges or academic programs, professorships, research, faculty support, scholarships and fellowships, building construction and other purposes.

When time and purpose restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions. The University uses the simultaneous release option to report conditional contributions with donor restrictions that are recognized and expensed in the same reporting period as revenue without donor restrictions. This allows the University to bypass the need to initially record these resources in net assets with donor restrictions and subsequently release them.

Classification of net assets by restriction and purpose as of June 30 are summarized as follows:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Board designated net assets:			
General	\$ 422,478	\$ -	\$ 422,478
Postretirement	117,703	-	117,703
Program support	52,155	-	52,155
Scholarships	29,959	-	29,959
Professorships	33,655	-	33,655
Facilities	15,740	744	16,484
Total board designated net assets	671,690	744	672,434
Other net assets:			
Endowment funds ^{1,2}	-	584,347	584,347
Pledges for long-lived assets	-	46,476	46,476
Designated for program services	-	38,527	38,527
Annuities ¹	-	3,602	3,602
Grants and contracts	-	728	728
Loan funds ¹	-	140	140
Net investment in plant	471,645	44	471,689
Net expendable resources	92,648	-	92,648
Total other	564,293	673,864	1,238,157
Total	\$ 1,235,983	\$ 674,608	\$ 1,910,591

¹ Endowment funds, annuities and loan funds include \$217,669, \$2,921 and \$136 of net assets restricted in perpetuity, respectively, totaling \$220,726

² Includes term endowment funds totaling \$3,082

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Board designated net assets:			
General	\$ 423,231	\$ -	\$ 423,231
Postretirement	138,804	-	138,804
Program support	54,731	-	54,731
Scholarships	31,476	-	31,476
Professorships	25,626	-	25,626
Facilities	16,326	813	17,139
Total board designated net assets	690,194	813	691,007
Other net assets:			
Endowment funds ^{1,2}	-	611,866	611,866
Pledges for long-lived assets	-	41,794	41,794
Designated for program services	-	35,619	35,619
Annuities ¹	-	5,139	5,139
Grants and contracts	-	1,095	1,095
Loan funds ¹	-	138	138
Net investment in plant	455,826	44	455,870
Net expendable resources	64,367	-	64,367
Total other	520,193	695,695	1,215,888
Total	\$ 1,210,387	\$ 696,508	\$ 1,906,895

¹ Endowment funds, annuities and loan funds include \$210,680, \$4,370 and \$134 of net assets restricted in perpetuity, respectively, totaling \$215,184

² Includes term endowment funds totaling \$3,175

I. Operations

Revenues earned and expenses incurred during the fiscal year are classified on the University's Consolidated Statements of Activities as either operating or nonoperating activity. Operating revenues and other support and expenses consist primarily of those items attributable to the University's education and training programs, sales and services of auxiliaries and research activities.

Nonoperating activities within the Consolidated Statements of Activities consist primarily of contributions from donors and grantors for building construction and renovation, realized and unrealized gains and losses on investments, long-term benefit plan obligation funding changes and other activities not attributable to the current year.

m. Revenue Recognition

Exchange Transactions

The University recognizes revenue from exchange transactions when there is a transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The primary sources of revenue from contracts with customers consist of tuition and fees, sales and services of auxiliaries and exchange transactions with grantors.

Tuition and Fees

Tuition and fees revenue, comprised of tuition for undergraduate and graduate students enrolled in classes and required fees, is recognized in the fiscal year in which the academic programs are delivered. The acceptance letter conveys enrollment expectations, provides information regarding tuition price, anticipated

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

financial aid and required payment schedules, and outlines each party's rights and obligations. Since the student provides consideration in exchange for instruction, the contract has commercial substance and based on experience, the University expects to receive the payments due under the contract. The University uses the portfolio approach to assess the probability of collectability.

The performance obligation corresponding to tuition and fees is the delivery of instruction and it is satisfied over the stated period of the contract, which is the academic term. The time period between when revenue is recognized and when payment is due is not significant. Tuition revenue reflects reductions attributable to discounts in the form of scholarship awards, credits and refunds which are recognized as a reduction of the transaction price at the time revenue for the corresponding contract is recognized.

Sales and Services of Auxiliaries

Revenue from sales and services of auxiliaries consists primarily of revenue received from student housing and dining contracts. Contracts are created when students make their housing and dining elections for the academic semester, which contain the terms of the contracts and each party's rights and obligations regarding the goods or services to be transferred. Housing revenue includes rental income for undergraduate and graduate students that reside in University-owned dormitories and apartments and RIT Inn revenue for events, student housing, and hotel guests. Dining revenue primarily includes Dining Dollars meal plans and food and beverage purchases in University-operated facilities by students, employees, and visitors. Revenue from meal plans is included in deferred revenue until spent or the student is no longer enrolled at the University. Since the student provides consideration in exchange for housing and dining during the academic term, the contracts have commercial substance and based on experience, the University expects to receive the payments due under the contracts. The University uses the portfolio approach to assess the probability of collectability.

The performance obligation associated with housing and dining contracts is satisfied over a period of time as the student simultaneously receives and consumes the benefits performed by the University. The time period between when revenue is recognized on these fixed price contracts and when payment is due is not significant. Revenue from the RIT Inn & Conference Center is earned over the time period of the guests' stay and event revenue is recognized at a point in time when the event takes place. Payment is due at the time of service. The performance for individual food and beverage transactions at University-operated establishments is satisfied at a point in time and revenue is recognized based on the amount of consideration received at the time of purchase, including applicable discounts.

Contracts with Grantors

Revenue from contracts with grantors consists primarily of goods or services which provide direct benefit and have commercial value to the resource provider, including proprietary rights, patents, copyrights, or advance and exclusive knowledge of research outcomes. Payment terms vary by grantor; however, the time period between when revenue is recognized and when payment is due is not significant. Contracts entered into with grantors typically contain a single performance obligation (i.e. proprietary rights to research outcomes) and revenue is recognized over the life of the contract based on when expenses are incurred. When contracts contain milestone requirements, revenue is recognized upon the completion of those milestones and acceptance by the grantor. Revenue is measured as the amount of consideration the University expects to receive in exchange for goods, services, or proprietary rights. Contracts are evaluated for uncollectable consideration based upon management's judgment, analysis of the creditworthiness of the grantors, past collection experience and other relevant factors.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

Contributions

The University recognizes revenue from donors' and grantors' contributions, including unconditional promises to give, in the period received. Unconditional promises to give are recorded as revenue with donor restrictions and released to net assets without donor restrictions as restrictions are met or qualifying expenses are incurred.

The University receives contributions for which promises to give are conditional upon incurring certain qualifying allowable expenses, matching requirements under the grant program and other conditions that depend on future events. The University recognizes such revenue in the period the conditions are met.

n. Income Taxes

The University and its consolidated U.S. subsidiaries, except for Fund I and its subsidiary, are not-for-profit organizations, and generally exempt from income taxes on related income under Section 501(c)(3) of the Internal Revenue Code (IRC) but are subject to unrelated business income tax on activities not related to their exempt purposes. Fund I, a limited liability company of which RIT is the investor member, is classified as a disregarded entity for federal income tax purposes. The accounting for income taxes Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification addresses the determination of whether certain tax positions result in benefits claimed or expected to be claimed on a tax return and whether they should be recorded in the Consolidated Financial Statements. For tax-exempt entities, tax positions include the entity's tax-exempt status and assumptions used to determine unrelated business taxable income. The University believes its tax positions meet the more-likely-than-not recognition threshold referenced in the Topic.

o. Accounting Pronouncements

FASB issues Accounting Standards Updates (ASUs) that are applicable to and have an impact on the Consolidated Financial Statements. The University evaluates and implements pronouncements by the effective fiscal year end date or prior if early adoption is permitted and deemed appropriate. The adoption of certain ASU's is pending further evaluation as noted.

Implemented

ASU No. 2018-14, "Compensation – Retirement Benefits - Defined Benefit Plans (Topic 715-20): Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans"

The guidance was issued to improve the effectiveness of disclosures and provide additional clarity for financial statement users. The adoption of this standard resulted in the removal and addition of certain information within the postretirement disclosure presentation in Footnote 12. The University has retrospectively adopted ASU 2018-14 for both periods presented.

ASU No. 2020-07, "Not-for-Profit (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets"

This pronouncement was designed to increase transparency in the presentation of contributed nonfinancial assets for not-for-profit entities. The adoption of the standard resulted in the inclusion of additional information regarding contributed nonfinancial assets within the Statement of Activities and enhanced disclosures in Footnote 17. The University has retrospectively adopted the standard for both periods presented.

As a result of the adoption of ASU No. 2020-07, the Consolidated Statements of Activities are reclassified as follows:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Contributions of long-term assets as previously presented	\$ 4,798	\$ 9,188	\$ 13,986
Contributions of cash and other financial assets for long-term assets as adopted	17	9,188	9,205
Contributions of nonfinancial assets for long-term use as adopted	4,781	-	4,781

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

Under Evaluation

ASU No. 2016-13 “Measurement of Credit Losses on Financial Instruments (Topic 326)” replaces the current GAAP incurred loss impairment methodology with one that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. This ASU was issued in June 2016 and the effective date, as prescribed by ASU No. 2019-10, is the fiscal year ended June 30, 2024.

p. Risks and Uncertainties

The University's investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least possible that changes in risks in the near term would materially affect the amounts reported in the financial statements.

Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. The values of certain investments have and will fluctuate in response to changing market conditions and therefore, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. The University made significant adjustments to its campus facilities and business operations, in response to the COVID-19 pandemic, to re-open for the Fall term in academic year 2020-21. The University continues to evaluate and modify its operations in response to the COVID-19 pandemic, as needed, taking into consideration expert agencies guidelines and information from health officials. As of the issuance of these financial statements, impact on operations as a result of the COVID-19 pandemic continues and it is at least possible that changes in risks in the near term could materially affect the amounts reported herein.

2. Accounts Receivable

Accounts receivable as of June 30 are summarized as follows:

	2022	2021
Grants and contracts:		
Federal and state sources	\$ 1,928	\$ 1,691
Private sources	999	562
Total grants and contracts	2,927	2,253
Student accounts	11,575	14,289
Other	5,478	6,897
Total student accounts and other	17,053	21,186
Total accounts receivable	19,980	23,439
Less: allowance for doubtful accounts	(3,258)	(3,404)
Accounts receivable, net	\$ 16,722	\$ 20,035

Receivables as of June 30, 2022 are expected to be collected by June 30, 2023.

3. Leases

The University's lease portfolio primarily consists of real estate and equipment leases with varying lengths and payments. The University determines if an arrangement is a lease at inception and the terms are evaluated to determine if there is an identified asset and the contract conveys the right to control the use of the asset in exchange for consideration. Finance and operating lease ROU assets and lease obligations are recognized based on the present value of the future minimum lease payments over the lease term at commencement date.

The lease ROU assets and obligations are calculated including options to extend or terminate the lease when it is reasonably certain that the University will exercise those options. The University uses the implicit rate noted within the contract. If not readily available, the University uses the federal treasury rate plus one hundred basis points at

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

commencement date to determine the present value of future payments. The operating lease ROU asset also includes any lease payments made and excludes incentives and any initial direct costs incurred. Operating lease expense for minimum payments is recognized on a straight-line basis over the lease term.

The University has elected the short-term lease exception under Topic 842, and as such, all leases with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets and lease expense is recognized on a straight-line basis over the term within purchased services on the Consolidated Statements of Activities.

The finance leases as of June 30 are summarized as follows:

	Consolidated Balance Sheets		2022	2021
Right-of-use assets, net of accumulated amortization of \$269 and \$129, respectively	Property, plant and equipment, net	\$	714	\$ 854
Finance lease obligation	Long-term debt		(722)	(853)

Operating leases as of June 30 are summarized as follows:

	Consolidated Balance Sheets		2022	2021
Right-of-use assets	Inventories and other assets	\$	10,595	\$ 11,140
Operating lease obligation	Deferred revenues and other liabilities		(10,595)	(11,140)

The following table reflects lease costs for the year ended June 30:

	Consolidated Statements of Activities		2022	2021
Operating lease costs	Purchased services	\$	1,579	\$ 1,594
Finance lease costs:				
Amortization of leased assets	Depreciation		140	129
Interest on lease liabilities	Interest		25	27
Total finance lease costs			165	156
Total lease costs		\$	1,744	\$ 1,750

Supplemental cash flow information related to leases for the year ended June 30 are as follows:

	2022	2021
Operating cash outflows from finance leases	\$ 25	\$ 27
Operating cash outflows from operating leases	1,579	1,594
Financing cash outflows from finance leases	131	130
Total cash paid for amounts included in measurement of lease liabilities	\$ 1,735	\$ 1,751
ROU assets obtained in the exchange for lease liabilities		
Finance leases	\$ -	\$ 983
Operating leases	835	12,545

The following presents the weighted-average lease terms and discount rates for operating and finance leases as of June 30, 2022:

	2022	2021
Weighted average remaining lease term (yrs) - Finance Leases	5	6
Weighted average remaining lease term (yrs) - Operating Leases	10	10
Weighted average discount rate - Finance Leases	3.18%	3.18%
Weighted average discount rate - Operating Leases	1.76%	1.76%

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

The following table includes the future maturities of lease payments for periods subsequent to June 30, 2022.

	2022		
	Operating	Financing	Total
2023	\$ 1,564	\$ 156	\$ 1,720
2024	1,512	156	1,668
2025	1,469	156	1,625
2026	1,361	156	1,517
2027	1,281	158	1,439
Thereafter	4,441	-	4,441
Undiscounted cash flows	11,628	782	12,410
Less: discount	(1,033)	(60)	(1,093)
Lease obligations, net	\$ 10,595	\$ 722	\$ 11,317

4. Contributions Receivable

Contributions receivable consists of the following unconditional promises to give, less related allowances for uncollectible receivables and discounts for present value on long-term pledges at June 30:

	2022		
	Grantors	Donors	Total
Unconditional promises expected to be collected in:			
Less than one year	\$ 24,946	\$ 9,779	\$ 34,725
One year to five years	-	15,765	15,765
Over five years	-	2,147	2,147
Contributions receivable	24,946	27,691	52,637
Less: allowance and discount	-	(1,848)	(1,848)
Contributions receivable, net	\$ 24,946	\$ 25,843	\$ 50,789

	2021		
	Grantors	Donors	Total
Unconditional promises expected to be collected in:			
Less than one year	\$ 18,090	\$ 20,126	\$ 38,216
One year to five years	-	18,272	18,272
Over five years	-	2,207	2,207
Contributions receivable	18,090	40,605	58,695
Less: allowance and discount	-	(1,448)	(1,448)
Contributions receivable, net	\$ 18,090	\$ 39,157	\$ 57,247

Due to the uncertainties with regard to realizability and valuation, bequest intentions and other conditional promises are only recognized as assets if and when the specified conditions are met. The University has received conditional promises to give from grantors that depend upon the occurrence of the following future events at June 30:

	2022	2021
Cost share and qualifying allowable expenses	\$ 2,838	\$ 1,145
Cost share only	4,844	1,183
Qualifying allowable expenses or specified outcomes	100,062	131,013
Conditional contributions	\$ 107,744	\$ 133,341

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

As of June 30, 2022 and 2021, the University has no conditional promises to give from donors, aside from bequest intentions.

Contributions to acquire property, plant and equipment are recorded as net assets with donor restrictions and are released from restrictions at the time the asset is placed in service. As a result, \$46,476 and \$41,794 of assets contributed to acquire property, plant and equipment are recorded as net assets with donor restrictions as of June 30, 2022 and 2021, respectively.

5. Student Loans Receivable and Credit Disclosures

On September 30, 2017, the Federal Perkins Loan Program (Program) expired when it was not extended by the U.S. Congress. Students did not receive new loans after that date unless the student had received a disbursement before October 1, 2017 for the 2017-2018 award year.

The University's student loans receivable represents the amounts due from current and former students under the Program. Loans disbursed under the Program are assigned to the Federal Government in certain non-repayment situations. Allowances for doubtful accounts are established when a non-deferred loan is delinquent for 240 days. Outstanding loans cancelled under the Program result in a decrease in the liability to the government. Under current federal guidelines, the University has chosen to service existing Perkins Loans through a third-party administrator.

At June 30, student loans included on the Consolidated Balance Sheets consists of the following:

	2022	2021
Federal Perkins Loan Program	\$ 12,667	\$ 16,812
Less: allowance for doubtful accounts	(2,255)	(2,223)
Student loans receivable, net	\$ 10,412	\$ 14,589

The student loans receivable aging analysis at June 30 is as follows:

	2022	2021
Current	\$ 9,134	\$ 13,272
1-60 days past due	583	577
61-90 days past due	98	156
>91 days past due	2,852	2,807
Total student loan receivables	\$ 12,667	\$ 16,812

Program advances of \$11,556 and \$15,535 at June 30, 2022 and 2021, respectively, are classified as liabilities on the Consolidated Balance Sheets. The U.S. Department of Education (ED) provided direction and the University remitted the federal portion of cash on hand from June 30, 2021 and 2020 of \$4,257 and \$4,907, in fiscal year 2022 and 2021, respectively. The June 30, 2022 federal share of Perkins Loans collected during 2022 will be remitted to the Federal Government when at such time ED provides guidance. Cash on hand representing funds collected amounted to \$4,548 and \$5,989 at June 30, 2022 and 2021, respectively, which includes the federal share, and is included in cash and cash equivalents on the Consolidated Balance Sheets.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

6. Investments

Total investments for the fiscal years ended June 30 are as follows:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Cash and short-term investments	\$ 12,008	\$ 12,008	\$ 28,307	\$ 28,307
Domestic fixed income	317,052	300,269	310,025	308,245
Global fixed income	55,636	51,209	54,878	56,319
Domestic equity securities	98,763	177,873	95,341	201,768
Global equity securities	139,206	167,250	135,142	213,790
Hedge funds	155,446	261,869	128,778	273,047
Private equity	273,923	468,247	238,474	447,404
Real assets	97,368	119,592	93,247	101,907
Total investments	\$ 1,149,402	\$ 1,558,317	\$ 1,084,192	\$ 1,630,787

Assets and liabilities measured and reported at fair value are classified and disclosed within one of the following categories:

Level 1

Quoted prices (unadjusted) in active markets for identical assets as of the measurement date. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Market price data is generally obtained from exchange or dealer markets. Investments within Level 1 may include active listed equities and exchange traded funds, option contracts traded in active markets, and certain U.S. government investments and money market securities.

Level 2

Pricing inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets. Inputs are obtained from various sources including market participants, dealers and brokers. Investments within Level 2 may include investment-grade corporate bonds, less liquid listed equities, option contracts, certain mortgage products, bank loans, and U.S. government investments.

Level 3

Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. Investments within Level 3 primarily consist of the University's ownership in closely held private companies and the cash surrender value of insurance contracts.

Net Asset Value

The University is permitted as a practical expedient under GAAP to estimate the fair value of an investment at the measurement date using the reported net asset value (NAV) without further adjustment unless the University expects to sell the investment at a value other than NAV or if the NAV is not calculated in accordance with GAAP. The University's investments in commingled funds, hedge funds, and private equity and real asset limited partnerships are recorded at fair value based on the most recent NAV reported by the investment manager. The NAV of these investments is determined by the investment manager, and is based on appraisal or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the investment manager, taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

which the securities relate. The University has performed due diligence around these investments to ensure that NAV is an appropriate measure of fair value as of June 30 and has concluded that these valuations are a reasonable estimate of fair value as of June 30, 2022 and 2021, but are subject to uncertainty and, therefore, may differ from the value that would have been used had an active market for all of the investments existed.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Furthermore, the fair value hierarchy does not correspond to a financial instrument's relative liquidity in the market or to its level of risk.

Following is a summary of the University's investments carried at fair value as of June 30, 2022:

	Level 1	Level 2	Level 3	Net Asset Value	Total
Cash and short-term investments	\$ 429	\$ 11,579	\$ -	\$ -	\$ 12,008
Domestic fixed income	197,922	102,129	218	-	300,269
Global fixed income	48,356	-	-	2,853	51,209
Domestic equity securities	44,024	-	-	133,849	177,873
Global equity securities	11,814	-	-	155,436	167,250
Hedge funds	-	-	-	261,869	261,869
Private equity	-	-	-	468,247	468,247
Real assets	26,654	-	-	92,938	119,592
Total investments at fair value	\$ 329,199	\$ 113,708	\$ 218	\$ 1,115,192	\$ 1,558,317

Following is a summary of the University's investments carried at fair value as of June 30, 2021:

	Level 1	Level 2	Level 3	Net Asset Value	Total
Cash and short-term investments	\$ 11,229	\$ 17,078	\$ -	\$ -	\$ 28,307
Domestic fixed income	143,834	164,186	225	-	308,245
Global fixed income	51,921	-	-	4,398	56,319
Domestic equity securities	46,396	-	-	155,372	201,768
Global equity securities	14,901	-	-	198,889	213,790
Hedge funds	-	-	-	273,047	273,047
Private equity	-	-	188	447,216	447,404
Real assets	24,150	-	-	77,757	101,907
Total investments at fair value	\$ 292,431	\$ 181,264	\$ 413	\$ 1,156,679	\$ 1,630,787

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

The following table provides additional information about the University's investments which are recorded at NAV as of June 30, 2022:

Asset Class	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period	Redemption Restrictions¹
Global fixed income	\$ 2,853	\$ -	Monthly	1 to 15 days	Lock up provisions expired
Domestic equity securities	133,849	-	Monthly	1 to 15 days	Lock up provisions expired
Global equity securities	155,436	-	Monthly	1 to 15 days	Lock up provisions expired
Hedge funds	261,869	5,000	30 to more than 365 days	35 to 90 days	1 year lock up on 8% of allocation; all other lock up provisions expired
Private equity	468,247	142,056	NA ²	NA ²	NA
Real assets	92,938	34,633	NA ²	NA ²	NA
Total	\$ 1,115,192	\$ 181,689			

¹Represents initial investment lock up restriction. 12% of the Hedge funds allocation is subject to between a 25% and 33.3% annual redemption gate.

²The University does not have redemption rights in these investments; the remaining lives are between 1 and 10 years.

The following table provides additional information about the University's investments which are recorded at NAV as of June 30, 2021:

Asset Class	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period	Redemption Restrictions¹
Global fixed income	\$ 4,398	\$ -	Monthly	1 to 15 days	Lock up provisions expired
Domestic equity securities	155,372	-	Monthly	1 to 15 days	Lock up provisions expired
Global equity securities	198,889	-	Monthly	1 to 15 days	Lock up provisions expired
Hedge funds	273,047	-	30 to more than 365 days	35 to 90 days	2 year lock up on 3% of allocation; all other lock up provisions expired
Private equity	447,216	166,632	NA ²	NA ²	NA
Real assets	77,757	32,511	NA ²	NA ²	NA
Total	\$ 1,156,679	\$ 199,143			

¹Represents initial investment lock up restriction. 4% of the Hedge funds allocation is subject to a 33.3% annual redemption gate.

²The University does not have redemption rights in these investments; the remaining lives are between 1 and 10 years.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

Total Investment Return

Following is a summary of the total investment return and its classification on the Consolidated Statements of Activities for the years ended June 30:

	2022	2021
Total investment return		
Interest and dividends	\$ 21,227	\$ 15,203
Realized and unrealized (loss) gain on investments, net of investment management fees and other expenses	(57,324)	360,586
Total investment return	\$ (36,097)	\$ 375,789
Consolidated Statements of Activities classification		
Allocated for operating activities per spending policy	\$ 42,567	\$ 38,137
Interest and dividends	4,831	5,898
Total operating investment return	47,398	44,035
Nonoperating investment return	(83,495)	331,754
Total investment return	\$ (36,097)	\$ 375,789

7. Endowment

The University's endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments (board-designated). As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The New York Prudent Management of Institutional Funds Act (NYPMIFA) governs the management and investment of funds held by not-for-profit corporations and other institutions. Absent donor stipulations to the contrary, the statutory guidelines contained in NYPMIFA relate to the prudent management, investment and expenditure of donor-restricted endowment funds without regard to the original value of the gifts. However, NYPMIFA contains specific factors that must be considered prior to making investment decisions or appropriating funds for expenditure.

The Board of Trustees' interpretation of its fiduciary responsibilities for donor-restricted endowment funds under New York State's Not-for-Profit Corporation Law, including NYPMIFA, is to preserve intergenerational equity to the extent possible by prudently managing, investing, and spending from the endowment funds. This principle holds that future endowment beneficiaries should receive at least the same level of economic support that the current generation receives. As a result of this interpretation, the University classifies as net assets with donor restrictions the unappropriated portion of: a) the original value of gifts donated to a true endowment fund; b) the original value of subsequent gifts to a true endowment fund; and, c) accumulations to a true endowment fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also included in net assets with donor restrictions is accumulated appreciation on donor-restricted endowment funds which are available for expenditure in a manner consistent with the donor's intent and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

The Board of Trustees determines the appropriate amount to withdraw from endowment and similar funds on an annual basis to provide support for operations with prudent concern for the long-term growth in the underlying assets as well as the specific factors detailed in NYPMIFA.

To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to achieve its long-term objectives within prudent risk constraints.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

The University currently accounts for endowment activity in two investment pools: Pool I and Pool II. Pool I is comprised of contributions, both donor-restricted and board-designated, made to the University for a variety of purposes, as well as contributions transferred from Pool II; Pool II is comprised of contributions, both donor-restricted and board-designated, made to the National Technical Institute for the Deaf (NTID). Each pool has a separate investment and spending policy.

Pool I – The University has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value over the prior 20 quarters through March of the preceding fiscal year in which the distribution is planned. The total spending distribution should be at least equal to 3.50% but not greater than 5.25% of the beginning of year portfolio market value. The distribution excludes those funds with deficiencies due to unfavorable market fluctuations. During periods when investment return exceeds the distribution, such excess return is added to these investments. Likewise, when investment return is less than the distribution, such deficit is funded by accumulated return. In establishing the distribution policy, the University considered the long-term expected return on its endowment. New gifts to existing funds participate in the spending policy in the quarter that begins subsequent to the date of the gift. New funds participate in the spending policy in the quarter that begins one year subsequent to the date of the gift. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow at a rate exceeding expected inflation, consistent with the University's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as, to provide additional real growth through new gifts and investment return. In 1994, the University's Board of Trustees established a board-designated fund within Pool I to finance a portion of the University's postretirement medical obligations. Distributions had been reinvested in the fund each year since inception, and, accordingly, were not available to support the general operations of the University. In 2013, the University's Board of Trustees approved a resolution allowing, with the approval of the chair of the Finance Committee, a portion or all of a year's distributions related to the board-designated postretirement fund to be allocated to support the general operations of the University. No elections were made during the years ended June 30, 2022 and 2021. The market value for this board-designated fund was \$117,703 and \$138,804 at June 30, 2022 and 2021, respectively.

Pool II – The University established Pool II for NTID during 1989 in accordance with the federal program established by Public Law 99-371 (August 4, 1986) to support NTID. Pool II assets are invested in a manner intended to produce price and yield results that are at least equal to a blended benchmark of 70% of the S&P 500 Index and 30% of the Barclays Capital Aggregate Bond Index, assuming a moderate level of investment risk. The program stipulates that the investment of annual additions to Pool II is restricted to IRC 501(f) investment organizations. The federal guidelines authorize a spending distribution from Pool II of not more than 50% of current year's investment income (interest and dividends only). After a period of 10 years, the University can elect to invest the funds consistent with the University's overall long-term investment strategy (Pool I).

At June 30, 2022, the endowment net asset composition by type of fund consists of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	\$ -	\$ 584,347	\$ 584,347
Board-designated funds	671,690	744	672,434
Total funds	\$ 671,690	\$ 585,091	\$ 1,256,781

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

Following are changes in endowment net assets for the year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2021	\$ 690,194	\$ 612,679	\$ 1,302,873
Investment return	(8,514)	(12,696)	(21,210)
Contributions	-	7,328	7,328
Amounts appropriated for expenditure	(20,360)	(22,220)	(42,580)
Other changes:			
Transfers to create board-designated endowment funds	10,370	-	10,370
Endowment net assets, June 30, 2022	\$ 671,690	\$ 585,091	\$ 1,256,781

At June 30, 2021, the endowment net asset composition by type of fund consists of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	\$ -	\$ 611,866	\$ 611,866
Board-designated funds	690,194	813	691,007
Total funds	\$ 690,194	\$ 612,679	\$ 1,302,873

Following are changes in endowment net assets for the year ended June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2020	\$ 501,338	\$ 452,694	\$ 954,032
Investment return	193,951	174,657	368,608
Contributions	-	6,150	6,150
Amounts appropriated for expenditure	(17,275)	(20,822)	(38,097)
Other changes:			
Transfers to create board-designated endowment funds	12,180	-	12,180
Endowment net assets, June 30, 2021	\$ 690,194	\$ 612,679	\$ 1,302,873

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the NYPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. It is the University's policy to exclude these funds from the spending distribution until the fund's fair value is equal to or greater than the perpetual value. Subsequent gains that restore the fair value of the assets of such endowment funds to the required level are classified as an increase in net assets with donor restrictions. As of June 30, 2022, funds with an original gift value of \$1,754 had deficiencies of \$100. There were no deficiencies of this nature as of June 30, 2021.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

8. Liquidity and Available Resources

The University's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the Consolidated Balance Sheets are as follows:

	2022	2021
Cash and cash equivalents	\$ 116,880	\$ 113,842
Accounts receivable, net	16,722	20,035
Non-endowment contributions receivable, net	30,965	38,216
Student loans receivable, net	901	1,387
Investments:		
Working capital investments	253,361	224,213
Appropriated for spending in the following year	47,651	42,460
Financial assets available within one year	\$ 466,480	\$ 440,153

As part of the University's liquidity management strategy, its financial assets are structured to be available as expenditures, liabilities and other obligations come due. The University allocates cash in excess of daily requirements to short-term investments. When determining the availability of resources to meet cash requirements within one year, the University considers general expenditures to be those related to its mission-related activities as well as the delivery of services undertaken to support its day-to-day operations. In addition to these available financial assets, a significant portion of the University's annual expenditures are funded by current year operating revenues and other support including tuition and fees, sales and services of auxiliaries and grants and contracts. Endowment funds appropriated for spending and contributions receivable, subject to donor-restrictions where applicable, are considered available for general liquidity purposes.

Additionally, the University maintains board-designated funds of \$672,434 and \$691,007 as of June 30, 2022 and 2021, respectively. Although the University does not intend to spend from this endowment, other than amounts appropriated for expenditure as part of its annual appropriation process, amounts from its board-designated funds could be made available for liquidity needs, if necessary. However, both the board-designated and donor-restricted endowments contain investments with lock-up provisions that reduce the total investments that could be made available. (Refer to Note 6 for disclosures about investments).

9. Property, Plant and Equipment

Property, plant and equipment, less related depreciation on certain asset categories at June 30, is as follows:

	2022	2021
Buildings and capital improvements	\$ 1,126,860	\$ 1,114,503
Equipment and software	156,881	156,296
Less: accumulated depreciation	(680,589)	(644,591)
Depreciable property, plant and equipment, net	603,152	626,208
Land	11,924	11,924
Special collections	13,020	13,073
Construction-in-progress	96,178	30,405
Property, plant and equipment, net	\$ 724,274	\$ 681,610

Total depreciation expense for 2022 and 2021 was \$42,305 and \$42,808, respectively.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

10. Asset Retirement Obligations

The University accounts for asset retirement obligations, primarily asbestos-related removal costs, in accordance with asset retirement and environmental obligations guidance. The University accrues for asset retirement obligations in the period incurred if sufficient information is available to reasonably estimate the fair value of the obligation. Over time, the liability is accreted to its settlement value. Upon settlement of the liability, the University will recognize a gain or loss for any difference between the settlement amount and liability recorded.

The University reassesses its asset retirement obligations annually, adjusting both the liability, included in deferred revenues and other liabilities, and the associated asset retirement costs, included in property, plant and equipment, on the Consolidated Balance Sheets.

The following schedule reflects changes in asset retirement obligations for the year ended June 30:

	2022	2021
Beginning balance	\$ 26,993	\$ 23,220
Change in estimate	2,591	(475)
Abatement liability incurred	-	3,823
Abatement liability settled	(760)	(481)
Accretion expenses	996	906
Ending balance	\$ 29,820	\$ 26,993

11. Deferred Revenue

Deferred revenue from customer contracts represents amounts collected from, or invoiced to, customers in advance of revenue recognition. The deferred revenue balance will increase or decrease based on the timing of invoices and recognition of revenue. The University has elected the practical expedient under Topic 606 to forego disclosing information about remaining performance obligations that have original expected durations of one year or less. Significant changes in deferred revenue liability balances during the years ended June 30 are as follows:

	2022				
	Balance at June 30, 2021	Revenue Recognized	Consideration Received in Advance of Performance	Refunds and Other Adjustments	Balance at June 30, 2022
Student related revenues	\$ 20,478	\$ (20,250)	\$ 21,951	\$ (231)	\$ 21,948
Tuition prepayment program	3,923	(3,038)	3,111	(120)	3,876
Contracts with grantors	2,170	(1,658)	1,534	-	2,046
Other	1,062	(863)	1,211	1	1,411

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

	2021				
	Balance at June 30, 2020	Revenue Recognized	Consideration Received in Advance of Performance	Refunds and Other Adjustments	Balance at June 30, 2021
Student related revenues	\$ 24,969	\$ (24,144)	\$ 19,597	\$ 56	\$ 20,478
Tuition prepayment program	5,137	(3,678)	1,922	542	3,923
Contracts with grantors	3,157	(1,683)	696	-	2,170
Other	1,453	(2,197)	1,830	(24)	1,062

Student related revenues consist of tuition, sales and services of auxiliaries, advance deposits, and student credit balances and represent payments received in advance of the period when services will be rendered and performance obligations met. These deferred revenue balances will be recognized as revenue over the academic terms beginning and ending in the following fiscal year as services are rendered.

Tuition prepayments will be recognized as revenue over the respective academic terms when performance obligations are met beginning July 1, 2022 through June 30, 2026. Anticipated recognition of revenue for the fiscal years ended June 30 are as follows:

2023	\$ 1,854
2024	1,016
2025	645
2026	361
	\$ 3,876

Other deferred revenue consists of general customer contracts with performance obligations that will be met and revenue recognized during the fiscal year ended June 30, 2023.

12. Benefit Plans

a. Retirement Benefit Plan

The Rochester Institute of Technology Retirement Savings Plan (Plan) is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and IRC Section 403(b). The Plan is available to all employees who meet certain eligibility requirements. Plan contributions are invested in one or more of the funding vehicles made available to participants under the Plan. Contributions may be allocated to annuity contracts offered by Teachers Insurance Annuity Association (TIAA) and/or custodial accounts which are invested in regulated investment companies (mutual funds) offered by Fidelity Investments (Fidelity). In addition, employees may choose to invest in a self-directed brokerage account through which they can access additional mutual fund options. TIAA and Fidelity are recordkeepers of the Plan. It is the University's policy to currently fund defined contribution pension costs as they are incurred. Total retirement contribution expense for 2022 and 2021 was \$22,372 and \$22,195, respectively.

b. Postemployment Benefits

The accrued postemployment benefits of the University were \$470 and \$632 at June 30, 2022 and 2021, respectively.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

c. Postretirement Benefits

The University sponsors a defined benefit medical plan that covers substantially all employees.

Eligibility

Employees hired prior to January 1, 1995 are eligible for retiree medical benefits if they are at least 50 years old, with at least 10 years of service (5 years if hired prior to July 1, 1990) and age plus service total at least 70 at retirement. Employees hired on or after January 1, 1995 are eligible for retiree medical benefits if they are at least 55 years old, with at least 10 years of service, and age plus service totals at least 70 at retirement.

Employees hired prior to January 1, 2019 who are at least 45 years of age or have at least 10 years of full-time service or 15 years of eligible part-time service as of January 1, 2019 are grandfathered into the pre-January 1, 2019 retirement eligibility conditions. For employees who are not grandfathered or are hired on or after January 1, 2019, retirement eligibility is at least age 62 with 15 years of full-time service (20 years of eligible part-time service).

Delivery of Medical Benefits

Pre-Medicare retirees:

Retirees contribute towards the cost of coverage based on the plan option selected and salary at retirement, but are required to pay a larger contribution than active employees.

Medicare-eligible retirees:

Retirees and spouses receive an annual health reimbursement account (HRA) allocation from the University to obtain healthcare coverage via a private healthcare exchange.

HRA allocations vary based on the retiree classifications described above, with earlier hire dates receiving a greater HRA allocation. Coverage from the healthcare exchange includes reimbursement for drug claims in the catastrophic tier under Medicare Part D.

The postretirement medical plan's obligations and applicable discount rates as of June 30 are as follows:

	2022	2021
Change in projected benefit obligation		
Postretirement benefit obligation at beginning of year	\$ 138,804	\$ 139,958
Service cost	4,582	4,691
Interest cost	4,142	4,090
Participants' contributions	732	607
Actuarial gain	(24,735)	(5,393)
Benefits paid	(5,822)	(5,149)
Postretirement benefit obligation at end of year	\$ 117,703	\$ 138,804
Amounts recognized in net assets without donor restrictions consist of:		
Net prior service credit	\$ (51,608)	\$ (58,588)
Net (gain) loss	(5,267)	21,146
Accumulated income in net assets without donor restrictions	\$ (56,875)	\$ (37,442)
Discount rates		
Net periodic benefit cost	3.04%	2.98%
Year-end benefit obligation	5.01%	3.04%

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

The net actuarial gain for the fiscal year ending June 30, 2022 is primarily the result of updates to the discount rate and assumptions for retiree election and termination rates. These gains were partially offset by changes to retirement rates and updated health care cost trend assumptions. The net actuarial gain for the fiscal year ending June 30, 2021 is primarily the result of the update to the discount rate and lower than expected pre-65 per capita costs, partially offset by changes to the post-65 HRA utilization assumption.

The components of net periodic postretirement benefit costs are as follows at June 30:

	2022		2021
Operating activities:			
Service cost	\$ 4,582	\$	4,691
Nonoperating activities:			
Interest cost	4,142		4,090
Amortization of unrecognized prior service benefit	(6,980)		(6,980)
Amortization of net losses	1,678		2,328
Total nonoperating activities	(1,160)		(562)
Net periodic postretirement benefit cost	\$ 3,422	\$	4,129

Postretirement benefit changes of \$19,433 and \$741 for the fiscal years ending June 30, 2022 and 2021, respectively, consisting of prior service credit amortization, net actuarial loss amortization and experience gains are included in nonoperating activities on the Consolidated Statements of Activities.

Amortization of prior service costs or credits which result from changes to plan provisions and amortization of actuarial net gains or losses which result from experience different from assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) are included as components of Net Periodic Postretirement Benefit Cost/(Income) for a year. The amortization of actuarial net gain or loss is the net gain or loss divided by the average remaining service period to full eligibility for participating employees expected to receive benefits under the postretirement medical plan.

The postretirement medical plan's health care cost trend rate assumptions are as follows at June 30:

	2022	2021
Initial rate	7.5%	6.5%
Ultimate rate	5.0%	5.0%
Fiscal year of ultimate rate	2032	2024

Benefit Payments

At June 30, the University's aggregated future estimated postretirement benefit payments, which reflect future services, are as follows:

2023	\$ 5,670
2024	6,161
2025	6,678
2026	7,234
2027	7,754
2028-2032	44,503

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

d. Self-insurance Plans

The University is self-insured for medical, prescription drug and dental benefits. Based on estimates provided by its actuaries, the University's obligation for health care claims incurred but not reported is \$2,337 and \$2,272 as of June 30, 2022 and 2021, respectively. The University is also self-insured for workers compensation and has established a liability for asserted and unasserted claims totaling \$4,730 and \$5,033 as of June 30, 2022 and 2021, respectively. These amounts are included in accounts payable and accrued expenses on the Consolidated Balance Sheets.

13. Long-Term Debt

The University has entered into various agreements for the purpose of financing construction, renovation and improvement of its facilities and equipment. Long-term debt outstanding for these purposes, net of applicable unamortized premium/discount and debt issuance costs as of June 30, is as follows:

Issue	Interest Rate(s)¹	Type of Rate	Maturity	2022	2021
Tax-exempt revenue bonds:					
Dormitory Authority of the State of New York (DASNY)					
Series 2006A	5.25%	Fixed	7/1/22	\$ 5,350	\$ 10,435
Series 2012	4.00%	Fixed	7/1/22	1,780	3,505
Series 2019A	4.00% - 5.00%	Fixed	7/1/49	119,635	119,635
Series 2020A	5.00%	Fixed	7/1/40	44,490	47,800
Taxable revenue bonds:					
Dormitory Authority of the State of New York (DASNY)					
Series 2019B	2.19% - 3.44%	Fixed	7/1/42	144,475	145,700
Other debt	3.18%-3.56%	Variable	Various	983	1,151
Total long-term debt, principal				316,713	328,226
Bond premium/discount, net				28,343	30,189
Unamortized debt issuance costs, net				(1,670)	(1,839)
Total long-term debt, net				\$ 343,386	\$ 356,576

¹ Represents interest rates on debt outstanding as of June 30, 2022

The required principal payments for long-term debt for each of the years in the five-year period ending June 30, 2027 and thereafter are presented below. The schedule has been prepared based on the contractual maturities of the debt outstanding at June 30:

2023	\$ 12,152
2024	11,584
2025	12,129
2026	12,464
2027	12,984
Thereafter	255,400
	\$ 316,713

Deposits with bond trustees consist of debt service funds and the unexpended proceeds of certain debt totaling \$90,757 and \$130,792, and are included in cash and cash equivalents held with trustees and investments on the Consolidated Balance Sheets as of June 30, 2022 and 2021, respectively.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

Tax-Exempt Revenue Bonds

The University's tax-exempt bonds are issued through DASNY, a New York State agency serving as a conduit issuer of tax-exempt debt. Proceeds from tax-exempt revenue bonds outstanding as of June 30, 2022 were used as follows:

DASNY 2006A Series

Insured revenue bonds were issued to advance refund a substantial portion of the outstanding aggregate principal amount of the University's 1997 Series bonds which had been issued to refund the remaining obligation of general and unconditional obligation Series E revenue bonds. Proceeds were also used to renovate on-campus housing facilities and improve the technological infrastructure of the University.

DASNY 2012 Series

Secured revenue bonds were issued to advance refund a portion of DASNY 2002B Series bonds and a portion of DASNY 2008A Series bonds and for the construction of a new athletic and multi-purpose facility, renovations and improvements to academic facilities, replacement of electrical infrastructure and the acquisition of University Commons Project II on-campus residential housing. During the fiscal year 2020, the University advance refunded and legally extinguished a substantial portion of 2012 Series bonds. A portion of the proceeds from the DASNY 2019B Series bonds were deposited into an irrevocable trust solely for the purpose of making debt service payments on the 2012 Series bonds.

DASNY 2019A Series

Unsecured revenue bonds were issued to refinance the University's taxable bank loan and for the construction of the Student Hall for Exploration and Development and a music performance theater.

DASNY 2020A Series

Unsecured revenue bonds were issued to forward refund a portion of the 2010 Series bonds which had been issued for the construction of a new academic building, the construction of a green data center, the expansion of athletic facilities, various other campus-wide improvements and the advance refunding of DASNY 2002A Series bonds.

Taxable Revenue Bonds

The University's taxable bonds are issued through DASNY. Proceeds from taxable revenue bonds outstanding as of June 30, 2022 were used as follows:

DASNY 2019B Series

Unsecured taxable revenue bonds were issued to advance refund a portion of the 2012 Series bonds (See DASNY 2012 Series).

Other Debt

Other debt consists of amounts associated with agreements the University has entered into for finance leases of equipment and furniture.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

14. Student Aid

For the fiscal year ending June 30, aid provided to students is summarized as follows:

2022			
	Institutional Support¹	Sponsored Support²	Total
Financial aid and merit-based scholarships	\$ 299,450	\$ 20,014	\$ 319,464
Student salaries and wages	18,909	11,093	30,002
Total student aid	\$ 318,359	\$ 31,107	\$ 349,466
2021			
	Institutional Support¹	Sponsored Support²	Total
Financial aid and merit-based scholarships	\$ 259,168	\$ 17,171	\$ 276,339
Student salaries and wages	15,728	10,003	25,731
Total student aid	\$ 274,896	\$ 27,174	\$ 302,070

¹ Institutional support includes student aid from operating resources without donor restrictions.

² Sponsored support includes student aid funded from donor restricted and University designated resources and external sources, including federal, state or private grants and/or contributions.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

15. Grants and Contracts Revenue

For the fiscal year ending June 30, revenue sources from grants and contracts are as follows:

2022				
	Contributions	Exchange Transactions	Total	
Operating activities:				
Federal ^{1,2}	\$ 153,349	\$ 9,487	\$	162,836
State	11,616	1,834		13,450
Private	2,026	4,324		6,350
Total operating grants and contracts revenue	\$ 166,991	\$ 15,645	\$	182,636
Nonoperating activities:				
Federal	\$ 285	\$ -	\$	285
State	5,029	-		5,029
Total nonoperating grants and contracts revenue	\$ 5,314	\$ -	\$	5,314
2021				
	Contributions	Exchange Transactions	Total	
Operating activities:				
Federal ^{1,3}	\$ 129,702	\$ 10,136	\$	139,838
State	9,472	1,619		11,091
Private	2,051	3,489		5,540
Total operating grants and contracts revenue	\$ 141,225	\$ 15,244	\$	156,469
Nonoperating activities:				
Federal ¹	\$ 354	\$ -	\$	354
State	10	-		10
Total nonoperating grants and contracts revenue	\$ 364	\$ -	\$	364

¹ Contributions include appropriation for NTID.

² Contributions include Higher Education Emergency Relief Funds (HEERF II & III) established by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and American Rescue Plan Act (ARPA) awarded to RIT totaling \$29,980, Consolidated Appropriations Act 2021, Division M, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and American Rescue Plan Act (ARPA) awarded to NTID totaling \$8,140.

³ Contributions include Higher Education Emergency Relief Funds (HEERF II) established by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) awarded to RIT totaling \$16,978 and Consolidated Appropriations Act 2021, Division M, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) awarded to NTID totaling \$5,701.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

16. National Technical Institute for the Deaf

Under an agreement with the U.S. Department of Education (ED), the University established NTID in 1968 to provide post-secondary education and technical training for deaf and hard of hearing persons. NTID is the world's first and largest technical college for deaf students with approximately 1,166 students from the United States and other countries. The Federal Government provides funding through an appropriation, currently covering approximately 80% of NTID's total operating costs, as well as matching funds for NTID's Federal Endowment Fund. Funding is applied for annually and is subject to the Federal Government's continued support of the program.

Operating Revenues

The federal appropriation partially covers direct operating expenses and reimbursement to the University for tuition, fees, room and board and indirect costs for NTID students using RIT facilities. Appropriation revenues are included in grants and contracts on the Consolidated Statements of Activities and totaled \$84,470 and \$77,303 at June 30, 2022 and 2021, respectively. The remaining operating expenses are funded by tuition and fees collected from NTID students and other revenues.

NTID receives funds in its annual appropriation from ED to support a regional partnership with the Alabama Institute for the Deaf and Blind (AIDB). The NTID Southeast Regional STEM Center was established to expand the geographic reach of activities and services supported by NTID consistent with its mission and strategic plan. Of the amount included in grants and contracts on the Consolidated Statements of Activities, \$6,466 and \$4,397 at June 30, 2022 and 2021 respectively, was appropriated for the AIDB regional partnership.

Nonoperating Activities

The federal appropriation may also be used to match qualifying contributions received from donors for NTID's Federal Endowment Fund. Included in with donor restricted nonoperating government grants and contracts for long-term assets on the Consolidated Statements of Activities are federal matching funds totaling \$285 and \$354 at June 30, 2022 and 2021, respectively.

17. Contributed Nonfinancial Assets

For the fiscal year ending June 30, revenue sources from contributed nonfinancial assets are as follows:

	2022	2021	Programs and Activities Utilized In
Buildings and land	\$ 60	\$ 3,151	Student & Auxiliary Services, General Admin & Operations
Equipment	492	1,943	Instruction & Academic Support, Student & Auxiliary Services, General Admin & Operations
Services	413	383	Research & Public Support
Consumables	169	189	Instruction & Academic Support, Research & Public Support, General Admin & Operations
Total contributed nonfinancial assets	\$ 1,134	\$ 5,666	

All revenue was recognized without donor restrictions. The valuation techniques and inputs utilized to estimate fair value were on the basis of comparable prices in the open market or recent purchases.

Rochester Institute of Technology
Notes to Consolidated Financial Statements
For the fiscal years ended June 30, 2022 and 2021
(in thousands)

18. Expenses by Functional and Natural Classification

Certain natural expenses attributable to more than one functional expense category are distributed using reasonable cost allocation methods. Depreciation, interest and plant operation and maintenance expenses are allocated to the functional categories on a square footage basis.

Expenses by functional and natural classification for the fiscal year ending June 30 are as follows:

2022					
	Instruction & Academic Support	Student & Auxiliary Services	Research & Public Support	General Admin & Operations ¹	Total
Compensation and benefits	\$ 275,000	\$ 70,134	\$ 44,473	\$ 33,238	\$ 422,845
Purchased services and other	49,612	78,452	27,089	5,906	161,059
Depreciation, amortization and interest	19,274	20,707	6,828	4,037	50,846
Total operating expense	\$ 343,886	\$ 169,293	\$ 78,390	\$ 43,181	\$ 634,750
Net periodic benefit cost other than service	(805)	(197)	(24)	(134)	(1,160)
Total expense	\$ 343,081	\$ 169,096	\$ 78,366	\$ 43,047	\$ 633,590

¹ Includes fundraising expenses of \$10,701

2021					
	Instruction & Academic Support	Student & Auxiliary Services	Research & Public Support	General Admin & Operations ¹	Total
Compensation and benefits	\$ 260,533	\$ 67,565	\$ 43,124	\$ 30,885	\$ 402,107
Purchased services and other	37,641	52,598	21,008	4,739	115,986
Depreciation, amortization and interest	20,538	21,460	6,727	4,168	52,893
Total operating expense	\$ 318,712	\$ 141,623	\$ 70,859	\$ 39,792	\$ 570,986
Net periodic benefit cost other than service	(389)	(95)	(11)	(67)	(562)
Total expense	\$ 318,323	\$ 141,528	\$ 70,848	\$ 39,725	\$ 570,424

¹ Includes fundraising expenses of \$9,868

19. Commitments and Contingencies

The University is involved in legal actions arising in the normal course of activities and is subject to periodic audits and inquiries by various regulatory agencies. Although the ultimate outcome of such matters is not determinable at this time, management, after taking into consideration advice of legal counsel, believes that the resolution of pending matters will not have a materially adverse effect, individually or in the aggregate, upon the Consolidated Financial Statements.

The University is committed under several construction contracts amounting to approximately \$92,283 and \$34,493 at June 30, 2022 and 2021, respectively. These contracts relate to the renovation and construction of various on-campus facilities including projects totaling \$3,805 funded by federal and state grants, \$24,274 funded by private donors and \$48,551 funded by the University's Series 2019A debt issue.

20. Subsequent Events

Subsequent events have been evaluated through November 10, 2022, the date the Consolidated Financial Statements were issued.

APPENDIX C
CERTAIN DEFINITIONS

[THIS PAGE INTENTIONALLY LEFT BLANK]

CERTAIN DEFINITIONS

The following are definitions of certain of the terms defined in the Resolution, the Series Resolution, or the Loan Agreement and used in this Official Statement.

Act means the Dormitory Authority Act being Title 4 of Article 8 of the Public Authorities Law of the State, as amended, including without limitation by the Health Care Financing Consolidation Act, being Title 4-B of Article 8 of the Public Authorities Law of the State.

Arbitrage Rebate Fund means the fund so designated, created and established pursuant to the Resolution.

Authorized Officer means in the case of the Issuer, Institution or Trustee, as the case may be, when used with reference to any act or document referenced under the Resolution, any person authorized by a resolution of the party's governing board, the by-laws of the applicable party or any other corporate documentation to perform such act or execute such document.

Bond or **Bonds** means any of the bonds of the Issuer authorized and issued pursuant to the Resolution and to a Series Resolution.

Bond Counsel means Barclay Damon LLP or an attorney or other law firm or firms appointed by the Issuer, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds.

Bond Year means, unless otherwise provided in a Series Resolution or a Certificate of Determination with respect to a Series of Bonds, a period of twelve (12) consecutive months beginning July 1 in any calendar year and ending on June 30 of the succeeding calendar year.

Bondholder, Holder of Bonds or **Holder** or any similar term, when used with reference to a Bond or Bonds, means the registered owner of any Bond.

Book Entry Bond means a Bond authorized to be issued, and issued to and registered in the name of, a Depository for the participants in such Depository or the beneficial owner of such Bond.

Business Day means, unless otherwise defined in connection with Bonds of a particular Series, any day which is not a Saturday, Sunday or a day on which the Trustee or banking institutions chartered by the State or the United States of America are legally authorized to close in The City of New York.

Certificate of Determination means a certificate of an Authorized Officer of the Issuer fixing terms, conditions and other details of Bonds in accordance with the delegation of power to do so under the Resolution or under a Series Resolution as such certificate may be amended or supplemented from time to time.

Code means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

Collateral Security means a security interest in or pledge of any personal property, tangible or intangible, or mortgage on any real property or interest therein, given or made by the Institution to secure the Institution's obligations under a Loan Agreement.

Construction Fund means the fund so designated, created and established for a Project by or pursuant to a Series Resolution authorizing the issuance of a Series of Bonds for the purpose of paying or refinancing the Costs of such Project.

Cost or **Costs of Issuance** means the items of expense incurred in connection with the authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee or a Depository, legal fees and charges, professional consultants' fees, fees and charges for execution, transportation and safekeeping of Bonds, premiums, fees and charges for insurance on Bonds, commitment fees or similar charges relating to a Credit Facility, a Liquidity Facility and/or a Hedge Agreement, costs and expenses in connection with the refunding of Bonds or other bonds or notes of the Issuer, costs and expenses incurred pursuant to a remarketing agreement and other costs, charges and fees, including those of the Issuer, in connection with the foregoing.

Cost or **Costs of the Project** means when used in relation to a Project, the costs and expenses incurred in connection with the Project, including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) costs and expenses incurred for labor and

materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of the Project, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of the Project, which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, environmental inspections and assessments, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction of the Project, (v) costs and expenses required for the acquisition and installation of equipment or machinery, (vi) all other costs which the Institution shall be required to pay or cause to be paid for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of the Project, (vii) any sums required to reimburse the Institution or the Issuer for advances made by them for any of the above items or for other costs incurred and for work done by them in connection with the Project (including interest on money borrowed from parties other than the Institution), (viii) interest on the Bonds, bonds, notes or other obligations of the Issuer issued to finance or refinance Costs of the Project that accrued prior to, during and for a reasonable period after completion of the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of the Project, and (ix) fees, expenses and liabilities of the Issuer incurred in connection with the Project or pursuant to the Resolution or to a Loan Agreement, a Credit Facility in connection with Bonds, a Liquidity Facility or a remarketing agreement in connection with Option Bonds or Variable Interest Rate Bonds.

Counterparty means any person with which the Institution has entered into a Hedge Agreement.

Credit Facility means, with respect to a Series of Bonds, an irrevocable letter of credit, insurance policy, surety bond, loan agreement, or other agreement, facility or insurance or guaranty arrangement pursuant to which the trustee is entitled to obtain money to pay the principal and Sinking Fund Installments of and interest on particular Bonds whether or not the Issuer is in default under the Resolution, which is issued or provided by:

- (i) a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank or a saving and loan association;
- (ii) an insurance company or association chartered or organized under the laws of any state of the United States of America;
- (iii) the Government National Mortgage Association or any successor thereto;
- (iv) the Federal National Mortgage Association or any successor thereto; or
- (v) any other federal agency or instrumentality set forth in the Series Resolution authorizing the Series of Bonds.

Any such Credit Facility may also constitute a Liquidity Facility if it also meets the requirements of the definition of a Liquidity Facility contained in the Resolution.

Debt Service Fund means, when used in connection with a Series of Bonds, the fund so designated, created and established by or pursuant to the Series Resolution authorizing the issuance of such Series of Bonds.

Debt Service Reserve Fund means, when used in connection with a particular Series of Bonds, a reserve fund for the payment of the principal and Sinking Fund Installments of and interest on such Series of Bonds, as so designated, created and established by the Issuer by or pursuant to the Series Resolution authorizing the issuance of such Series of Bonds.

Debt Service Reserve Fund Requirement means the amount of money required to be deposited in a Debt Service Reserve Fund as determined in accordance with the Series Resolution pursuant to which such Debt Service Reserve Fund has been established.

Defeasance Security means:

- (i) a Government Obligation of the type described in clauses (i), (ii), (iii) or (iv) of the definition of Government Obligation;
- (ii) a Federal Agency Obligation described in clauses (i) or (ii) of the definition of Federal Agency Obligation;

(iii) an Exempt Obligation, provided such Exempt Obligation (a) is not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such Exempt Obligation by the obligor thereof to give due notice of redemption and to call such Exempt Obligation for redemption on the date or dates specified in such instructions and such Exempt Obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof, (b) is secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or Government Obligations, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Exempt Obligation on the maturity date thereof or the redemption date specified in the irrevocable instructions referred to in clause (a) above, (c) as to which the principal of and interest on the direct obligations of the United States of America which have been deposited in such fund, along with any cash on deposit in such fund, are sufficient to pay the principal of and interest and redemption premium, if any, on such Exempt Obligation on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (a) above, and (d) is rated by at least two Rating Services in the highest rating category for such Exempt Obligation; and

(iv) any other investments as provided in the applicable Series Resolution.

Notwithstanding the foregoing, for purposes of (i), (ii) and (iii) above, such term shall not include (1) any interest in a unit investment trust or mutual fund or (2) any obligation that is subject to redemption prior to maturity other than at the option of the holder thereof.

Depository or DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person, firm, association or corporation designated in the Series Resolution authorizing a Series of Bonds or a Certificate of Determination relating to a Series of Bonds to serve as securities depository for the Bonds of such Series (or any successor thereto appointed pursuant to the Resolution).

Determination of Taxability means, when used with respect to a Tax Exempt Bond, a final determination by any court of competent jurisdiction or a final determination by the Internal Revenue Service to which the Issuer shall consent or from which no timely appeal shall have been taken, in each case to the effect that interest on such Bond is includable in the gross income of the Holder thereof for purposes of federal income taxation.

Electronic Means means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services under the Resolution.

EMMA means the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board or any successor repository for municipal securities disclosures.

Exempt Obligation means:

(i) an obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision, the interest on which is excludable from gross income under Section 103 of the Code, which is not a “specified private activity bond” within the meaning of Section 57(a)(5) of the Code and which, at the time an investment therein is made or such obligation is deposited in any fund or account under the Resolution, is rated, without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation, no lower than the second highest rating category for such obligation by at least two Rating Services;

(ii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing; and

(iii) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations.

Extraordinary Services and Extraordinary Expenses means all services rendered and all fees and expenses incurred by or due to the Trustee or any paying agent under the Resolution other than Ordinary Services and Ordinary Expenses, including reasonable fees and disbursements of Trustee’s counsel.

Favorable Opinion of Bond Counsel means, with respect to any action the occurrence of which requires such an opinion, an unqualified opinion of Bond Counsel to the effect that such action is permitted under the Act and the Resolution and, with respect to any action relating to the Series 2022A Bonds, will not impair the exclusion of interest on the Series 2022A Bonds from gross income for purposes of federal income taxation.

Federal Agency Obligation means:

(i) an obligation issued by any federal agency or instrumentality which, at the time an investment therein is made or such obligation is deposited in any fund or account under the Resolution, is rated, without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation, no lower than the second highest rating category for such obligation by at least two Rating Services;

(ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by a federal agency which, at the time an investment therein is made or such obligation is deposited in any fund or account under the Resolution, is rated, without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation, no lower than the second highest rating category for such obligation by at least two Rating Services;

(iii) securities or receipts evidencing ownership interests in obligations or specified portions (such as principal or interest) of obligations described in clauses (i) or (ii) above;

(iv) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations; and

(v) any other obligation issued by any federal agency or instrumentality permitted under the Issuer’s investment guidelines that is approved in writing by both the Issuer and the Institution.

Government Obligation means:

(i) a direct obligation of the United States of America;

(ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by the United States of America;

(iii) an obligation to which the full faith and credit of the United States of America are pledged;

(iv) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on, any of the foregoing; and

(v) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, wholly comprised of any of the foregoing obligations.

Governmental Requirements means any present and future laws, rules, orders, ordinances, regulations, statutes, requirements and executive orders applicable to the Project, of the United States, the State and any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of them, now existing or hereafter created, and having or asserting jurisdiction over the Project or any part thereof, including without limitation, those relating to environmental matters.

Hedge Agreement means any financial arrangement entered into by the Institution with a Counterparty that is or is in the nature of an interest rate exchange agreement, an interest rate cap or collar or other exchange or rate protection transaction, in each case executed for the purpose of moderating interest rate fluctuations, reducing interest cost or creating with respect to any Variable Interest Rate Bond the economic or financial equivalent of a fixed rate of interest on such Bond.

Institution means Rochester Institute of Technology, a corporation duly organized and existing under the laws of the State, which is an institution for higher education located in the State and authorized to confer degrees by law or by the Board of Regents of the State, or any successor thereto.

Institution Documents means the Loan Agreement, the bond purchase agreement with respect to the Series 2022A Bonds, the Continuing Disclosure Agreement and the Tax Certificate.

Intercreditor Agreement means an agreement by and among, inter alia, the Issuer, the Trustee, providers of Credit Facilities, if any, and any other applicable lenders, as creditors of the Institution, with respect to (i) the relative priorities of the liens upon the Shared Collateral, (ii) limitations or conditions upon their respective rights to enforce, foreclose or realize upon such liens, and (iii) the application of any money realized from the enforcement, foreclosure or other realization upon such liens.

Investment Agreement means a repurchase agreement or other agreement for the investment of money with a Qualified Financial Institution.

Issuer means the Dormitory Authority of the State of New York, a body corporate and politic constituting a public benefit corporation of the State created by the Act, or any body, agency or instrumentality of the State which shall succeed to the rights, powers, duties and functions of the Issuer.

Liquidity Facility means a letter of credit, a surety bond, a standby purchase agreement, a line of credit or other agreement or arrangement pursuant to which money may be obtained by the Trustee upon the terms and conditions contained therein for the purchase of Bonds tendered for purchase in accordance with the terms of the Series Resolution authorizing such Bonds or the Certificate of Determination relating to such Bonds.

Loan Agreement means, when used in connection with a Series of Bonds or the funds and accounts established in connection with a Series of Bonds, the Loan Agreement by and between the Issuer and the Institution entered into in connection with the issuance of such Series of Bonds, as the same from time to time shall have been amended, supplemented or otherwise modified as permitted by the Resolution and by such Loan Agreement.

Loan Repayments means the scheduled payments of principal of and interest on the loan to be paid by the Institution pursuant to the Loan Agreement.

Maximum Interest Rate means, with respect to any particular Variable Interest Rate Bond, the numerical rate of interest, if any, set forth in the Series Resolution authorizing such Bond or the Certificate of Determination relating to such Bond as the maximum rate at which such Bond may bear interest at any time.

Minimum Interest Rate means, with respect to any particular Variable Interest Rate Bond, a numerical rate of interest, if any, set forth in the Series Resolution authorizing such Bond or the Certificate of Determination relating to such Bonds as the minimum rate at which such Bond may bear interest at any time.

Option Bond means any Bond which by its terms may be or is required to be tendered by and at the option of the Holder thereof for redemption by the Issuer prior to the stated maturity thereof or for purchase by the Issuer prior to the stated maturity thereof or the maturity of which may be extended by and at the option of the Holder thereof in accordance with the Series Resolution authorizing such Bonds or the Certificate of Determination related to such Bonds.

Ordinary Services and Ordinary Expenses means those services normally rendered and those fees and expenses normally incurred by or due to the Trustee or paying agent, as the case may be, under the Resolution, including reasonable fees and disbursements of counsel for the Trustee.

Outstanding, when used in reference to Bonds, means, as of a particular date, all Bonds authenticated and delivered under the Resolution and under any applicable Series Resolution except:

- (i) any Bond canceled by the Trustee at or before such date;
- (ii) any Bond deemed to have been paid in accordance with the defeasance provisions of the Resolution;
- (iii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the Resolution; and
- (iv) any Option Bond tendered or deemed tendered in accordance with the provisions of the Series Resolution authorizing such Bond or the Certificate of Determination relating to such Bond on the applicable adjustment or conversion date, if interest thereon shall have been paid through such applicable date and the purchase price thereof shall have been paid or amounts are available for such payment as provided in the Resolution and in the Series Resolution authorizing such Bond or the Certificate of Determination relating to such Bond.

Parity Indebtedness means any indebtedness for borrowed money issued, incurred, assumed or guaranteed by the Institution that is secured by Collateral Security that, pursuant to an Intercreditor Agreement or otherwise, is of equal

priority with the lien of such Collateral Security securing the Institution's obligations under one or more Loan Agreements.

Permitted Collateral means:

- (i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligation;
- (ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligation;
- (iii) financial guaranty agreements, surety or other similar bonds or other instruments of an insurance company that has an equity capital of at least \$125,000,000 and is rated by Bests Insurance Guide or a Rating Service in the highest rating category; and
- (iv) any other obligations or securities permitted under the Issuer's investment guidelines and approved in writing by both the Institution and the Issuer.

Permitted Encumbrances means when used in connection with the Project any of the following:

- (i) The lien of taxes and assessments which are not delinquent;
- (ii) The lien of taxes and assessments which are delinquent but the validity of which is being contested in good faith unless thereby the property or the interest of the Issuer therein may be in danger of being lost or forfeited;
- (iii) Minor defects and irregularities in the title to such property which do not in the aggregate materially impair the use of such property for the purposes for which it is or may be reasonably be expected to be held;
- (iv) Easements, exceptions or reservations for the purpose of pipelines, telephone lines, telegraph lines, power lines and substations, roads, streets, alleys, highways, railroad purposes, drainage and sewerage purposes, dikes, canals, laterals, ditches, the removal of oil, gas, coal or other minerals, and other like purposes, or for the joint or common use of real property, facilities and equipment, which do not materially impair the use of such property for the purposes for which it is or may be reasonably be expected to be held; and
- (v) Such other encumbrances, defects, and irregularities to which the prior written consent of the Issuer has been obtained.

Permitted Investments means any of the following:

- (i) Government Obligations;
- (ii) Federal Agency Obligations;
- (iii) Exempt Obligations;
- (iv) uncollateralized demand deposits, including interest bearing money market accounts, time deposits, overnight bank deposits and other interest bearing deposits, and certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation and issued by a banking organization authorized to do business in the State;
- (v) collateralized demand deposits, including interest bearing money market accounts, time deposits, overnight bank deposits and other interest bearing deposits, and certificates of deposit that are (a) issued by a banking organization authorized to do business in the State that has an equity capital of not less than \$125,000,000, whose unsecured senior debt, or debt obligations are fully secured by a letter of credit, contract, agreement or surety bond issued by it, are, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, rated by at least one Rating Service in at least the second highest rating category, and (b) fully collateralized by Permitted Collateral;
- (vi) commercial paper issued by a domestic corporation rated, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, in the highest short term rating category by at least one Rating Service and having maturities of not longer than two hundred seventy (270) days from the date of purchase;

(vii) bankers' acceptances issued by a bank rated, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, in the highest short term rating category by at least one Rating Service and having maturities of not longer than three hundred sixty five (365) days from the date they are purchased;

(viii) Investment Agreements that are fully collateralized by Permitted Collateral;

(ix) a share or interest in a mutual fund, partnership or other fund registered under the Securities Act of 1933, as amended, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, whose objective is to maintain a constant share value of \$1.00 per share and that is rated, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, in the highest short term rating category by at least one Rating Service; and

(x) any other investment permitted under the Issuer's investment guidelines that is approved in writing by both the Issuer and the Institution.

Project means the project referenced in a Loan Agreement and authorized to be financed or refinanced under the Act, which may include more than one part, financed in whole or in part from the proceeds of the sale of Bonds, as more particularly described in the Resolution, in or pursuant to a Series Resolution or in or pursuant to a Certificate of Determination relating to such Bonds.

Qualified Financial Institution means any of the following entities that has an equity capital of at least \$125,000,000 or whose obligations are unconditionally guaranteed by an affiliate or parent having an equity capital of at least \$125,000,000:

(i) a securities dealer, the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation, and (a) that is on the Federal Reserve Bank of New York list of primary government securities dealers and (b) whose senior unsecured long term debt is at the time an investment with it is made rated by at least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds;

(ii) a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank, which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, an insurance company or association chartered or organized under the laws of the United States of America, any state of the United States of America or any foreign nation, whose senior unsecured long term debt is at the time an investment with it is made rated by at least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds;

(iii) a corporation affiliated with or which is a subsidiary of any entity described in (i) or (ii) above or which is affiliated with or a subsidiary of a corporation which controls or wholly owns any such entity, whose senior unsecured long term debt is at the time an investment with it is made rated by at least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds;

(iv) the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Issuer; or

(v) a corporation whose obligations, including any investments of any money held under the Resolution purchased from such corporation, are insured by an insurer that meets the applicable rating requirements set forth above.

Rating Service means Moody's Investors Service, Inc., S&P Global Rating Services, Fitch, Inc. and any other nationally recognized statistical rating organization or their respective successors and assigns.

Record Date means, unless the Series Resolution or the Certificate of Determination relating thereto provides otherwise, the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding an interest payment date.

Redemption Price, when used with respect to a Bond, means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption prior to maturity thereof pursuant to the Resolution or to the applicable Series Resolution or Certificate of Determination.

Refunding Bonds means all Bonds, whether issued in one or more Series of Bonds, authenticated and delivered on original issuance pursuant to the Resolution, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Resolution.

Resolution means the Rochester Institute of Technology Revenue Bond Resolution, adopted by the Issuer on October 12, 2022, as from time to time amended or supplemented by Supplemental Resolutions or Series Resolutions in accordance with the terms and provisions of the Resolution.

Revenues means, when used in connection with the Bonds of any particular Series:

(i) all payments received or receivable by the Issuer that pursuant to the Loan Agreement entered into in connection with such Series of Bonds are required to be paid to the Trustee, other than payments to the Trustee for any of the following: (A) the administrative costs and expenses or fees of the Trustee, (B) deposit to the Arbitrage Rebate Fund, or (C) deposit to any fund or account established by or pursuant to such Series Resolution for the payment of the purchase price of Option Bonds tendered or deemed to have been tendered for purchase, and (D) deposit to any fund or account established by or pursuant to such Series Resolution for repayment of advances made by a provider of a Credit Facility or a Liquidity Facility; and

(ii) all amounts received as a consequence of the enforcement of a Loan Agreement, including but not limited to amounts derived from the foreclosure or sale of or other realization upon any Collateral Security.

Serial Bonds means any Bonds so designated in a Series Resolution or a Certificate of Determination.

Series means all of the Bonds authenticated and delivered on original issuance and pursuant to the Resolution and to the Series Resolution authorizing such Bonds as a separate Series of Bonds or the Certificate of Determination relating thereto, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Resolution, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

Series Resolution means a resolution of the Issuer authorizing the issuance of one of more Series of Bonds adopted by the Issuer pursuant to the Resolution.

Series 2022A Bonds means the Issuer's Rochester Institute of Technology Revenue Bonds, Series 2022A.

Series 2022-1 Resolution means the Series Resolution 2022-1 Authorizing Up To \$120,000,000 Rochester Institute of Technology Revenue Bonds, adopted by the Issuer on October 12, 2022.

Shared Collateral means the lien on any Collateral Security securing the Institution's obligations under a Loan Agreement that, in accordance with an Intercreditor Agreement or otherwise, is of equal priority with the lien on such Collateral Security that secures the Institution's obligations under one or more other Loan Agreements or on Parity Indebtedness.

Sinking Fund Installment means, as of any date of calculation, when used with respect to any Bonds of a Series, so long as any such Bonds are Outstanding, the amount of money required by the Resolution or by the Series Resolution pursuant to which such Bonds were issued or by the Certificate of Determination relating thereto to be paid on a single future July 1 (or such other date as provided in a Series Resolution or a Certificate of Determination with respect to a

Series of Bonds) for the retirement of any Outstanding Bonds of said Series which mature after said future July 1, but does not include any amount payable by the Issuer by reason only of the maturity of a Bond, and said future July 1 is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be Bonds entitled to such Sinking Fund Installment.

State means the State of New York.

Supplemental Resolution means any resolution of the Issuer amending or supplementing the Resolution, any Series Resolution or any Supplemental Resolution adopted and becoming effective in accordance with the terms and provisions of thereof.

Tax Certificate means the certificate of the Issuer and the Institution, including the appendices, schedules and exhibits thereto, executed in connection with the issuance of tax-exempt Bonds in which the Issuer and the Institution make representations and agreements as to arbitrage and compliance with the provisions of Sections 141 through 150, inclusive, of the Internal Revenue Code of 1986, or any similar certificate, agreement or other instrument made, executed and delivered in lieu of said certificate, in each case as the same may be amended or supplemented.

Tax-Exempt Bond means any Bond as to which Bond Counsel has rendered an opinion to the effect that interest on it is excluded from gross income for purposes of federal income taxation.

Term Bond means any Bond so designated in a Series Resolution or a Certificate of Determination and payable from Sinking Fund Installments.

Trustee means the bank or trust company appointed as Trustee and paying agent for the Bonds pursuant to the Resolution and having the duties, responsibilities and rights provided for in the Resolution, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant to the Resolution.

Unassigned Rights means the rights of the Issuer to (a) execute and deliver supplements and amendments to the Resolution and the Loan Agreement, pursuant to the Resolution, (b) be held harmless and indemnified pursuant to the Loan Agreement, (c) receive any funds for its own use, whether as administration fees, indemnification, or otherwise under the Loan Agreement, (d) receive notices, Favorable Opinions of Bond Counsel and other documents as required under the Loan Agreement to be delivered to the Issuer; (e) require the Institution to take actions necessary to comply with the Loan Agreement; and (f) enforce any of the foregoing pursuant to the Loan Agreement.

Variable Interest Rate means the rate or rates of interest to be borne by a Series of Bonds or any one or more maturities within a Series of Bonds which is or may be varied from time to time in accordance with the method of computing such interest rate or rates specified in the Series Resolution authorizing such Bonds or the Certificate of Determination relating to such Bonds and which shall be based on:

- (i) a percentage or percentages or other function of an objectively determinable interest rate or rates (e.g., a prime lending rate) which may be in effect from time to time or at a particular time or times; or
- (ii) a stated interest rate that may be changed from time to time as provided in such Series Resolution or Certificate of Determination;

provided, however, that in each case such variable interest rate may be subject to a Maximum Interest Rate and a Minimum Interest Rate as provided in the Series Resolution authorizing such Bonds or the Certificate of Determination relating thereto, and that Series Resolution or Certificate of Determination shall also specify either (x) the particular period or periods of time or manner of determining such period or periods of time for which each variable interest rate shall remain in effect or (y) the time or times at which any change in such variable interest rate shall become effective or the manner of determining such time or times.

Variable Interest Rate Bond means any Bond which bears a Variable Interest Rate; *provided, however*, that a Bond, the interest rate on which shall have been fixed for the remainder of the term thereof, shall no longer be a Variable Interest Rate Bond.

Verification Report means, when used in connection with any Bonds for the payment of which Defeasance Securities and money has been deposited with the Trustee in accordance with the Resolution, a letter or other written report verifying the accuracy of the arithmetical computations which establish the adequacy of such money and Defeasance Securities for such purpose.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The following is a brief summary of certain provisions of the Loan Agreement. This summary does not purport to be complete and reference is made to the Loan Agreement for full and complete statements of such and all provisions. The headings below are not part of the Loan Agreement but have been added for ease of reference. Defined terms used herein shall have the meaning ascribed to them in Appendix C.

Operation of Project

The Institution shall continue to be duly authorized to do business in the State and will operate all portions of the Project as a facility or facilities of higher education throughout the term of the Loan Agreement.

(Section 2.3(a))

Maintenance of Corporate Existence

The Institution shall maintain its corporate existence, will continue to operate as an institution of higher education, shall obtain, maintain and keep in full force and effect such governmental approvals, consents, licenses, permits and accreditations as may be necessary for the continued operation of the Institution as an institution of higher education providing such programs and services as it may from time to time determine, shall not dissolve or otherwise dispose of all or substantially all of its assets and shall not consolidate with or merge into another corporation or permit one or more corporations to consolidate with or merge into it; **provided, however**, that if no Event of Default shall be continuing, then, upon prior written notice to the Issuer, the Institution may (i) sell or otherwise transfer all or substantially all of its assets to, or consolidate with or merge into, another organization or corporation which qualifies under Section 501(c)(3) of the Code, or any successor provision of federal income tax law, or (ii) permit one or more corporations or any other organization to consolidate with or merge into it, or (iii) acquire all or substantially all of the assets of one or more corporations or any other organization; **provided, further**, that in each case (a) the Institution provides a Favorable Opinion of Bond Counsel addressed to the Issuer and the Trustee relating to any such sale, transfer, consolidation, merger or acquisition, (b) the surviving, resulting or transferee corporation, as the case may be, is incorporated under the laws of the State and qualified under Section 501(c)(3) of the Code or any successor provision of federal income tax law, and (c) the surviving, resulting or transferee corporation, as the case may be, assumes in writing all of the obligations of and restrictions on the Institution under the Loan Agreement and under the Institution Documents, furnishes to the Issuer a certificate to the effect that upon such sale, transfer, consolidation, merger or acquisition such corporation shall be in compliance with applicable, laws, rules and regulations and each of the provisions of the Loan Agreement and shall meet the requirements of the Act and furnishes such other certificates and documents as the Issuer may reasonably request.

(Section 2.3(c))

Accounts and Records

The Institution shall at all times maintain proper accounts, records and books in which full and correct entries shall be made, in accordance with generally accepted accounting principles, of all transactions and events relating to the business and affairs of the Institution.

(Section 2.3(d))

Limitation on Agreements

Except as expressly provided by the Loan Agreement or by the Resolution, the Institution shall not enter into any contracts or agreements or perform any act which may adversely affect any of the assurances, interests or rights of the Issuer or the Bondholders under the Loan Agreement or under the Resolution.

(Section 2.3(e))

Information Concerning Institution

The Institution, whenever requested by the Issuer, shall provide and certify or cause to be provided and certified subject to legal restrictions, if any, such information concerning the Institution, its finances and other related topics as the Issuer from time to time reasonably determines to be necessary or desirable, including information reasonably necessary or desirable to enable the Issuer to make any reports or obtain any approvals required by law, governmental

regulation or the Resolution to effect any of the transactions contemplated by the Loan Agreement or by the Resolution.

The Institution shall, if and when requested by the Issuer, provide to the Issuer reports with respect to the status of the construction of the Project. The Institution shall also furnish to the Issuer: (i) annually, not later than 165 days after the end of the Institution's fiscal year, copies of the Institution's audited financial statements and (ii) such other statements, reports and schedules describing the finances, operation and management of the Institution and such other information as the Issuer may from time to time reasonably request.

The Institution shall deliver to the Issuer each year no later than 165 days after the end of the Institution's fiscal year a compliance certificate signed by the Treasurer, Chief Financial Officer or the President of the Institution in the form attached to the Loan Agreement, together with other statistical information required by the Issuer.

The Institution shall immediately notify the Issuer and the Trustee of the occurrence of any default or any event which with notice and/or lapse of time would constitute a default under the Loan Agreement or any of the other Institution Documents. Any such notice shall be signed by an Authorized Representative of the Institution and set forth a description of the default and the steps, if any, being taken to cure said default. If no steps have been taken, the Institution shall state this fact on the notice.

The Institution shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such further acts, instruments, conveyances, transfers and assurances, at the sole cost and expense of the Institution, as the Issuer or the Trustee deems necessary or advisable for the implementation, effectuation, correction, confirmation or perfection of the Loan Agreement and any rights of the Issuer or the Trustee under the Loan Agreement or under the Resolution.

The Institution shall furnish to the Issuer and the Trustee notice of the commencement of any proceeding by or against the Institution commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law.

(Section 2.3(f))

Compliance with Certain Requirements

The Institution shall comply with (i) all Governmental Requirements which, if not complied with, could adversely affect the Institution, its operations or financial condition or title to its properties in any material respect, and (ii) any requirement of an insurance company providing insurance to or for the benefit of the Institution. Anything contained in the paragraph of the Loan Agreement summarized in this paragraph to the contrary notwithstanding, the Institution shall have the right to contest the validity of any Governmental Requirement or the application thereof at the Institution's sole cost and expense. During such contest, compliance with the contested Governmental Requirement may be deferred by the Institution, provided that prior to commencing any action or proceeding, administrative or judicial, contesting the Governmental Requirement, the Institution notifies the Issuer of the Institution's intention to contest such Governmental Requirement and, if the Issuer requests, shall furnish to the Issuer moneys or other security, satisfactory to the Issuer, securing compliance with the contested Governmental Requirement and payment of all interest, penalties, fines, fees and expenses resulting from or in connection with such contest or the failure of the Institution to comply with the contested Governmental Requirement. Any such action or proceeding instituted by the Institution shall be commenced as soon as is reasonably possible after the assertion of the applicability to the Project or any part thereof, of the contested Governmental Requirement by a governmental authority, and shall be prosecuted to final adjudication or other final disposition with reasonable dispatch. Notwithstanding the furnishing of any bond, deposit or other security, the Institution promptly shall comply with any such Governmental Requirement and compliance shall not be deferred if at any time the Project, or any part thereof, to which such contested Governmental Requirement relates, would be in substantial danger by reason of the Institution's noncompliance with such Governmental Requirement of being sold, attached, forfeited, foreclosed, transferred, conveyed, assigned or otherwise subjected to any proceeding, equitable remedy, lien, charge, fee or penalty that would impair (i) the interests or security of the Issuer under the Loan Agreement or under the Resolution, (ii) the ability of the Issuer to enforce its rights under the Loan Agreement or under the Resolution, (iii) the ability of the Issuer to fulfill the terms of any covenants or perform any of its obligations under the Loan Agreement or under the Resolution or (iv) the ability of the Institution to fulfill the terms of any covenants or perform any of its obligations under the Loan Agreement or under the Resolution.

(Section 2.3(g))

Restriction on Religious Use

With respect to the Project or any portion thereof, so long as any of the Bonds are outstanding, the Project or portion thereof shall not be used for sectarian religious instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination; provided, however, that the foregoing restriction shall not prohibit the free exercise of any religion; and provided, further, that if at any time hereafter, in the opinion of Bond Counsel, the then-applicable law would permit the Project or a portion thereof to be used without regard to the above-stated restriction, said restriction shall not apply to the Project or any portion thereof. *(Section 2.3(i))*

Sale of the Project

The Institution shall not transfer, sell or convey any interest in the Project or any part thereof or interest therein, including development rights unless the Institution provides a Favorable Opinion of Bond Counsel addressed to the Issuer and the Trustee relating to such action.

(Section 2.3(j))

Financing and Refinancing of Project

The Institution agrees, and covenants and warrants to the Issuer that the proceeds of the Bonds will be used to finance and/or refinance the Costs of the Project and other purposes authorized by the Resolution.

The Institution agrees that, whether or not there are sufficient moneys available to it under the provisions of the Resolution and under the Loan Agreement, the Institution shall complete the acquisition, design, construction, reconstruction, rehabilitation and improving or otherwise providing and furnishing and equipping of the Project, substantially in accordance with the description in the Loan Agreement and in this Official Statement. The Issuer makes no representation, express or implied, that the net proceeds of the Bonds will be sufficient to pay all costs to complete the Project. In the event that the moneys in the Construction Fund are not sufficient to pay in full all costs of the Project, the Institution agrees to pay all such sums as may be in excess of the moneys available therefor and necessary to complete the Project.

(Section 3.1)

Loan of Bond Proceeds

The Issuer agrees to loan the proceeds of the Bonds to the Institution in accordance with the provisions of the Loan Agreement. Such Bond proceeds shall be disbursed to the Institution in accordance with the provisions of the Resolution and of the Loan Agreement.

(Section 4.1)

Loan Payments and Other Amounts Payable

Except to the extent that moneys are available therefor under the Resolution or under the Loan Agreement, including moneys in the Debt Service Fund (other than moneys required to pay the Redemption Price or purchase price of Outstanding Bonds theretofore called for redemption or contracted to be purchased, plus interest accrued to the date of redemption or purchase), and excluding interest accrued but unpaid on investments held in the Debt Service Fund, the Institution hereby unconditionally agrees to pay, so long as Bonds are Outstanding from its general funds or any other moneys legally available to it:

(i) On or before the date of delivery of the Bonds, the Issuer Fee agreed to by the Issuer and the Institution in connection with issuance of the Bonds;

(ii) On or before the date of delivery of the Bonds, such amount, if any, as is required, in addition to the proceeds of such Bonds available therefor, to pay the Costs of Issuance of the Bonds, and other costs in connection with the issuance of the Bonds;

(iii) On each Loan Repayment Date, Loan Repayments, subject to adjustment from time to time as a result of events including but not limited to prepayment(s) and interest rate adjustment(s), if applicable;

(iv) On or before any redemption date, the amount required to pay the Redemption Price or purchase price of such Bonds, together with the amount of any fees or expenses charged or incurred by the Issuer to effectuate the redemption or defeasance of such Bonds;

(v) On December 10 of each Bond Year one-half (1/2) of the Annual Administrative Fee payable during such Bond Year in connection with the Bonds, and on June 10 of each Bond Year the balance of the Annual Administrative Fee payable during such Bond Year; *provided, however*, that the Annual Administrative Fee with respect to the Bonds payable during the Bond Year during which such Annual Administrative Fee became effective shall be equal to the Annual Administrative Fee with respect to the Bonds multiplied by a fraction the numerator of which is the number of calendar months or parts thereof remaining in such Bond Year and the denominator of which is twelve (12);

(vi) Promptly upon demand by the Issuer or the Trustee, the difference between the amount on deposit in the Arbitrage Rebate Fund available to be rebated in connection with the Series 2022A Bonds or otherwise available therefor under the Resolution and the amount required to be rebated to the Department of the Treasury of the United States of America in accordance with the Code in connection with the Bonds;

(vii) Promptly after notice from the Issuer, but in any event not later than fifteen (15) days after such notice is given, the amount set forth in such notice as payable to the Issuer (A) for the Issuer Fee then unpaid, (B) to reimburse the Issuer for payments made by it under the Loan Agreement, (C) to reimburse the Issuer for any external costs or expenses incurred by it attributable to the issuance of the Bonds or the financing or construction of a Project, including but not limited to any fees or other amounts payable by the Issuer under a remarketing agreement, a Credit Facility or a Liquidity Facility, (D) for the costs and expenses incurred by the Issuer to compel full and punctual performance by the Institution of all the provisions of the Loan Agreement or of the Resolution in accordance with the terms thereof and (E) for the fees and expenses of the Trustee and any paying agent in connection with performance of their duties under the Resolution; and

(viii) Promptly upon demand by the Trustee (a copy of which shall be furnished to the Issuer), all amounts required to be paid by the Institution as a result of an acceleration pursuant to the Loan Agreement.

In addition to the Loan Payments, throughout the Loan Term, the Institution shall pay to the Issuer as additional loan payments, within fifteen (15) days of the receipt of demand therefor, an amount equal to the sum of the out-of-pocket expenses of the Issuer actually incurred (i) by reason of the Issuer's financing of the Project, or (ii) in connection with the carrying out of the Issuer's duties and obligations under the Issuer Documents, the payment of which is not otherwise provided for under the Loan Agreement; or (iii) on account of any payments made by the Issuer for the purpose of fulfilling the Institution's obligations under the Loan Agreement.

In addition, the Institution shall pay as additional loan payments within fifteen (15) days after receipt of a written demand therefor the Ordinary Expenses and Extraordinary Expenses payable by the Issuer to the Trustee pursuant to and under the Resolution.

Subject to the provisions of the Loan Agreement and of the Resolution, the Institution shall receive a credit against the amount required to be paid by the Institution during a Bond Year on account of any Sinking Fund Installments if, prior to the date notice of redemption is given pursuant to the Resolution with respect to Bonds to be redeemed through any Sinking Fund Installments during the next succeeding Bond Year, either (i) the Institution delivers to the Trustee for cancellation one or more Bonds of the maturity to be so redeemed or (ii) the Trustee, at the written direction of the Issuer, has purchased one or more Bonds of the maturity to be so redeemed from amounts on deposit in the Debt Service Fund in accordance with the Resolution during such Bond Year. The amount of the credit shall be equal to the principal amount of the Bonds so delivered.

The Issuer hereby directs the Institution, and the Institution hereby agrees, to make certain payments required by the Loan Agreement directly to the Trustee for deposit and application in accordance with the Resolution, certain payments directly to the Trustee for deposit in the Construction Fund or other fund established under the Resolution, as directed by the Issuer, and certain payments directly to the Issuer.

Notwithstanding any provisions in the Loan Agreement to the contrary (except as otherwise specifically provided for in this subdivision), all moneys paid by the Institution to the Trustee pursuant to the Loan Agreement or otherwise held by the Trustee (other than certain moneys received by the Trustee) shall be applied in reduction of the Institution's indebtedness to the Issuer under the Loan Agreement, first, with respect to interest and, then, with respect to the principal amount of such indebtedness, but only to the extent that, with respect to interest on such indebtedness, such moneys are applied by the Trustee for the payment of interest on Outstanding Bonds, and, with respect to the principal of such indebtedness, such moneys have been applied to, or are held for, payments in reduction of the principal amount of Outstanding Bonds and as a result thereof Bonds have been paid or deemed to have been paid in accordance with the Resolution. Except as otherwise provided in the Resolution and the preceding sentence of this paragraph, the

Trustee shall hold such moneys in trust in accordance with the applicable provisions of the Resolution for the sole and exclusive benefit of the Holders of Bonds, regardless of the actual due date or applicable payment date of any payment to the Holders of Bonds.

The Issuer, for the convenience of the Institution, may, in its sole discretion, furnish to the Institution statements of the due date, purpose and amount of payments to be made pursuant to the Loan Agreement. Neither the failure to furnish such statements nor any error contained in such statements shall excuse non-payment of the amounts payable under the Loan Agreement at the time and in the manner provided by the Loan Agreement.

The Issuer shall have the right in its sole discretion to make on behalf of the Institution any payment which has not been made by the Institution when due. No such payment by the Issuer shall limit, impair or otherwise affect the rights of the Issuer under the Loan Agreement arising out of the Institution's failure to make such payment and no payment by the Issuer shall be construed to be a waiver of any such right or of the obligation of the Institution to make such payment.

(Section 4.2)

Obligations of Institution under the Loan Agreement Unconditional

The Loan Agreement and the obligations of the Institution to make payments thereunder are general obligations of the Institution. The obligations of the Institution to make payments or cause the same to be made under the Loan Agreement shall be absolute and unconditional and the amount, manner and time of making such payments shall not be decreased, abated, postponed or delayed for any cause or by reason of the happening or non-happening of any event, irrespective of any defense or any right of set-off, recoupment or counterclaim which the Institution may otherwise have against the Issuer, the Trustee or any Holder of Bonds for any cause whatsoever including, without limiting the generality of the foregoing, failure of the Institution to complete the Project or the completion thereof with defects, failure of the Institution to occupy or use the Project, any declaration or finding that the Bonds are or the Resolution is invalid or unenforceable or any other failure or default by the Issuer or the Trustee; *provided, however*, that nothing in the Loan Agreement shall be construed to release the Issuer from the performance of any agreements on its part contained in the Loan Agreement or any of its other duties or obligations, and in the event the Issuer shall fail to perform any such agreement, duty or obligation, the Institution may, subject to the provisions of the Loan Agreement, institute such action as it may deem necessary to compel performance or to recover damages for the Issuer's willful misconduct.

(Section 4.3)

Security Interest

The Institution acknowledges that the payments by the Institution under the Loan Agreement are pledged as security for payment of the principal of, and Redemption Price of and interest on the Bonds. The security interest referred to in the Loan Agreement shall (except with respect to the Issuer's Unassigned Rights) be assigned by the Issuer to the Trustee.

(Section 4.6)

Maintenance and Modifications of Project by Institution

The Institution, throughout the term of the Loan Agreement, shall, at its own expense, hold, operate and maintain the Project in a careful, prudent and economical manner, and keep the same, with the appurtenances and every part and parcel thereof, in good repair, working order and safe condition and shall from time to time make all necessary and proper repairs, replacements and renewals so that at all times the operation of the Project may be properly and advantageously conducted. The Institution shall have the right to remove or replace any type of fixtures, furnishings and equipment in the Project which may have been financed by the proceeds of the sale of the Series 2022A Bonds provided that such fixtures, furnishings and equipment continue to be used for purposes permitted under the Tax Certificate or as otherwise permitted in a Favorable Opinion of Bond Counsel delivered by the Institution to the Issuer and the Trustee. The Institution shall pay at its own expense all extraordinary costs of maintaining, repairing and replacing the Project except insofar as funds are made available therefor from proceeds of insurance, condemnation or eminent domain awards.

(Section 5.1)

Liens, Utilities and Access

The Institution warrants, represents and covenants that the Project (i) is and will be kept free from any encumbrances, liens or commitments of any kind other than Permitted Encumbrances, (ii) is and will be serviced by all necessary utilities (including, to the extent applicable, without limitation, electricity, gas, water, sewer, steam, heating, air conditioning and ventilation) and (iii) to the extent applicable, has and will have its own separate and independent means of access, apart from any other property owned by the Institution or others; **provided, however**, that such access may be through common roads or walks owned by the Institution used also for other parcels owned by the Institution.

(Section 5.3)

Taxes, Assessments and Utility Charges

The Institution shall pay when due at its own expense, and hold the Issuer harmless from, all taxes, assessments, water and sewer charges and other impositions, if any, which may be levied or assessed upon the Institution or any of its property. The Institution shall file exemption certificates as required by law. The Institution agrees to exhibit to the Issuer within ten (10) days after written demand by the Issuer, certificates or receipts issued by the appropriate authority showing full payment of all taxes, assessments, water and sewer charges and other impositions; **provided, however**, the Institution may, in good faith, contest any such taxes, assessments and other charges. In the event of any such proceedings, the Institution shall pay such taxes, assessments or other charges so contested, or, at its option, allow the same to remain unpaid during the period of such proceedings and any appeal therefrom, **provided, however**, that (i) neither the Project nor any part thereof or interest therein would be in any immediate danger of being sold, forfeited or lost by reason of such proceedings, and (ii) the Institution shall have set aside on its books adequate reserves with respect thereto and shall have furnished such security, if any, as may be required in such proceedings.

(Section 5.4)

Insurance Required

The Institution agrees to maintain or cause to be maintained insurance with insurance companies or by means of self-insurance, insurance of such type, against such risks and in such amounts as are customarily carried by private colleges and universities located in the State of a nature similar to that of the Institution, which insurance shall include property damage, fire and extended coverage, public liability and property damage liability insurance in amounts estimated to indemnify the reasonably anticipated damage, loss or liability, subject to reasonable deductible provisions. The Institution shall at all times also maintain worker's compensation coverage and disability benefits insurance coverage as required by the laws of the State.

(Section 5.5)

Damage or Condemnation

Any insurance, condemnation or eminent domain proceeds received by the Institution shall either be: (i) applied to the cost of replacing, repairing, rebuilding, restoring or relocating the Project; (ii) paid to the Trustee for deposit to the Debt Service Fund and applied to the purchase or redemption of Outstanding Bonds; or (iii) used for any other purpose for which the Institution provides a Favorable Opinion of Counsel to the Issuer and the Trustee.

All such repair, replacement, rebuilding, restoration or relocation of the Project (or such portion thereof) shall be effected with due diligence in a good and workmanlike manner in compliance with all applicable legal requirements and shall be promptly and fully paid for by the Institution in accordance with the terms of the applicable contracts.

If any portion of the Project shall be damaged or destroyed (in whole or in part) at any time during the term of the Loan Agreement: (i) there shall be no abatement or reduction in the amounts payable by the Institution under the Loan Agreement (whether or not such portion of the Project is replaced, repaired, rebuilt, restored or relocated); and (ii) the Issuer shall have no obligation to replace, repair, rebuild, restore or relocate the Project or any portion of the Project.

(Section 6.1)

Investment of Funds

The Institution acknowledges that the Issuer shall direct the investment of moneys held under the Resolution as provided therein and that no representation or warranty has been made by the Issuer with respect to interest rates on, or the amount to be earned as a result of, any such investment. The Issuer shall regularly consult with the Institution regarding any investments of funds being held in the Construction Fund. Neither the Issuer nor the Trustee shall have

any liability arising out of or in connection with the making of any investment authorized by the provisions of the Resolution in the manner provided therein, for any depreciation in value of any investment or for any loss, direct or indirect, resulting from any such investment. The Issuer hereby agrees that it shall direct the making of investments as permitted by the Resolution as soon as practicable when moneys are legally available therefor.

(Section 7.6)

Arbitrage; Tax Exemption

The Institution covenants and agrees that it shall not perform any act or enter into any agreement or omit to take any action that would adversely affect its status as an organization described in Section 501(c)(3) of the Code and shall conduct its operations in a manner which conforms to the standards necessary to qualify the Institution as a charitable organization within the meaning of Section 501(c)(3) of the Code or any successor provisions of federal income tax law.

(Section 8.2)

The Issuer and the Institution covenant that they will comply with the provisions of the Code required to preserve the exclusion from gross income of interest on the Series 2022A Bonds for Federal income tax purposes, and shall not take or omit to take any action if such action or omission would cause the interest in the Series 2022A Bonds to be includable in gross income under Section 103 of Code.

The Issuer and the Institution each covenant that it will not take any action or fail to take any action which would cause any of its representations contained in the Tax Certificate to be untrue and shall comply with all its covenants contained in the Tax Certificate, unless the Issuer or the Institution, as applicable, provides the other party with a Favorable Opinion of Bond Counsel relating to the taking or failing to take such action or the failing to comply with its covenants under the Tax Certificate.

Except with a Favorable Opinion of Bond Counsel addressed to the Issuer and the Trustee, neither the Institution nor any related party to the Institution (as defined in Treas. Reg. §1.150-1(b)) shall purchase any of the Series 2022A Bonds in an amount related to the obligation represented by the Loan Agreement.

(Section 8.3)

Events of Default and Remedies

As used in the Loan Agreement the term “**Event of Default**” shall mean:

(i) the Institution shall default in the timely payment of any amount payable pursuant to the Loan Agreement or the payment of any other amounts required to be delivered or paid by or on behalf of the Institution in accordance with the Loan Agreement and the Resolution, and such default continues for a period in excess of seven (7) days; or

(ii) the Institution defaults in the due and punctual performance of any other covenant contained in such Loan Agreement (other than those designated in (i) above) or breaches any representation made in the Loan Agreement and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the Institution by the Issuer or the Trustee; *provided, however*, that, if in the determination of the Issuer such default cannot be corrected within such thirty (30) day period but can be corrected by appropriate action, it shall not constitute an Event of Default if corrective action is instituted by the Institution within such period and is diligently pursued until the default is corrected; or

(iii) as a result of any default in payment or performance required of the Institution under the Loan Agreement or any other Event of Default under the Loan Agreement, whether or not declared, continuing or cured, the Issuer shall be in default in the payment or performance of any of its obligations under the Resolution or an “event of default” (as defined in the Resolution) shall have been declared under the Resolution so long as such default or event of default shall remain uncured or the Trustee, a provider of a Credit Facility or Liquidity Facility or Holders of the Bonds shall be seeking the enforcement of any remedy under the Resolution as a result thereof; or

(iv) the Institution shall (A) be generally not paying its debts as they become due, (B) file, or consent by answer or otherwise to the filing against it of a petition under the United States Bankruptcy Code or under any other bankruptcy or insolvency law of any jurisdiction, (C) make a general assignment for the benefit of its general creditors, (D) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any

substantial part of its property, (E) be adjudicated insolvent or be liquidated, (F) take corporate action for the purpose of any of the foregoing or (G) shall admit in writing its inability to pay its debts generally as they become due; or

(v) a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the Institution, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or an order for relief shall be entered in any case or proceeding for liquidation or reorganization or otherwise to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Institution, or any petition for any such relief shall be filed against the Institution and such petition shall not be dismissed or stayed within ninety (90) days; or

(vi) the charter or certificate of incorporation of the Institution or any license necessary to operate the Project shall be suspended or revoked; or

(vii) a petition to dissolve the Institution shall be filed by the Institution with the legislature of the State, the Attorney General of the State or other governmental authority having jurisdiction over the Institution; or

(viii) an order of dissolution of the Institution shall be made by the legislature of the State or other governmental authority having jurisdiction over the Institution, which order shall remain undismissed or unstayed for an aggregate of thirty (30) days; or

(ix) a petition shall be filed with a court having jurisdiction for an order directing or providing for the sale, disposition or distribution of all or substantially all of the property belonging to the Institution which petition shall remain undismissed or unstayed for an aggregate of ninety (90) days; or

(x) an order of a court having jurisdiction shall be entered directing or providing for the sale, disposition or distribution of all or substantially all of the property belonging to the Institution, which order shall remain undismissed or unstayed for the earlier of (A) three (3) Business Days prior to the date provided for in such order for such sale, disposition or distribution or (B) an aggregate of thirty (30) days from the date such order shall have been entered; or

(xi) a final judgment for the payment of money, at least one million dollars (\$1,000,000) of which is not covered by insurance or reserves set aside by the Institution, shall be rendered against the Institution and at any time after forty-five (45) days from the entry thereof, (A) such judgment shall not have been discharged or paid, or (B) the Institution shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and shall not have caused, within forty-five (45) days, the execution of or levy under such judgment, order, decree or process or the enforcement thereof to have been stayed pending determination of such appeal; or

(xii) reserved.

Upon the occurrence of an Event of Default, the Issuer may take any one or more of the following actions:

(i) declare all sums payable by the Institution under the Loan Agreement immediately due and payable;

(ii) withhold any and all payments, advances and reimbursements from the proceeds of Bonds or the Construction Fund or otherwise to which the Institution may otherwise be entitled under the Loan Agreement apply any such proceeds or moneys for such purposes as are authorized by the Resolution;

(iii) maintain an action against the Institution under the Loan Agreement to recover any sums payable by the Institution or to require its compliance with the terms of the Loan Agreement;

(iv) reserved; and

(v) take any other action or proceeding permitted by the terms of the Loan Agreement or by law.

All rights and remedies in the Loan Agreement given or granted to the Issuer are cumulative, non-exclusive and in addition to any and all rights and remedies that the Issuer may have or may be given by reason of any law, statute, ordinance or in equity or otherwise, and no failure to exercise or delay in exercising any remedy shall effect a waiver of the Issuer's right to exercise such remedy thereafter, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

At any time before the entry of a final judgment or decree in any suit, action or proceeding instituted on account of any Event of Default or before the completion of the enforcement of any other remedies under the Loan Agreement, the Issuer may annul any declaration made or action taken pursuant to the Loan Agreement and its consequences if

such Events of Default shall be cured. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereto.

(Section 9.1)

Termination

The Loan Agreement shall remain in full force and effect until no Series 2022A Bonds are Outstanding and until all other payments, expenses and fees payable thereunder by the Institution shall have been made or provision made for the payment thereof; ***provided, however***, that certain liabilities and the obligations of the Institution to provide reimbursement for or indemnification against expenses, costs or liabilities made or incurred pursuant to the Loan Agreement shall nevertheless survive any such termination.

(Section 10.1)

Amendments, Changes and Modifications

The Loan Agreement may be amended only in accordance with the Resolution and each amendment shall be made by an instrument in writing signed by the Institution and the Issuer, an executed counterpart of which shall be filed with the Trustee.

(Section 11.4)

Further Assurances

The Institution, at any and all times, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as are necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and moneys, securities, funds and security interests by the Loan Agreement or by the Resolution pledged, assigned or granted, or intended so to be, or which the Institution may after the date of the Loan Agreement become bound to pledge, assign or grant to the Issuer pursuant to the Loan Agreement.

(Section 11.7)

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

[THIS PAGE INTENTIONALLY LEFT BLANK]

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

The following is a brief summary of certain provisions of the Resolution pertaining to the Series 2022 Bonds. This summary does not purport to be complete and reference is made to the Resolution for full and complete statements of such and all provisions. The headings below are not part of the Resolution but have been added for ease of reference only. Defined terms used herein shall have the meanings ascribed to them in Appendix C or in the body of this Official Statement.

Resolution and Bonds Constitute a Contract

With respect to each Series of Bonds, in consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued under the Resolution and under a Series Resolution by those who shall hold or own the same from time to time, the Resolution shall be deemed to be and shall constitute a contract among the Issuer, the Trustee and the Holders from time to time of such Bonds, and the pledge and assignment to the Trustee made in the Resolution and the covenants and agreements set forth to be performed by or on behalf of the Issuer shall be for the equal and ratable benefit, protection and security of the Holders of any and all of such Bonds of that Series, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any such Bonds of that Series over any other Bonds of that Series except as expressly provided in or permitted by the Resolution.

(Section 2.2)

Pledge of Resolution

The proceeds from the sale of the Bonds of a Series, the Revenues derived from the Loan Agreement entered into in connection with the Bonds of such Series or from any realization upon any Collateral Security given in connection with such Loan Agreement, the Issuer's security interests in the Collateral Security and the applicable Series Resolution (other than the Unassigned Rights and subject to the provisions of any Intercreditor Agreement), and, except as otherwise provided in the Resolution, all funds and accounts established by or pursuant to the Series Resolution authorizing the issuance of such Series of Bonds are pledged under the Resolution and assigned to the Trustee as security for the payment of the principal and Redemption Price of and interest on the Bonds of such Series and as security for the performance of any other obligation of the Issuer under the Resolution and under the Series Resolution authorizing the issuance of such Series of Bonds, all in accordance with the provisions of the Resolution and the Series Resolution.

The pledges made by the Resolution are valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of the Bonds, the Revenues, all funds and accounts established by or pursuant to any Series Resolution which are pledged by the Resolution and the Issuer's security interests in the Collateral Security shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds of each Series shall be special obligations of the Issuer payable solely from and secured by a pledge of the proceeds from the sale of the Bonds of such Series, the Revenues, all the funds and accounts established by or pursuant to the Series Resolution authorizing the issuance of the Bonds of such Series which are pledged by the Resolution as provided therein and the Issuer's security interest in the Collateral Security pledged by the Resolution as provided therein.

The Bonds of each Series shall be separately secured one from another by the Loan Agreement entered into in connection with a particular Series of Bonds, the Revenues derived from such Loan Agreement, and the Collateral Security given to secure the Institution's obligations under such Loan Agreement, and only the Bonds of the Series in connection with which such Loan Agreement was entered into shall be secured by such Loan Agreement except as otherwise expressly permitted by the Resolution or the Series Resolution or Certificate of Determination relating to such Series and by the terms of the applicable Loan Agreement.

(Section 2.3)

Assignment of Rights and Remedies to Trustee

As security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of, and interest on, the Outstanding Bonds of a Series and for the performance of each other obligation of the Issuer under the Resolution and for the performance of each other obligation of the Institution thereunder, under the Resolution the

Issuer grants, pledges and assigns to the Trustee, all of the Issuer's estate, right, title, interest and claim in, to and under (other than the Unassigned Rights and subject to the provisions of any Intercreditor Agreement) the related Loan Agreement and the Collateral Security for such Loan Agreement, together with all rights, powers, security interests, privileges, options and other benefits of the Issuer under such Loan Agreement and Collateral Security, including, without limitation, the immediate and continuing right to receive, enforce and collect (and to apply the same in accordance with the Resolution) all Revenues, insurance proceeds, sale proceeds and other payments and other security now or hereafter payable to or receivable by the Issuer under such Loan Agreement, including without limitation the right to declare the indebtedness under such Loan Agreement immediately due and payable and to foreclose, sell or otherwise realize upon such Collateral Security, and the right to make all waivers and agreements in the name and on behalf of the Issuer, as Trustee for the benefit of the Bondholders, and to perform all other necessary and appropriate acts under such Loan Agreement. Such assignment shall be made by the execution and delivery to the Trustee of documents of assignment in form and substance reasonably acceptable to the Trustee. The Trustee shall accept such grant, pledge and assignment which acceptance shall be evidenced in writing and signed by an Authorized Officer of the Trustee in form and substance reasonably satisfactory to the Issuer.

Notwithstanding anything to the contrary in the Resolution or the Loan Agreement, the Issuer shall have no obligation to and instead the Trustee, in accordance with the Resolution or the Loan Agreement, shall have the right, without any direction from or action by the Issuer, to take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer under the Resolution and the Loan Agreement (other than the Issuer's Unassigned Rights), including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Institution under the Loan Agreement.

(Section 2.4)

Additional Obligations

The Issuer reserves the right to issue bonds, notes or any other obligations or otherwise incur indebtedness pursuant to other and separate resolutions or agreements of the Issuer, so long as such bonds, notes or other obligations are not, or such other indebtedness is not, except as permitted by the Resolution, entitled to a charge, lien or right prior or equal to the charge or lien created by the Resolution, or prior or equal to the rights of the Issuer and Holders of Bonds as provided by the Resolution.

(Section 3.5)

Authorization of Redemption

Bonds subject to redemption prior to maturity pursuant to the Resolution or to a Series Resolution or a Certificate of Determination shall be redeemable, in accordance with the Resolution, at such times, at such Redemption Prices and upon such terms as may otherwise be specified in the Resolution or in the Series Resolution authorizing such Series or the applicable Certificate of Determination.

(Section 5.1)

Optional Redemption

If permitted by the Series Resolution or Certificate of Determination relating to the Series of Bonds, the Institution shall give written notice, which notice has been acknowledged in writing by the Issuer, to the Trustee of its election or direction to redeem, of the Series and of the principal amounts of the Bonds of each maturity of such Series to be redeemed. The Series, maturities and principal amounts thereof to be redeemed at the election or direction of the Issuer shall be determined by the Institution in its request to the Trustee, subject to any limitations with respect thereto contained in the Resolution or in the Series Resolution authorizing such Series or the applicable Certificate of Determination. Such notice shall be given to the Trustee at least forty-five (45) days prior to the date on which such Bonds are to be redeemed, or such lesser number of days as shall be acceptable to the Trustee. Unless the notice of redemption required by the Resolution provides that the redemption is subject to the condition that moneys for payment of the Redemption Price is available on the redemption date, such notice shall not be given unless prior to the date such notice is given the Trustee then holds money for payment of the Redemption Price sufficient to redeem, on the redemption dates at the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, all of the Bonds to be so redeemed. For purposes of determining the amount required to be paid pursuant to the preceding sentence when Variable Interest Rate Bonds are to be redeemed, the amount shall be

determined in the manner established by the Series Resolution authorizing such Bonds or the Certificate of Determination applicable thereto.

(Section 5.2)

Mandatory Sinking Fund Redemption

Whenever by the terms of the Resolution or of the Series Resolution or Certificate of Determination relating to the Series of Bonds the Trustee is required to redeem Bonds through the application of mandatory Sinking Fund Installments, unless otherwise provided in the applicable Series Resolution or Certificate of Determination, the Trustee shall select the Bonds of the Series and maturities to be redeemed in the manner summarized below in the “Selection of Bonds to Be Redeemed”, give the notice of redemption and pay out of money available therefor the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, in accordance with the terms of the Resolution.

(Section 5.3)

Selection of Bonds to Be Redeemed

Unless otherwise provided in the Series Resolution authorizing the issuance of Bonds of a Series or the Certificate of Determination relating to such Bonds or, if the Bonds are book-entry bonds, the operational procedures of the Depository, in the event of redemption of less than all of the Outstanding Bonds of like Series, maturity and tenor, the Trustee shall assign to each Outstanding Bond of the Series, maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as provided in the Resolution) which end in the same digit or in the same two digits. If in such a case, upon any drawing by groups, the total principal amount of Bonds drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond for redemption. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; *provided, however*, that only so much of the principal amount of each such Bond of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued shall be redeemed as shall equal the lowest denomination in which the Bonds of such Series are authorized to be issued for each number assigned to it and so selected.

(Section 5.4)

Notice of Redemption

Whenever Bonds are to be redeemed, the Trustee shall give notice of the redemption of the Bonds in the name of the Issuer which notice shall specify: (i) the Bonds to be redeemed which shall be identified in accordance with the Resolution, the maturity dates and interest rates of the Bonds to be redeemed and the date such Bonds were issued; (ii) the numbers and other distinguishing marks of the Bonds to be redeemed, including CUSIP numbers; (iii) the redemption date; (iv) the Redemption Price; (v) the principal amount of each Bond to be redeemed; (vi) that, except in the case of Book-Entry Bonds, such Bonds will be redeemed at the principal corporate trust office of the Trustee giving the address thereof and the name and telephone number of a representative of the Trustee to whom inquiries may be directed; (vii) that no representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in such notice and that an error in a CUSIP number as printed on such Bond or as contained in such notice shall not affect the validity of the proceedings for redemption; and (viii) if the Issuer’s obligation to redeem the Bonds is subject to conditions, a statement that describes the conditions to such redemption. Such notice shall further state that on such date there shall become due and payable upon each Bond of a Series to be redeemed the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, and that, from and after such date, payment having been made or provided for, interest thereon shall cease to accrue. Any such notice of redemption under the Resolution which states that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price of such Bonds or upon the satisfaction of any other condition, may be rescinded at any

time before payment of such Redemption Price if any such condition so specified is not satisfied. Notice of such rescission shall be given by the Trustee to affected Bondholders as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Such notice shall be given not less than twenty (20) days nor more than forty-five (45) days prior to the redemption date or, in the case of Variable Interest Rate Bonds or Option Bonds, such shorter period as shall be established by the Series Resolution authorizing such Bonds or the Certificate of Determination relating thereto, but in no event less than fifteen (15) days prior to the redemption date. Such notice shall be given to Bondholders in accordance with the Resolution and to EMMA. Upon giving such notice, the Trustee shall promptly certify to the Issuer that it has mailed or caused to be mailed such notice to the Holders of the Bonds to be redeemed in the manner provided in the Resolution. Such certificate shall be conclusive evidence that such notice was given in the manner required by the Resolution. The failure of any Holder of a Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Bonds.

(Section 5.5)

Payment of Redeemed Bonds

Notice having been given in the manner provided in the Resolution, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender of such Bonds, other than Book Entry Bonds of like Series, maturity and tenor to be redeemed in part, at the office or offices specified in such notice, and, in the case of Bonds presented by other than the registered owner, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. Payment of the Redemption Price shall be made, upon the request of the registered owner of one million dollars (\$1,000,000) or more in principal amount of Bonds to be redeemed, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has, at the time such Bonds are surrendered to the Trustee, directed in writing the Trustee to wire such Redemption Price. If there shall be called for redemption less than all of the principal amount of a registered Bond, the Issuer shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the registered Bond so surrendered, Bonds of like Series, maturity and tenor in any of the authorized denominations. If, on the redemption date, money for the redemption of all Bonds or portions thereof of any like Series, maturity and tenor to be redeemed, together with interest accrued and unpaid thereon to the redemption date, shall be held by the Trustee so as to be available therefor on such date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds shall no longer be considered to be Outstanding under the Resolution. If money shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(Section 5.6)

Purchase of Purchased Bonds

Whenever Bonds are to be purchased at the election of the Institution, written notice thereof and of the Bonds of the Series and maturity to be so purchased having been given by the Institution to the Issuer, the Trustee, and each applicable provider of a Credit Facility, the Trustee shall select the particular Bonds of such Series and maturity to be so purchased in the same manner as provided by the Resolution for the selection of Bonds to be redeemed in part. Promptly thereafter the Trustee shall give notice of the purchase of the Bonds at the times and in the manner provided in the Series Resolution authorizing such Bonds or the Certificate of Determination related thereto. The Trustee shall not give such notice unless prior to the date such notice is given, the Institution has caused to be delivered to the Trustee the written consent to such purchase of the Issuer and each applicable provider of a Credit Facility. All such purchases may be subject to conditions of the Issuer, the Trustee and any provider of a Credit Facility to the Institution's obligation to purchase such Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been given in the manner required by the Series Resolution authorizing the Bonds to be so purchased or the Certificate of Determination relating thereto, then, if sufficient money to pay the purchase price of such Bonds is held by the Trustee, the purchase price of the Bonds or portions thereof so called for purchase shall become due and payable on the date set for purchase, upon presentation and surrender of such Bonds (other than Book Entry Bonds) to be purchased at the office or offices

specified in such notice, and, in the case of Bonds presented by other than the registered owner, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney. Payment of the purchase price of other than Book Entry Bonds shall be made, upon the request of the registered owner of one million dollars (\$1,000,000) or more in principal amount of Bonds to be so purchased, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has prior to the purchase date directed in writing the Trustee to wire such purchase price. Bonds so purchased shall be considered to be Outstanding and each such Bond so purchased that is not a Book Entry Bond shall be registered in the name or at the direction of the Institution.

(Section 5.7)

Establishment of Funds and Accounts

The following funds shall be established by the applicable Series Resolution in accordance with the Resolution, which funds shall be for the sole benefit of and solely secure the Series of Bonds authorized by such Series Resolution:

Construction Fund, if any;
Debt Service Fund; and
Debt Service Reserve Fund, if any.

The Issuer is authorized in connection with the issuance of a Series of Bonds to establish such other funds, together with accounts and subaccounts established within such funds, in connection with such Series of Bonds as the Issuer or the Trustee deems proper, necessary or desirable. In addition to the funds and accounts required to be established by or pursuant to each Series Resolution, the Resolution establishes an Arbitrage Rebate Fund to be held by the Trustee as custodian for the Issuer, which fund is not pledged to the payment of any Bonds.

All money at any time deposited in any such fund, account or subaccount created and pledged by the Resolution shall be held in trust for the benefit of the Holders of the Outstanding Bonds secured thereby, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided in the Resolution or in the applicable Series Resolution. Notwithstanding the foregoing provisions and except as otherwise provided in the Series Resolution or Certificate of Determination relating to such Series of Bonds, (i) the proceeds derived from the remarketing of Option Bonds tendered or deemed to have been tendered for purchase in accordance with the Series Resolution authorizing the issuance of such Bonds or the Certificate of Determination relating to such Bonds or derived from a Liquidity Facility relating to such Bonds, and any fund or account established by or pursuant to such Series Resolution for the payment of the purchase price of Option Bonds so tendered or deemed to have been tendered, shall not be held in trust for the benefit of the Holders of Bonds other than such Option Bonds and are pledged by the Resolution for the payment of the purchase price of such Option Bonds, and (ii) any fund or account established by or pursuant to such Series Resolution for repayment of advances made under a Liquidity Facility for payment of the purchase price of Option Bonds, shall not be held in trust for the benefit of the Holders of Bonds other than such Option Bonds, and may be pledged to the provider of such Liquidity Facility.

(Section 6.1)

Application of Moneys in the Construction Fund

As soon as practicable after the delivery of a Series of Bonds, the Trustee shall deposit in the Construction Fund established in connection with such Series of Bonds, if any, the amount required to be deposited therein pursuant to the Resolution. In addition, the Trustee shall deposit in such Construction Fund all amounts paid by the Institution which by the terms of the Loan Agreement executed in connection with such Series of Bonds are required to be deposited therein for the acquisition, construction, reconstruction, renovation or equipment of any Project, including the proceeds of any insurance of condemnation award to be so applied.

Except as otherwise provided in the Resolution and in any applicable Series Resolution or Certificate of Determination, money deposited in a Construction Fund shall be used only to pay the Costs of Issuance of the Series of Bonds in connection with which such Construction Fund was established and the Costs of the Project for which such Construction Fund was established.

Payments for Costs of Issuance shall be made by the Trustee upon receipt of, and in accordance with, a certificate or certificates signed by an Authorized Officer of the Issuer stating the names of the payees and the respective amounts of each such payment. Payments for the Costs of the Project shall be made by the Trustee upon receipt of, and in accordance with, a certificate or certificates signed by an Authorized Officer of the Issuer, each substantiated by a

certificate filed with the Issuer signed by an Authorized Officer of the Institution stating that amounts were incurred or expended on Costs of the Project, except that payments to pay interest on Bonds shall be made by the Trustee upon receipt of, and in accordance with, the direction of the Issuer directing the Trustee to transfer such amount from the Construction Fund to the applicable Debt Service Fund.

Upon receipt by the Trustee of a certificate of completion signed by an Authorized Officer of the Institution in the form set forth in the Loan Agreement (which certificate shall not be required if no money is remaining in the Construction Fund), the money then remaining in the Construction Fund, after making provision in accordance with the direction of the Issuer for the payment of any Costs of Issuance and Costs of the Project then unpaid, shall be paid or applied by the Trustee as follows and in the following order of priority: first: upon the direction of an Authorized Officer of the Issuer, to the Arbitrage Rebate Fund, the amount set forth in such direction; second: to restore the Debt Service Reserve Fund (if any) to the Debt Service Reserve Fund Requirement; and third: to the applicable Debt Service Fund, to be applied in accordance with the Resolution, any balance remaining.

(Section 6.3)

Deposit and Allocation of Revenues

All Revenues and any other money required by any of the provisions of a Loan Agreement to be paid to the Trustee shall, upon receipt thereof, be deposited or paid by the Trustee to the applicable Debt Service Fund except for the following: (i) amounts paid to the Trustee for any of the following purposes: (x) to pay the Costs of Issuance of the Bonds, and other costs in connection with the issuance of the Bonds; (y) to pay amounts required to be rebated to the Department of the Treasury of the United States of America in accordance with the Code in connection with the Bonds; and (z) to pay the fees and expenses of the Trustee in connection with performance of its duties under the Resolution; and (ii) amounts required to be paid by the Institution to the Trustee pursuant to any section of such Loan Agreement that specifically provides for the deposit of such payments into a fund, other than the Debt Service Fund, established under the Resolution or pursuant to the applicable Series Resolution or Certificate of Determination relating thereto.

(Section 6.4)

Debt Service Fund

The Trustee shall pay out of the Debt Service Fund established in connection with Bonds of a Series, when due: the interest due and payable on the Outstanding Bonds of such Series; the principal due and payable on the Outstanding Bonds of such Series; the Sinking Fund Installments or other amounts related to a mandatory redemption, if any, due and payable on the Outstanding Bonds of such Series; and in connection with the optional redemption of Bonds of a Series pursuant to the Resolution and subject to the satisfaction of any conditions contained in the notice of redemption given pursuant to the Resolution, the Redemption Price, together with interest accrued and unpaid thereon, on the redemption date.

The Issuer may, at any time subsequent to July 1 (or such other date as provided in a Series Resolution or a Certificate of Determination with respect to a Series of Bonds) of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with money on deposit in the Debt Service Fund established in connection with the Bonds of a Series at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds of such Series and maturity to be redeemed from such Sinking Fund Installment. In addition, the Institution pursuant to a Loan Agreement may deliver, at any time subsequent to July 1 (or such other date as provided in a Series Resolution or a Certificate of Determination with respect to a Series of Bonds) of any Bond Year, but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, to the Trustee for cancellation one or more Term Bonds of such Series and maturity to be so redeemed on such date from such Sinking Fund Installment. Any Term Bond so purchased and any Term Bond so delivered to the Trustee shall be canceled upon receipt thereof by the Trustee and evidence of such cancellation shall be given to the Issuer. The principal amount of each Term Bond so canceled shall be credited against the Sinking Fund Installment due on such date; *provided, however*, that such Term Bond is canceled by the Trustee prior to the date on which notice of redemption is given.

The Trustee, after making all payments from the Debt Service Fund as provided in the Resolution, shall promptly notify the Issuer and the Institution of any balance of Revenues remaining in the Debt Service Fund on the first day of the next succeeding Bond Year. The balance, if any, of the Revenues then remaining shall be applied in the following order of priority: first there shall be paid to the Issuer, unless otherwise paid, such amounts as are payable

to the Issuer for: (i) all expenditures reasonably and necessarily incurred by the Issuer in connection with the financing of the Project, including expenses incurred by the Issuer to compel full and punctual performance of all the provisions of any Loan Agreement in accordance with the terms thereof, and (ii) any unpaid fees or other amounts payable to the Issuer under the Loan Agreement; but only upon receipt by the Trustee of a certificate signed by the Issuer, stating in reasonable detail the amounts payable to the Issuer pursuant to this paragraph; second, upon the direction of the Issuer, be paid by the Trustee to the Institution, in the respective amounts set forth in such direction. Any amounts paid to the Institution shall be free and clear of any pledge, lien, encumbrance or security interest created by the Resolution or by the applicable Series Resolution or the applicable Loan Agreement; and third, be retained in the Debt Service Fund.

(Section 6.5)

Arbitrage Rebate Fund

The Trustee shall deposit to the Arbitrage Rebate Fund any money delivered to it by the Institution for deposit therein and, notwithstanding any other provisions of the Resolution, shall transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Issuer, money on deposit in any other funds held by the Trustee under the Resolution at such times and in such amounts as shall be set forth in such directions.

Money on deposit in the Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Issuer to make payments to the Department of the Treasury of the United States of America at such times and in such amounts determined to be required by the Code to be rebated to the Department of the Treasury of the United States of America. Money in excess of the amount required to be so rebated shall be deposited to any fund or account established under the Resolution in accordance with the written direction of an Authorized Officer of the Issuer.

The amount which may be required by the Code to be rebated to the Department of the Treasury of the United States of America with respect to each Series of Bonds shall be determined as provided in the applicable Loan Agreement and the Issuer shall direct the Trustee to (i) transfer from any other of the funds and accounts held by the Trustee under the Resolution and deposit to the applicable Arbitrage Rebate Fund such amount as the Issuer shall have determined to be necessary in order to enable it to comply with its obligation to rebate money to the Department of the Treasury of the United States of America with respect to each Series of Bonds and (ii) if and to the extent required by the Code, pay out of such Arbitrage Rebate Fund to the Department of the Treasury of the United States of America the amount, if any, required by the Code to be rebated thereto.

(Section 6.6)

Application of Money in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Resolution, if at any time the money held in the Debt Service Fund established in connection with a Series of Bonds for the payment of the principal and Sinking Fund Installments of the Bonds of such Series, together with the money held in the Debt Service Reserve Fund established for such Bonds, are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of such Series and the interest accrued and unpaid and to accrue on such Bonds to the next date of redemption when all such Bonds are redeemable, or to make provision pursuant to the Resolution for the payment of such Bonds at the maturity or redemption dates thereof, the Trustee shall so notify the Issuer and the Institution. Upon receipt of such notice, the Issuer may advise the Institution that no further payments on account of principal and interest are due under the Loan Agreement and further (upon the receipt of written instructions from an Authorized Officer of the Institution) may (i) direct the Trustee to redeem all such Bonds, whereupon the Trustee shall proceed to redeem or provide for the redemption of such Bonds in the manner provided in the Resolution, or (ii) give the Trustee irrevocable instructions in accordance with the Resolution and make provision for the payment of such Bonds at the maturity or redemption dates thereof in accordance therewith.

(Section 6.7)

Transfer of Investments

Whenever money in any fund or account established under the Resolution is to be paid in accordance with the Resolution to another such fund or account, such payment may be made, in whole or in part, by transferring to such other fund or account investments held as part of the fund or account from which such payment is to be made, whose value, together with the money, if any, to be transferred, is at least equal to the amount of the payment then to be

made; **provided, however**, that no such transfer of investments would result in a violation of any investment standard or guideline applicable to such fund.

(Section 6.8)

Security for Deposits

The Trustee shall continuously and fully secure all money held under the Resolution by it for the benefit of the Issuer and the Holders of the Bonds with Permitted Collateral having a market value equal to the amount of money secured thereby; **provided, however**, (a) that if the securing of such money is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it shall not be necessary for the Trustee to give security for the deposit of any money with them pursuant to the Resolution and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any money which shall be represented by obligations purchased or other investments made under the provisions of the Resolution as an investment of such money. The Trustee shall include in its monthly report provided pursuant to the Resolution a statement showing the amount of money held by the Trustee pursuant to the Resolution on the date of such report, the Permitted Collateral pledged by the Trustee to secure such amount and market value of such Permitted Collateral on the date of such report.

(Section 7.1)

Investment of Funds and Accounts Held by the Trustee

Money held under the Resolution by the Trustee, if permitted by law, shall, as nearly as may be practicable, be invested by the Trustee, upon direction of the Issuer given or confirmed in writing by the Issuer (which direction shall specify the amount thereof to be so invested), in Government Obligations, Federal Agency Obligations or Exempt Obligations; **provided, however**, that each such investment shall permit the money so deposited or invested to be available for use at the times at which the Issuer reasonably believes such money will be required for the purposes thereof.

In lieu of the investments of money in obligations described in the paragraph above, the Trustee shall, to the extent permitted by law, upon direction of the Issuer given or confirmed in writing by the Issuer, invest money in a Construction Fund or Debt Service Reserve Fund in any Permitted Investment; **provided, however**, that each such investment shall permit the money so deposited or invested to be available for use at the times at which the Issuer reasonably believes such money will be required for the purposes of the Resolution, **provided, further**, that (x) any Permitted Collateral required to secure any Permitted Investment shall have a market value, determined by the Trustee or its agent periodically, but no less frequently than weekly, at least equal to the amount deposited or invested including interest accrued thereon, (y) the Permitted Collateral shall be deposited with and held by the Trustee or an agent of the Trustee approved by an Authorized Officer of the Issuer, and (z) the Permitted Collateral shall be free and clear of claims of any other person.

Permitted Investments purchased as an investment of money in any fund or account held by the Trustee under the provisions of the Resolution shall be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof shall be retained in, credited or charged, as the case may be, to such fund or account.

In computing the amount in any fund or account held by the Trustee under the provisions of the Resolution, each Permitted Investment shall be valued at par or the market value thereof, plus accrued interest, whichever is lower.

Notwithstanding anything to the contrary in the Resolution, the Issuer, in its discretion, may direct the Trustee to, and the Trustee shall, sell, present for redemption or exchange any investment held by the Trustee pursuant to the Resolution and the proceeds thereof may be reinvested as provided therein. Except as provided in the Resolution, the Trustee shall sell at the best price obtainable, or present for redemption or exchange, any investment held by it pursuant to the Resolution whenever it shall be necessary in order to provide money to meet any payment or transfer from the fund or account in which such investment is held. The Trustee shall advise the Issuer and the Institution in writing, on or before the fifteenth (15th) day of each calendar month, of the amounts required to be on deposit in each fund and account under the Resolution and of the details of all investments held for the credit of each fund and account in its custody under the provisions of the Resolution as of the end of the preceding month and as to whether such investments comply with the Resolution. The details of such investments shall include the par value, if any, the cost and the current market value of such investments as of the end of the preceding month. The Trustee shall also describe all withdrawals, substitutions and other transactions occurring in each such fund and account in the previous month.

No part of the proceeds of any Series of Bonds or any other funds of the Issuer shall be used directly or indirectly to acquire any securities or investments the acquisition of which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

(Section 7.2)

Liability for Investments

Neither the Issuer nor the Trustee shall have any liability arising out of or in connection with the making of any investment authorized by the provisions of the Resolution, in the manner provided therein, for any depreciation in value of any such investment, or for any loss, direct or indirect, resulting from any such investment.

(Section 7.3)

Payment of Principal and Interest

Solely and exclusively from the property pledged pursuant to the Resolution, the Issuer shall pay or cause to be paid the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on every Bond of each Series on the dates and in the manner provided in the Bonds according to the true intent and meaning thereof.

(Section 8.1)

Further Assurance

The Issuer, at any and all times, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, pledges and assignments by the Resolution and by the applicable Series Resolution created or made or intended to be created or made, or which the Issuer may become bound to pledge or assign.

(Section 8.4)

Accounts and Reports

The Trustee, on behalf of the Issuer, shall keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to each Series of Bonds. Such books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Trustee, shall be subject to inspection by the Institution, the Issuer or of any Holder of a Bond or his representative duly authorized in writing. The Trustee shall annually prepare a report which shall be furnished to the Issuer, any provider of a Credit Facility and the Institution. Such report shall include at least: a statement of all funds (including investments thereof) held by the Trustee pursuant to the provisions of the Resolution and of each Series Resolution; a statement of the Revenues collected in connection with the Resolution and with each Series Resolution; and complete and correct entries of the transactions relating to each Series of Bonds. A copy of such report shall, upon receipt of a written request therefor, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond or any beneficial owner of a Book Entry Bond requesting the same.

(Section 8.5)

Creation of Liens

Except as permitted by the Resolution or by or pursuant to the Loan Agreement or a Series Resolution with respect to the Shared Collateral or the Revenues, the Issuer shall not create, cause to be created or suffer or permit the creation of any lien or charge prior or equal to that securing the Bonds or the proceeds from the sale of the Bonds, the Revenues, the Issuer’s security interest in the Collateral Security and the funds and accounts established by the Resolution or pursuant to any Series Resolution; *provided, however*, that nothing contained in the Resolution shall prevent the Issuer from issuing bonds, notes or other obligations or otherwise incurring indebtedness under another and separate resolution or otherwise so long as the charge or lien created by such resolution, except as permitted by the Resolution with respect to Shared Collateral or the Revenues, is not prior or equal to the charge or lien created by the Resolution.

(Section 8.6)

Enforcement of Duties and Obligations of the Institution; Obligations of the Issuer

The Issuer covenants that, at the written request of the Trustee, it shall take all legally available action to cause the Institution fully to perform all duties and acts and fully to comply with the covenants of the Institution required by the Loan Agreement in the manner and at the times provided in the Loan Agreement, provided that the Issuer shall be furnished with satisfactory security or indemnity for the reimbursement of all expenses and to protect it against all liability in connection with any such action. None of the provisions of the Resolution shall require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers thereunder, unless payable from the Revenues, or unless the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby.

The Loan Agreement sets forth covenants and obligations of the Issuer and the Institution, and reference is by the Resolution made to the same for a detailed statement of said covenants and obligations. Notwithstanding anything to the contrary in the Resolution or the Loan Agreement, the Issuer shall have no obligation to and instead the Trustee, in accordance with the Resolution, shall have the right, without further direction from or action by the Issuer, to take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer under the Resolution and the Loan Agreement (other than the Issuer's Unassigned Rights), including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Institution under the Loan Agreements.

(Section 8.7)

Offices for Payment and Registration of Bonds

The Issuer shall at all times maintain an office or agency in the State where Bonds may be presented for payment, registration, transfer or exchange and the Trustee is appointed as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds.

(Section 8.9)

Amendment of Loan Agreement

A Loan Agreement may, without the consent of the Holders of Bonds, be amended, changed, modified, altered or supplemented for any one or more of the following purposes: to add an additional covenant or agreement for the purpose of further securing the payment of the Institution's obligations under the Loan Agreement that is not contrary to or inconsistent with the covenants and agreements of the Institution contained in the Loan Agreement; to prescribe further limitations and restrictions upon the Institution's right to incur, issue, assume or guaranty indebtedness that are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect; to surrender any right, power or privilege reserved to or conferred upon the Institution, if surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Institution contained in the Loan Agreement; to make changes necessary or appropriate in connection with the acquisition, construction, reconstruction, rehabilitation and improvement, or otherwise providing, furnishing and equipping of any Project, to amend the description of any Project or to add an additional Project; to establish, amend or modify the Issuer Fee or the Annual Administrative Fee payable by the Institution in connection with the Bonds of a Series; or with the prior written consent of the Trustee, to cure any ambiguity, or to correct or supplement any provisions contained in the Loan Agreement which may be defective or inconsistent with any other provisions contained in the Resolution or in the Loan Agreement or to amend, modify or waive any other provision of the Loan Agreement, provided that the same does not adversely affect the interests of the Bondholders in any material respect.

The Loan Agreement relating to a Series of Bonds may not be amended, changed, modified, altered or terminated, nor may any provision thereof be waived, without the consent of the Holders of Outstanding Bonds of such Series if such amendment, change, modification, alteration, termination or waiver (i) reduces the amount of Revenues payable by the Institution under the Loan Agreement on any date or delays the date on which payment is to be made, (ii) modifies the events which constitute Events of Default under the Loan Agreement, (iii) diminishes, limits or conditions the rights or remedies of the Issuer under the Loan Agreement upon the occurrence of an Event of Default thereunder, or (iv) adversely affects the rights of the Bondholders in any material respect.

No amendment, change, modification, alteration, termination or waiver described in the immediately preceding paragraph shall take effect unless the prior written consent of the Holders of at least a majority in principal amount of the Bonds then Outstanding of the affected Series has been obtained; ***provided, however***, that if such amendment, change, modification, alteration, termination or waiver will, by its terms, not take effect so long as any Bonds of any

specified maturity of such Series remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this provision.

Bonds owned or held by or for the account of the Issuer or the Institution shall not be deemed Outstanding for the purpose of consent, and neither the Issuer nor the Institution shall be entitled with respect to such Bonds to give any such consent. At the time of any consent, the Trustee shall be provided with certificates of the Issuer and the Institution in accordance with the Resolution.

The purchasers of Bonds, whether purchasing as underwriters, remarketing agent or otherwise for resale, may upon such purchase consent to an amendment, change, modification, alteration, termination or waiver permitted by the Resolution in the manner provided in the Resolution, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; *provided, however*, that, if such consent is given by a purchaser who is purchasing as an underwriter, remarketing agent or otherwise for resale, the nature of the amendment, change, modification, alteration, termination or waiver and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the initial offering, reoffering or resale of the Bonds of such Series.

No amendment, change, modification or termination of a Loan Agreement, or waiver of a provision thereof shall be made other than pursuant to a written instrument signed by the parties thereto. No such amendment, change, modification, alteration or waiver shall become effective unless there has been delivered to the Trustee an opinion of Bond Counsel that any such amendment, change, modification, alteration or waiver complies with the provisions of the Resolution. A copy of each such amendment, change, modification, termination or waiver shall be filed with the Trustee.

For the purposes of the Resolution, a Series shall be deemed to be adversely affected by an amendment, change, modification, alteration or termination of the Loan Agreement or the waiver of any provision thereof if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series in any material respect, which determination shall be made without regard to the existence of any Credit Facility issued in connection with such Bonds. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, Bonds of any particular Series would be adversely affected in any material respect by any amendment, change, modification, alteration, termination or waiver and any such determination shall be binding and conclusive on the Institution, the Issuer and all Holders of Bonds.

The Trustee shall be entitled to rely upon an opinion of counsel or an opinion or report of engineers, accountants or other experts, in each case reasonably satisfactory to the Trustee, with respect to whether any amendment, change, modification, alteration, termination or waiver adversely affects the interests of any Holders of Bonds then Outstanding in any material respect.

(Section 8.10)

General

The Issuer shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of the Resolution in accordance with the terms of such provisions.

Upon the date of issuance of Bonds, all conditions, acts and things required by the statutes of the State and by the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds, shall exist, have happened and have been performed and the issuance of such Bonds, together with all other indebtedness of the Issuer, shall be within every debt and other limit prescribed by the laws of the State.

(Section 8.11)

Responsibilities of Trustee

The recitals of fact contained in the Resolution and in each Series Resolution and in the Bonds shall be taken as the statements of the Issuer and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of the Resolution, of any Series Resolution or of any Bonds, or in respect of the security afforded by the Resolution or by each Series Resolution, and the Trustee shall incur no responsibility in respect thereof. The Trustee shall be under no responsibility or duty with respect to: (i) the issuance of the Bonds for value; (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee; or (iii) the application of any money paid to the Issuer or others in accordance with the

Resolution and with each Series Resolution except as to the application of any money paid to it in its capacity as Trustee. The Trustee shall not be liable in connection with the performance of its duties under the Resolution and under each Series Resolution except for its own negligence or default.

The duties and obligations of the Trustee shall be determined by the express provisions of the Resolution and of each Series Resolution and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Resolution and in each Series Resolution. In case an Event of Default has occurred and has not been cured, the Trustee shall exercise such rights and powers vested in it in the Resolution and under each applicable Series Resolution, and use the same degree of care and skill in its exercise as a reasonable and prudent person would use, under the circumstances, in the conduct of his or her own affairs.

The Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Resolution or by any Series Resolution.

(Section 9.2)

Property Held in Trust

All money and securities conveyed to or held by the Trustee, except for amounts held in the Arbitrage Rebate Fund, at any time pursuant to the terms of the Resolution and of each Series Resolution shall be and are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of the Resolution and of the applicable Series Resolution.

The Trustee shall hold all money in the Arbitrage Rebate Fund as the agent of the Issuer and shall not disburse amounts therefrom except pursuant to the written instructions of an Authorized Officer of the Issuer.

(Section 9.3)

Evidence on which the Trustee May Act

The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be of counsel to the Issuer, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution and under any Series Resolution, such matter (unless other evidence in respect thereof be specifically prescribed by the Resolution) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Officer of the Issuer or, with the permission of an Authorized Officer of Issuer, signed by an Authorized Officer of the Institution. Such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Resolution and of the Series Resolution upon the faith thereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided in the Resolution and in each Series Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision of the Resolution and of any Series Resolution by the Issuer to the Trustee shall be sufficiently executed if executed in the name of the Issuer by an Authorized Officer.

(Section 9.4)

Compensation

Unless otherwise provided by contract with the Trustee, the Institution, as provided in the Loan Agreement, shall pay to the Trustee, from time to time, reasonable compensation for all services rendered by it under the Resolution and under the applicable Series Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under the Resolution and under the applicable Series Resolution. The Trustee shall be entitled to receive and collect such compensation from the Institution as provided in such Loan Agreement and, upon the occurrence of an Event of Default and except as otherwise set forth in a Series Resolution or Certificate of Determination, shall have a lien therefor on any and all funds at any time held by it under the Resolution and under the applicable Series Resolution (other than the Arbitrage Rebate Fund and any fund or account established for the payment of the principal or Redemption Price of or interest on Option Bonds or the purchase price of Option Bonds

tendered for purchase) prior to any of the Bonds for which such services have been rendered; **provided, however**, that the Trustee shall not be entitled to compensation for any expenses, charges, counsel fees or other disbursements incurred in connection with or incident to its resignation or removal as provided in the Resolution. The Institution shall, pursuant to its obligations under the Loan Agreement, indemnify and save the Trustee harmless against any liabilities which the Trustee may incur in the exercise and performance of its powers and duties under the Resolution and under the applicable Series Resolution and which are not due to the Trustee's negligence or default. None of the provisions contained in the Resolution or in any Series Resolution shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it. The Trustee shall not be required to take any action pursuant to the Resolution unless and until it shall have been indemnified and saved harmless against any liabilities and all reasonable expenses, charges, counsel fees and other disbursements, including those of the Trustee's attorneys, agents and employees, incurred in connection with or as a result of taking such action.

(Section 9.5)

Permitted Acts

The Trustee may become the owner of or may deal in Bonds as fully and with the same rights as if it were not such Trustee. The Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the Issuer or any committee formed to protect the rights of Holders of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Resolution or of the Bonds or any Series Resolution whether or not such committee shall represent the Holders of a majority in principal amount of the Outstanding Bonds in respect of which any such action is taken.

(Section 9.6)

Resignation of Trustee

The Trustee, or any successor thereof, may at any time resign and be discharged of its duties and obligations under the Resolution and under each Series Resolution by giving not less than sixty (60) days written notice to the Issuer, any provider of a Credit Facility and the Institution, which notice shall specify the date when such resignation shall take effect, and, unless otherwise provided in the Resolution, mail to the registered owners of the Bonds a copy of such notice, by first class mail, postage prepaid, at their last known addresses, if any, appearing on the registration books of the Issuer. Such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed as provided in the Resolution, in which event such resignation shall take effect immediately on the appointment of such successor; **provided, however**, that such resignation shall not take effect until a successor Trustee has been appointed and has accepted such appointment pursuant to the Resolution.

(Section 9.7)

Removal of Trustee

The Trustee, or any successor thereof, may be removed at any time by the Holders of a majority in principal amount of the Outstanding Bonds, excluding any Bonds held by or for the account of the Issuer or the Institution, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to the Issuer. The Trustee, or any successor thereof, may also be removed at any time for cause or any breach of trust or for acting or proceeding in violation of, or failing to act or proceed in accordance with, any provisions of the Resolution or of any Series Resolution with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon application by the Issuer, or the Holders of not less than twenty per centum (20%) in aggregate principal amount of Bonds then Outstanding, excluding any Bonds held by or for the account of the Issuer or the Institution. The Trustee may also be removed at any time, other than during the continuance of an event of default under the Resolution, by the Issuer, by an instrument in writing signed and acknowledged by the Issuer. No removal of the Trustee under the Resolution shall take effect until a successor Trustee has been appointed. A copy of each instrument or order providing for the removal of the Trustee, or any successor thereof, shall be delivered by the Issuer to the Trustee, each provider of a Credit Facility or such successor thereof and the Institution.

(Section 9.8)

Successor Trustee

In case the Trustee, or any successor thereof, shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the Issuer shall forthwith appoint a Trustee, with written notice to Rating Service(s) rating the Bonds then Outstanding, to act as Trustee. Copies of any resolution or other instrument of the Issuer providing for any such appointment shall be delivered by the Issuer to the Trustee so appointed, the predecessor Trustee, any provider of a Credit Facility and the Institution. The successor Trustee shall: (a) give notice of any such appointment not later than thirty (30) days after such appointment to the registered owner of the Bonds as provided in the Resolution; and (b) submit the notice of its appointment to EMMA.

If in a proper case no appointment of a successor shall be made within forty-five (45) days after the giving of written notice in accordance with the Resolution or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Bondholder may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor. Any successor appointed under the provisions of the Resolution shall be a bank located in the State having trust powers or a trust company organized under the laws of the State or national banking association having trust powers located in the State having a capital and surplus aggregating at least \$100,000,000, if there be such a bank having trust powers or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms and authorized by law to perform all the duties required by the Resolution and by each Series Resolution.

(Section 9.9)

Transfer of Rights and Property to Successor Trustee

Any successor appointed under the provisions of the Resolution shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of its predecessor under the Resolution and under each Series Resolution, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request by the Issuer or of such successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of such Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to such successor any money or other properties subject to the trusts and conditions set forth therein. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor for more fully and certainly vesting in and confirming to it any such money, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Issuer.

(Section 9.10)

Merger or Consolidation of the Trustee

Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger or consolidation to which it shall be a party or any company to which such Trustee may sell or transfer any portion of its corporate trust business, provided such company shall be a bank having trust powers or trust company or national banking association qualified to be a successor to such Trustee under the provisions of the Resolution, shall be the successor to such Trustee, without any further act, deed or conveyance, with respect to the corporate trust business so transferred.

(Section 9.11)

Modification and Amendment Without Consent

The Issuer may, without the consent of Bondholders and, except in the case of subparagraph (h) below, without the consent of the Trustee, adopt at any time or from time to time Series Resolutions or Supplemental Resolutions for any one or more of the following purposes:

(a) To provide for the issuance of a Series of Bonds pursuant to the provisions of the Resolution and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;

(b) To add additional covenants and agreements of the Issuer for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Resolution;

(c) To prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Issuer which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(d) To surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of the Resolution, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Resolution;

(e) To confirm, as further assurance, any pledge under the Resolution, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Resolution, of the Revenues, or any pledge of any other money, securities or funds;

(f) To modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Bonds Outstanding as of the date of adoption of such Supplemental Resolution or Series Resolution shall cease to be Outstanding, and all Bonds issued under such resolutions shall contain a specific reference to the modifications contained in such subsequent Resolutions;

(g) To modify or amend a Project; or

(h) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in the Resolution or to insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent with the Resolution as theretofore in effect, or to modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respect, provided that such modification shall not adversely affect the interests of the Bondholders in any material respect.

Any Series Resolutions or Supplemental Resolution adopted pursuant to the provisions summarized above shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Issuer and with respect to any Series Resolution or Supplemental Resolution relating to a Series of Bonds secured by a Credit Facility, providing a written copy thereof to the provider of such Credit Facility.

(Section 10.1)

Supplemental Resolutions Effective With Consent of Bondholders

The provisions of the Resolution and of a Series Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of the applicable Bondholders in accordance with and subject to the provisions of the Resolution, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by the Issuer. The Trustee shall, upon its becoming effective, transmit a copy of such Supplemental Resolution to the Institution and to each Rating Service rating the affected Bonds then Outstanding.

(Section 10.2)

General Provisions Relating to Series Resolutions and Supplemental Resolutions

The Resolution or a Series Resolution shall not be modified or amended in any respect except in accordance with and subject to the provisions of the Resolution. Nothing contained in the Resolution shall affect or limit the rights or obligations of the Issuer to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions thereof or the right or obligation of the Issuer to execute and deliver to the Trustee any instrument elsewhere in the Resolution provided or permitted to be delivered to the Trustee.

A copy of every Series Resolution and Supplemental Resolution adopted by the Issuer, when filed with the Trustee, shall be accompanied by an opinion of Bond Counsel stating that such Series Resolution or Supplemental Resolution

has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted thereby and is valid and binding upon the Issuer and enforceable in accordance with its terms. The Trustee shall transmit a copy of such Series Resolution or Supplemental Resolution to the Institution and with respect to any Series Resolution or Supplemental Resolution relating to a Series of Bonds secured by a Credit Facility, providing a written copy thereof to the provider of such Credit Facility.

The Trustee is authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the Resolution and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on the opinion of Bond Counsel that such Series Resolution or Supplemental Resolution is authorized or permitted by the provisions of the Resolution.

No Series Resolution or Supplemental Resolution changing, amending or modifying any of the rights or obligations of the Trustee shall become effective without the written consent of the Trustee.

(Section 10.3)

Powers of Amendment

Any modification or amendment of the Resolution and of the rights and obligations of the Issuer and of the Holders of the Bonds of a Series under the Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in the Resolution, (i) of the Holders of at least a majority in principal amount of the Bonds of such Series Outstanding at the time such consent is given or (ii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment, Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of the Resolution section summarized in this paragraph, a Series shall be deemed to be affected by a modification or amendment of the Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, the Bonds of any particular Series or maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Issuer and all Holders of Bonds; *provided, however*, that such determination shall be made without regard to the existence of any Credit Facility issued in connection with such Bonds. The Trustee shall be entitled to rely upon an opinion of counsel or an opinion or report of engineers, accountants or other experts, in each case reasonably satisfactory to the Trustee, as conclusive evidence as to whether the Bonds of any particular Series or maturity would be so affected by any such modification or amendment hereof. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution upon its becoming effective.

(Section 11.1)

Consent of Bondholders

The Issuer may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Resolution summarized above under "Powers of Amendment" to take effect when and as provided in the Resolution. A certified copy of such Supplemental Resolution shall be filed with the Trustee and a notice of such adoption, including the Supplemental Resolution and a statement that such Supplemental Resolution shall not take effect until the required percentages of Bondholders have consented thereto, shall be submitted to EMMA. A copy of such Supplemental Resolution shall, upon receipt of a written request therefor, be furnished to the registered owner of a Bond or any beneficial owner of a Book Entry Bond requesting the same. At the option of the Issuer, a copy of such Supplemental Resolution, together with a request to the Bondholders of a Series of Bonds affected thereby for their consent thereto in form satisfactory to the Trustee, may, unless otherwise provided in the Resolution, be mailed by the Trustee to the Bondholders (but failure to mail such copy and request to any particular Bondholder shall not affect the validity of the Supplemental Resolution when consented to as provided in the Resolution).

Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds specified in the Resolution and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by

the Issuer in accordance with the provisions thereof, is authorized or permitted thereby, and is valid and binding upon the Issuer and enforceable in accordance with its terms, and (ii) a notice shall have been given as provided in the Resolution. Each such consent shall be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by the Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Resolution shall be conclusive proof that the consents have been given by the Holders of the Bonds described in the certificate or certificates of the Trustee. Any consent given by a Bondholder shall be binding upon the Bondholder giving such consent and, anything in the Resolution to the contrary notwithstanding, upon any subsequent Bondholder and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee as provided for in the Resolution is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Issuer and the Trustee a written statement that such Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Issuer on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in the Resolution, shall be given to: (1) the Bondholders by the Trustee in accordance with the provisions of the Resolution; and (2) by filing a copy of such notice with EMMA. The Trustee shall prepare a certificate as proof of the giving of such notice as required by the Resolution. A transcript, consisting of the papers required or permitted by the Resolution to be filed with or prepared by the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Issuer, the Trustee, and the Holders of all Bonds upon the Trustee's execution of the certificate of proof of the giving of such notice, except in the event a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution is rendered in a legal action or equitable proceeding for such purpose commenced within the thirty (30) day period beginning on the date of the Trustee's execution of the proof of giving such notice; *provided, however*, that the Issuer and the Trustee during such thirty (30) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their reasonable discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

For the purposes of the Resolution, the purchasers of the Bonds of a Series, including those purchasing as underwriters, placement agent or remarketing agent, for resale or otherwise, upon such purchase, may consent to a modification or amendment permitted by the Resolution in the manner provided therein, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; *provided, however*, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale or as a placement agent, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document (or if there is no such offering document, the purchase or placement agreement, if any) prepared in connection with the primary offering, reoffering, resale or private placement of the Bonds of such Series by the Issuer.

(Section 11.2)

Modifications by Unanimous Consent

The terms and provisions of the Resolution and the rights and obligations of the Issuer and of the Holders of the Bonds may be modified or amended in any respect upon the adoption and filing with the Trustee by the Issuer of a copy of a Supplemental Resolution certified by an Authorized Officer of the Issuer and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in the Resolution, except that no notice to the Bondholders shall be required.

(Section 11.3)

Trustee to Exercise Powers of Statutory Trustee

The Trustee is vested with all of the rights, powers and duties of a trustee appointed by Bondholders pursuant to Section 1686 of the Act which are not inconsistent with the provisions of the Resolution and the right of Bondholders

to appoint a trustee pursuant to Section 1686 of the Act is by the Resolution abrogated in accordance with the provisions of subdivision 4(g) of Section 1682 of the Act.

(Section 12.1)

Events of Default

An event of default shall exist under the Resolution and under a Series Resolution (referred to in the Resolution as an “event of default”) if with respect to the Bonds of a Series to which the Series Resolution relates:

- (a) Payment of the principal, Sinking Fund Installments or Redemption Price of any Bond of such Series shall not be made by the Issuer when the same shall otherwise become due and payable; or
- (b) Payment of an installment of interest on any Bond of such Series shall not be made by the Issuer when the same shall become due and payable; or
- (c) A Determination of Taxability shall have occurred and be continuing; or
- (d) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Resolution or in the Bonds of such Series or in any Series Resolution on the part of the Issuer to be performed and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, or if such default is not capable of being cured within thirty (30) days, if the Issuer fails to commence within said thirty (30) days and diligently prosecute the cure thereof; or
- (e) An “Event of Default” as defined in a Loan Agreement shall have occurred and be continuing and all sums payable by the Institution under such Loan Agreement shall have been declared to be immediately due and payable, which declaration shall not have been annulled.

(Section 12.2)

Acceleration of Maturity

Upon the happening and continuance of any event of default specified in the Resolution, other than an event of default summarized in paragraph (c) of the preceding section, then and in every such case the Trustee may, and upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of each Series shall, by a notice in writing to the Issuer and each Rating Service then rating the Outstanding Bonds of such Series, declare the principal of and interest on all of the Outstanding Bonds of such Series to be immediately due and payable. At the expiration of thirty (30) days after notice of such declaration has been given, such principal and interest on all of the Outstanding Bonds of such Series shall become and be immediately due and payable, anything in the Resolution or in the Series Resolution or in the Bonds to the contrary notwithstanding. At any time after the principal of the Bonds of such Series shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, the Trustee shall, with the written consent of the Holders of not less than twenty-five per centum (25%) in principal amount of the Bonds of such Series not then due by their terms and then Outstanding, by written notice to the Issuer, annul such declaration and its consequences if: (i) money shall have accumulated in the Debt Service Funds sufficient to pay all arrears of interest, if any, upon all of the Outstanding Bonds of such Series (except the interest accrued on such Bonds since the last interest payment date); (ii) money shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee; (iii) all other amounts then payable by the Issuer under the Resolution and under each applicable Series Resolution (other than principal amounts payable only because of a declaration and acceleration under the Resolution) shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Resolution or in any applicable Series Resolution or in the Bonds of such Series (other than a default in the payment of the principal of such Bonds then due only because of a declaration under the Resolution) shall have been remedied to the reasonable satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

(Section 12.3)

Enforcement of Remedies

Upon the happening and continuance of any Event of Default specified in the Resolution, then and in every such case, the Trustee may proceed, and upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected by the Resolution, shall proceed (subject to the provisions of the Resolution relating to the compensation of the Trustee) to protect and enforce its rights and the rights of the Bondholders under the Resolution or under any Series Resolution or under the laws of the State by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained under the Resolution or under any Series Resolution or in aid or execution of any power granted in the Resolution or in any Series Resolution or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Resolution and under each Series Resolution the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Issuer for principal or interest or otherwise under any of the provisions of the Resolution or of any Series Resolution or of the Bonds of a Series, with interest on overdue payments of the principal of or interest on the Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the Resolution and under any Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Issuer but solely as provided in the Resolution, in any Series Resolution and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the money adjudged or decreed to be payable.

(Section 12.4)

Priority of Payments After Default

If at any time the money held by the Trustee under each Series Resolution shall not be sufficient to pay the principal of and interest on the Bonds of the applicable Series as the same become due and payable (either by their terms or by acceleration of maturity), such money together with any money then available or thereafter becoming available for such purpose, whether through exercise of the remedies, shall be applied (after first depositing in the Arbitrage Rebate Fund all amounts required to be deposited therein and then paying all amounts owing to the Trustee under the Resolution) as follows:

(A) Unless the principal of all the Bonds of the applicable Series has become or been declared due and payable, all such money shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal, Sinking Fund Installments or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amount available shall not be sufficient to pay in full all amounts due on any date, then to the payment thereof ratably, according to the amount of principal, Sinking Fund Installments or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(B) If the principal of all of the Bonds of the applicable Series has become or been declared due and payable, all such money shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or preference except as to the difference in the respective rates of interest specified in the Bonds.

Whenever money is to be so applied by the Trustee pursuant to the provisions summarized in this section "Priority of Payments After Default", such money shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application

and the likelihood of additional money becoming available for such application in the future. The setting aside of such money in trust for application in accordance with the provisions summarized in the preceding paragraphs shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Issuer, to any Holder of Bonds or to any other person for any delay in applying any such money so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions hereof as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be on an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. The Trustee shall not be required to make payment to the Holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

Amounts held by the Trustee after payments to be made pursuant to the provisions summarized in preceding paragraph have been made and no Bonds of the applicable Series are Outstanding shall be paid and applied in accordance with the Resolution.

(Section 12.5)

Bondholders' Direction of Proceedings

Anything in the Resolution to the contrary notwithstanding, the Holders of a majority in principal amount of the Outstanding Bonds of a Series shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Resolution and under each Series Resolution, provided such direction shall be in accordance with law and the provisions of the Resolution and of each Series Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

(Section 12.7)

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Resolution, or for any other remedy under the Resolution unless such Holder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of a Series affected thereby, shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Resolution or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Resolution or for any other remedy under the Resolution and in equity or at law. It is understood and intended that no one or more Holders of the Bonds of a Series secured by the Resolution and by a Series Resolution shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Resolution or of such Series Resolution or to enforce any right under the Resolution or such Series Resolution except in the manner in the Resolution and such Series Resolution provided, and that all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of the Outstanding Bonds of such Series. Notwithstanding any other provision of the Resolution, the Holder of any Bond shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond on the stated maturity expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

(Section 12.8)

Remedies Not Exclusive

No remedy conferred in the Resolution upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity or by statute.

(Section 12.10)

Waiver and Non-Waiver of Default

No delay or omission of the Trustee or any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein. Every power and remedy given by the Resolution to the Trustee and the Bondholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee, upon written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, shall waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the Resolution or before the completion of the enforcement of any other remedy under the Resolution.

(Section 12.11)

Notice of Event of Default

The Trustee shall give notice of each event of default under the Resolution known to the Trustee to the Institution and to any provider of a Credit Facility, within five (5) days after knowledge of the occurrence thereof and to the Holders of Bonds within thirty (30) days after knowledge of the occurrence thereof, unless such event of default shall have been remedied or cured before the giving of such notice; *provided, however*, that, except in the case of default in the payment of the principal, Sinking Fund Installments or Redemption Price of, or interest on, any of the Bonds, the Trustee shall be protected in withholding notice thereof to the Holders of Bonds if and so long as the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders of the Bonds. Each such notice of event of default shall be given by the Trustee (i) to Bondholders in accordance with the provisions of the Resolution; (ii) by giving written notice thereof to any provider of a Credit Facility and to such other persons as is required by law; and (iii) by filing a copy of such notice with EMMA.

(Section 12.12)

Defeasance

(a) If the Issuer shall pay or cause to be paid to the Holders of Bonds of a Series the principal, Sinking Fund Installments, if any, or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, in the Resolution, and in the applicable Series Resolution and Certificate of Determination, then the pledge of the Revenues or other money and securities pledged to such Bonds and all other rights granted by the Resolution to such Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Issuer, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Issuer, and all money or securities held by it pursuant hereto and to the applicable Series Resolution which are not required for the payment or redemption of Bonds of such Series shall be paid or delivered by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Issuer; and second, to the Issuer the amount certified by an Authorized Officer of the Issuer to be then due or past due pursuant to a Loan Agreement for fees and expenses of the Issuer or pursuant to any indemnity; and, then, the balance thereof to the Institution. Such money and securities so paid or delivered shall be released from any trust, pledge, lien, encumbrance or security interest created by the Resolution or by any Series Resolution or Loan Agreement.

(b) Bonds for the payment or redemption of which money shall have been set aside and shall be held in trust by the Trustee (through deposit of money for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subdivision (a) above. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) above if:

(1) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Resolution notice of redemption on said date of such Bonds;

(2) there shall have been deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities purchased with money the principal of and interest on which when due will provide money which, together with cash, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be;

(3) the Issuer shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, a notice to the Holders of such Bonds in accordance with the provisions of the Resolution that the deposit required by clause (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Resolution and stating such maturity or redemption date upon which money is to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds; and

(4) the Trustee shall have received a Verification Report or other documentation reasonably acceptable to each of the Trustee and the Issuer as to the sufficiency of the cash or Government Obligations on deposit in accordance with the provisions of this subparagraph (b).

The Trustee shall give written notice to each Rating Service then rating said Bonds of the Issuer's selection of the Series and maturity the payment of which is to be made in accordance with the Resolution. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in accordance with the Resolution. Neither Defeasance Securities nor money deposited with the Trustee pursuant to the defeasance provisions nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds; **provided, however**, that any money received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date of the Resolution, as the case may be; **provided, further**, that money and Defeasance Securities may be withdrawn and used by the Issuer for any purpose upon (i) the simultaneous substitution therefor of either money in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide money which without regard to reinvestment, together with the money, if any, held by or deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (ii) receipt by the Trustee of a Verification Report or other documentation reasonably acceptable to each of the Trustee and the Issuer as to the sufficiency of the cash or Government Obligations being substituted. Any income or interest earned by, or increment to, the investment of any such money so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required to pay the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Issuer; and second to the Issuer the amount certified by an Authorized Officer of the Issuer to be then due or past due pursuant to a Loan Agreement for fees and expenses of the Issuer or pursuant to any indemnity; and, then, the balance thereof to the Institution. Such money and securities so paid or delivered shall be released from any trust, pledge, lien, encumbrance or security interest created by the Resolution or by any Series Resolution or Loan Agreement.

(c) For the purpose of determining whether an Option Bond shall be deemed to have been paid in accordance with the defeasance provisions, there shall be deposited with the Trustee money in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; **provided, however**, that if, at the time a deposit is made with the Trustee pursuant to paragraph (b) above, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph (c). If any portion of the money deposited with the Trustee for the payment of the principal of and premium, if any, and interest on Option Bonds is not required for such

purpose, the Trustee shall, if requested by the Issuer, pay the amount of such excess as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Issuer; second, to the Issuer the amount certified by an Authorized Officer of the Issuer to be then due or past due pursuant to a Loan Agreement for fees and expenses of the Issuer or pursuant to any indemnity; and, then, the balance thereof to the Institution. Such securities so paid or delivered shall be released from any trust, pledge, lien, encumbrance or security interest created by the Resolution or by any Series Resolution or Loan Agreement.

(d) For the purpose of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, in accordance with paragraph (b) above, such determination shall be made in accordance with the provisions of the Series Resolution or the Certificate of Determination relating to such Series of Bonds.

(Section 13.1)

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F
PROPOSED FORMS OF APPROVING OPINIONS
OF CO-BOND COUNSEL

[THIS PAGE INTENTIONALLY LEFT BLANK]

Upon the delivery of the Series 2022A Bonds, Barclay Damon LLP, Albany, New York, Co-Bond Counsel to DASNY, proposes to issue its legal opinion in substantially the following form:

[Delivery Date]

Dormitory Authority of the
State of New York
515 Broadway
Albany, New York 12207

Re: Dormitory Authority of the State of New York
Rochester Institute of Technology Revenue Bonds, Series 2022A

Ladies and Gentlemen:

We have served as co-bond counsel to the Dormitory Authority of the State of New York (the "Authority") in connection with the issuance by the Authority of its \$109,155,000 Rochester Institute of Technology Revenue Bonds, Series 2022A (the "Bonds"). The Bonds are issued pursuant to the Dormitory Authority Act, being Title 4 of Article 8 of the Public Authorities Law of the State of New York, as amended to the date hereof (the "Act"), the Rochester Institute of Technology Revenue Bond Resolution, adopted by the Authority on October 12, 2022 (the "Resolution"), the Series Resolution 2022-1 Authorizing Up To \$120,000,000 Rochester Institute of Technology Revenue Bonds, Series 2022A adopted by the Authority on October 12, 2022 (the "Series Resolution"), and the Certificate of Determination, dated as of November 18, 2022, related to the Bonds. The Resolution and the Series Resolution are herein collectively referred to as the "Resolutions." Capitalized terms not otherwise defined in this letter are used as defined in the Resolutions.

In our capacity as co-bond counsel, we have examined the transcript of proceedings relating to the issuance of the Bonds, a copy of the signed and authenticated Bonds of the first maturity and the Loan Agreement, dated as of December 13, 2022 (the "Loan Agreement"), between the Authority and Rochester Institute of Technology (the "University"), and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that:

1. The Authority is a body corporate and politic constituting a public benefit corporation of the State of New York, with the right and lawful authority and power to adopt the Resolutions and to issue the Bonds thereunder.

2. The Resolutions have been duly and lawfully adopted by the Authority. The Resolutions are in full force and effect, and are legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms. The Resolutions create the valid pledge and the valid lien they purport to create upon the proceeds of the Bonds and the Revenues, subject only to the provisions of the Resolutions permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Resolutions.

3. The Bonds have been duly and validly authorized and issued in accordance with the statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Bonds are legal, valid and binding special obligations of the Authority payable as provided in the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions and are entitled to the equal benefits of the Resolutions and the Act.

4. The Loan Agreement has been duly executed and delivered by the Authority and, assuming due execution and delivery thereof by the University, constitutes the valid and binding agreement of the Authority enforceable in accordance with its terms.

5. The Bonds are not a lien or charge upon the funds or property of the Authority except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of New York or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of New York, and said State is not liable for the payment thereof.

6. Under existing law, and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by the Authority, the University, and others, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Furthermore, interest on the Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code; however, for tax years beginning after December 31, 2022, interest on the Bonds that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code.

The Code imposes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the use of proceeds of the Bonds and the facilities financed by such proceeds, restrictions on the investment of such proceeds and other amounts, and the rebate of certain earnings in respect of such investments to the United States. The Authority, the University, and others have made certain representations, certifications of fact, and statements of reasonable expectations and the Authority and the University have given certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code. Our opinion assumes continuing compliance with such covenants as well as the accuracy and completeness of such representations, certifications of fact, and statements of reasonable expectations. In addition, we have relied on the opinion of Nixon Peabody LLP, counsel to the University, regarding, among other things, all matters concerning the current status of the University as an organization described in Section 501(c)(3) of the Code, and the operation of the facilities financed by the Bonds as being in furtherance of the University's exempt purposes. In the event of the inaccuracy or incompleteness of any such representations, certifications of fact or statements of reasonable expectation, or of the failure by the Authority or the University to comply with any such covenants, including failure of the University to maintain its status as an organization described in Section 501(c)(3) of the Code or to operate the facilities financed with the Bonds in a manner that is in furtherance of the University's exempt purposes, the interest on the Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance and delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

7. Under existing law, interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

We express no opinion regarding any other federal, state or local tax consequences with respect to the Bonds except as set forth in paragraphs 6 and 7 above. Our opinion speaks as of the date hereof and does not contain or provide any opinion or assurance regarding the future activities of the Authority or the University or about the effect of future changes in the Code, the applicable regulations, rulings, judicial decisions, the interpretation thereof or the enforcement thereof by the Internal Revenue Service. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other

counsel regarding federal, state or local tax matters, including, without limitation, the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined, (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the Authority, and (iii) the correctness of the legal conclusions contained in the legal opinion letters of counsel to the University delivered in connection with this matter.

We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Bonds, the Resolutions or the Loan Agreement.

The opinions contained in paragraphs 2, 3 and 4 above are qualified to the extent that the enforceability of the Resolutions, the Bonds and the Loan Agreement may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or as to the availability of any particular remedy.

We have examined a fully executed Bond, and the form of said bond and its execution are regular and proper.

The opinions rendered in this letter are stated only as of this date, and no other opinions shall be implied or inferred as a result of anything contained in or omitted from this letter. Our engagement as co-bond counsel with respect to the Bonds has concluded on this date.

Very truly yours,

Upon the delivery of the Series 2022A Bonds, Lewis & Munday, A Professional Corporation, New York, New York, Co-Bond Counsel to DASNY, proposes to issue its legal opinion in substantially the following form:

[Delivery Date]

Dormitory Authority of the
State of New York
515 Broadway
Albany, New York 12207

Re: Dormitory Authority of the State of New York
Rochester Institute of Technology Revenue Bonds, Series 2022A

Ladies and Gentlemen:

We have served as co-bond counsel to the Dormitory Authority of the State of New York (the “Authority”) in connection with the issuance by the Authority of its \$109,155,000 Rochester Institute of Technology Revenue Bonds, Series 2022A (the “Bonds”). The Bonds are issued pursuant to the Dormitory Authority Act, being Title 4 of Article 8 of the Public Authorities Law of the State of New York, as amended to the date hereof (the “Act”), the Rochester Institute of Technology Revenue Bond Resolution, adopted by the Authority on October 12, 2022 (the “Resolution”), the Series Resolution 2022-1 Authorizing Up To \$120,000,000 Rochester Institute of Technology Revenue Bonds, Series 2022A adopted by the Authority on October 12, 2022 (the “Series Resolution”), and the Certificate of Determination, dated as of November 18, 2022, related to the Bonds. The Resolution and the Series Resolution are herein collectively referred to as the “Resolutions.” Capitalized terms not otherwise defined in this letter are used as defined in the Resolutions.

In our capacity as co-bond counsel, we have examined the transcript of proceedings relating to the issuance of the Bonds, a copy of the signed and authenticated Bonds of the first maturity and the Loan Agreement, dated as of December 13, 2022 (the “Loan Agreement”), between the Authority and Rochester Institute of Technology (the “University”), and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that:

1. The Authority is a body corporate and politic constituting a public benefit corporation of the State of New York, with the right and lawful authority and power to adopt the Resolutions and to issue the Bonds thereunder.

2. The Resolutions have been duly and lawfully adopted by the Authority. The Resolutions are in full force and effect, and are legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms. The Resolutions create the valid pledge and the valid lien they purport to create upon the proceeds of the Bonds and the Revenues, subject only to the provisions of the Resolutions permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Resolutions.

3. The Bonds have been duly and validly authorized and issued in accordance with the statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Bonds are legal, valid and binding special obligations of the Authority payable as provided in the Resolutions, are

enforceable in accordance with their terms and the terms of the Resolutions and are entitled to the equal benefits of the Resolutions and the Act.

4. The Loan Agreement has been duly executed and delivered by the Authority and, assuming due execution and delivery thereof by the University, constitutes the valid and binding agreement of the Authority enforceable in accordance with its terms.

5. The Bonds are not a lien or charge upon the funds or property of the Authority except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of New York or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of New York, and said State is not liable for the payment thereof.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined, (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the Authority, and (iii) the correctness of the legal conclusions contained in the legal opinion letters of counsel to the University delivered in connection with this matter.

We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Bonds, the Resolutions or the Loan Agreement.

The opinions contained in paragraphs 2, 3 and 4 above are qualified to the extent that the enforceability of the Resolutions, the Bonds and the Loan Agreement may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or as to the availability of any particular remedy.

We have examined a fully executed Bond, and the form of said bond and its execution are regular and proper.

The opinions rendered in this letter are stated only as of this date, and no other opinions shall be implied or inferred as a result of anything contained in or omitted from this letter. Our engagement as co-bond counsel with respect to the Bonds has concluded on this date.

Very truly yours,

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX G
FORM OF CONTINUING DISCLOSURE AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated as of December 13, 2022, is executed and delivered by the Rochester Institute of Technology (the “Obligated Person”), The Bank of New York Mellon (the “Trustee”) and Digital Assurance Certification, L.L.C. (“DAC”), as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the extension of instructions received from the parties hereto through use of the DAC system and are not intended to constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Obligated Person or anyone on the Obligated Person’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Resolution (hereinafter defined). The capitalized terms shall have the following meanings:

“**Annual Filing Date**” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

“**Annual Financial Information**” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“**Annual Report**” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“**Audited Financial Statements**” means the financial statements (if any) of the Obligated Person for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“**Bonds**” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“**Certification**” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Financial Disclosure, Notice Event notice, Failure to File Event notice or Voluntary Event Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Financial Disclosure, Notice Event notice, Failure to File Event notice or Voluntary Event Disclosure required to be or voluntarily submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Obligated Person and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Obligated Person pursuant to Section 9 hereof

“Disclosure Dissemination Agreement” means that agreement, dated January 31, 2005, as amended to the date hereof, by and between the Disclosure Dissemination Agent and the Issuer pursuant to which disclosure dissemination services are to be provided by the Disclosure Dissemination Agent.

“Disclosure Representative” means the Chief Financial Officer of the Obligated Person or his or her designee, or such other person as the Obligated Person shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Failure to File Event” means the Obligated Person’s failure to file an Annual Report on or before the Annual Filing Date.

“Financial Obligation” as used in this Disclosure Agreement is defined in the Rule as a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Force Majeure Event” means: (i) acts of God, war or terrorist action; (ii) failure or shutdown of the Electronic Municipal Market Access System maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“Issuer” means the Dormitory Authority of the State of New York, as issuer of the Bonds.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“**Notice Event**” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“**Obligated Person**” means any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“**Official Statement**” means that Official Statement prepared by the Issuer and the Obligated Person in connection with the Bonds, as listed on Exhibit A, dated November 18, 2022.

“**Trustee**” means The Bank of New York Mellon and its successors and assigns.

“**Voluntary Event Disclosure**” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“**Voluntary Financial Disclosure**” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Obligated Person shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 165 days after the end of each fiscal year of the Obligated Person, commencing with the fiscal year ending June 30, 2023, such date and each anniversary thereof, the “Annual Filing Date”. Promptly upon receipt of an electronic copy of the Annual Report, Audited Financial Statements and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report and Audited Financial Statements to the MSRB through its Electronic Municipal Market Access (“EMMA”) System for municipal securities disclosures. The Annual Report and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report, Audited Financial Statements and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Obligated Person of its undertaking to provide the Annual Report and Audited Financial Statements pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall, not later than two (2) business days prior to the Annual Filing Date, either: (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report, Audited Financial Statements and the Certification, or (ii) instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report, Audited Financial Statements and Certification by 6:00 p.m. Eastern time on the Annual Filing Date (or, if such

Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report and Audited Financial Statements, a Failure to File Event shall have occurred and the Obligated Person irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-I.

(d) If Audited Financial Statements of the Obligated Person are prepared but not available prior to the Annual Filing Date, the Obligated Person shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Section 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to the Section 4(c) of this Disclosure Agreement:
 1. “Principal and interest payment delinquencies;”
 2. “Non-Payment related defaults, if material;”
 3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
 4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
 5. “Substitution of credit or liquidity providers, or their failure to perform;”
 6. “Adverse tax opinions, IRS notices or other material events affecting the tax status of the security;”
 7. “Modifications to rights of securities holders, if material;”
 8. “Bond calls, if material, and tender offers;”
 9. “Defeasances;”
 10. “Release, substitution, or sale of property securing repayment of the securities, if material;”
 11. “Rating changes;”

12. “Bankruptcy, insolvency, receivership or similar event of the Obligated Person;”
 13. “Merger, consolidation, or acquisition involving the Obligated Person, sale of all or substantially all of the assets of the Obligated Person or the entry into an agreement to undertake such an action or the termination thereof, if material;”
 14. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
 15. “Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material;” and
 16. “Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Obligated Person pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. “amendment to continuing disclosure undertaking;”
 2. “change in obligated person;”
 3. “notice to investors pursuant to bond documents;”
 4. “certain communications from the Internal Revenue Service;”
 5. “secondary market purchases;”
 6. “bid for auction rate or other securities;”
 7. “capital or other financing plan;”
 8. “litigation/enforcement action;”
 9. “change of tender agent, remarketing agent, or other on-going party;”
 10. “derivative or other similar transaction;” and
 11. “other event-based disclosures;”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as

instructed by the Obligated Person pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”
8. “consultant reports;” and
9. “other financial/operating data.”

(viii) provide the Obligated Person evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Obligated Person may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, the Trustee and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

Each Annual Report shall contain:

(a) Annual Financial Information with respect to the Obligated Person shall include operating data and financial information of the type included in the Official Statement in “APPENDIX A — THE UNIVERSITY” under the headings “OPERATING INFORMATION – Admissions and Student Enrollment” (including information similar to that set forth under the tables entitled “Fall Enrollment”, “First Year Full-Time Applications and Enrollment”, “Mean Combined SAT Scores”, “Geographic Profile of Entering Freshmen by Percentage of Class” and “Degrees Conferred”); “OPERATING INFORMATION – Tuition and Fees and Student Financial Aid” (including information similar to that set forth under the tables entitled “Student Charges” and “Sources of University Scholarship Grants”); “OPERATING INFORMATION – Faculty” (including information similar to that set forth under the table entitled “Teaching Faculty”); “ANNUAL FINANCIAL STATEMENT INFORMATION – Cash and Cash Equivalents and Investments”; “ANNUAL

FINANCIAL STATEMENT INFORMATION – Properties and Facilities” (including information similar to that set forth under the table entitled “Property, Plant and Equipment”; and “ANNUAL FINANCIAL STATEMENT INFORMATION – Outstanding Indebtedness” together with (b) such narrative explanation as may be necessary to avoid misunderstanding regarding the presentation of financial and operating data concerning the Obligated Person; and

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles (“GAAP”) or alternate accounting principles as described in the Official Statement will be included in the Annual Report. If Audited Financial Statements are not available, then unaudited financial statements, prepared in accordance with GAAP or alternate accounting principles as described in the Official Statement, will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Obligated Person is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available from the MSRB internet website. If the document incorporated by reference is a Final Official Statement, it must be available from the MSRB. The Obligated Person will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. 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;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving the Obligated Person or the sale of all or substantially **all** of the assets of the Obligated Person, 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;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

The Obligated Person shall, in a timely manner not in excess of ten business days after its occurrence, notify the Trustee and the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Obligated Person or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Obligated Person or the Disclosure Representative, such notified party will within two business days of receipt of such notice (but in any event not later

than the tenth business day after the occurrence of the Notice Event, if the Obligated Person determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in subsection (a) or by the Obligated Person as prescribed in subsection (b) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB, in accordance with Section 2(e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers.

Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference in the Annual Reports, Audited Financial Statements, Notice Event notices and Voluntary Reports, the Obligated Person shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations.

The Obligated Person acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Obligated Person, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Obligated Person acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Obligated Person may instruct the Disclosure Dissemination Agent to file Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Obligated Person may instruct the Disclosure Dissemination Agent to file Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Obligated Person is obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Obligated Person from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Section 7, or including any other information in any Annual Report, Audited Financial Statements, Failure to File Event notice or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement. If the Obligated Person chooses to include any information in any Annual Report, Audited Financial Statements, Failure to File Event notice or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement or to file Voluntary Event Disclosure or Voluntary Financial Disclosure, the Obligated Person shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statement, Voluntary Financial Disclosure, Voluntary Event Disclosure, Failure to File Event notice or Notice Event notice.

SECTION 8. Termination of Reporting Obligation.

The obligations of the Obligated Person and the Disclosure Dissemination Agent under this Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Obligated Person is no longer the Obligated Person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent.

The Obligated Person has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement pursuant to the Disclosure Dissemination Agreement. The Obligated Person may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Obligated Person or DAC, the Obligated Person agrees to appoint a successor Disclosure Dissemination Agent or, alternatively, agrees to assume all responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Obligated Person shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Obligated Person.

SECTION 10. Remedies in Event of Default.

In the event of a failure of the Obligated Person or the Disclosure Dissemination Agent to comply with any provision of this Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Obligated Person has provided such information to the Disclosure Dissemination Agent as provided in this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information, or any other information, disclosures or notices provided to it by the Obligated Person and shall not be deemed to be acting in any fiduciary capacity for the Obligated Person, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Obligated Person's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine or liability for failing to determine whether the Obligated Person has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Obligated Person at all times.

THE OBLIGATED PERSON AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND THE TRUSTEE AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Obligated Person under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and it shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Obligated Person.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format through the EMMA system and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. No Issuer Responsibility.

The Obligated Person and the Disclosure Dissemination Agent acknowledge that neither the Issuer nor the Trustee have undertaken any responsibility, and shall not be required to undertake any responsibility, with respect to any reports, notices or disclosures required by or provided pursuant to this Disclosure Agreement, and shall have no liability to any person, including any Holder of the Bonds, with respect to any such reports, notices or disclosures.

SECTION 13. Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the Obligated Person, the Trustee and the Disclosure Dissemination Agent may amend this Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to each of the Obligated Person, the Trustee and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided none of the Obligated Person, the Trustee or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Obligated Person, the Trustee and the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so.

SECTION 14. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the Obligated Person, the Trustee, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law.

This Disclosure Agreement shall be governed by the laws of the State of New York (other than with respect to conflicts of laws).

SECTION 16. Counterparts.

This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent, the Trustee and the Obligated Person have caused this Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: _____
Title: Senior Vice President

ROCHESTER INSTITUTE OF TECHNOLOGY
Obligated Person

By: _____
Name: _____
Title: Senior Vice President for Finance and
Administration and Treasurer

THE BANK OF NEW YORK MELLON
as Trustee

By: _____
Name: _____
Title: Vice President

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: Dormitory Authority of the State of New York
Obligated Person(s): Rochester Institute of Technology
Name of Bond Issue: Rochester Institute of Technology Revenue Bonds, Series 2022A
Date of Issuance: December 13, 2022
Date of Official Statement: November 18, 2022

CUSIP Numbers

Series 2022A

Maturity

CUSIP

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer Dormitory Authority of the State of New York

Obligated Person: Rochester Institute of Technology

Name of Bond Issue: Rochester Institute of Technology Revenue Bonds, Series 2022A

Date of Issuance: December 13, 2022

CUSIP Numbers

Series 2022A

Maturity

CUSIP

NOTICE IS HEREBY GIVEN that the Obligated Person has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated as of December 13, 2022, by and among the Obligated Person, The Bank of New York Mellon, as Bond Trustee and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Obligated Person has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of the
Obligated Person

cc: Obligated Person

EXHIBIT C-1

EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and Obligated Person's Names:

[C1] _____

Issuer's Six-Digit CUSIP Number:

[C2] _____

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

[C3] _____

Number of pages attached: [C4] _____

____ Description of Notice Events (Check One): [C5]

1. ____ "Principal and interest payment delinquencies;"
2. ____ "Non-Payment related defaults, if material;"
3. ____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. ____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. ____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. ____ "Adverse tax opinions, IRS notices or other material events affecting the tax status of the security;"
7. ____ "Modifications to rights of securities holders, if material;"
8. ____ "Bond calls, if material;" Tender offers;
9. ____ "Defeasances;"
10. ____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. ____ "Rating changes;"
12. ____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. ____ "Merger, consolidation, or acquisition involving the obligated person, sale of all or substantially all of the assets of the obligated person or the entry into an agreement to undertake such an action or the termination thereof, if material;"
14. ____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15. ____ "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
16. ____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required. [C6]

I hereby represent that I am authorized by the Obligated Person or its agent to distribute this information publicly:

Signature:

Name: [C7] _____ Title: [C8] _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date : [C9]

EXHIBIT C-2

VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying “voluntary event disclosure” will be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of [C10] _____ by and among the Obligated Person, the Trustee and DAC.

Issuer’s and Obligated Person’s Names:

[C1] _____

Issuer’s Six-Digit CUSIP Number:

[C2] _____

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

[C3] _____

Number of pages attached: [C4] _____

____ Description of Voluntary Events Disclosure (Check One): [C11]

- 1. ____ “amendment to continuing disclosure undertaking;”
- 2. ____ “change in obligated person;”
- 3. ____ “notice to investors pursuant to bond documents;”
- 4. ____ “certain communications from the Internal Revenue Service;”
- 5. ____ “secondary market purchases;”
- 6. ____ “bid for auction rate or other securities;”
- 7. ____ “capital or other financing plan;”
- 8. ____ “litigation/enforcement action;”
- 9. ____ “change of tender agent, remarketing agent, or other on-going party;”
- 10. ____ “derivative or other similar transaction;” and
- 11. ____ “other event-based disclosures.”

I hereby represent that I am authorized by the Obligated Person or its agent to distribute this information publicly:

Signature:

Name: [C7] _____ Title: [C8] _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: [C9]

EXHIBIT C-3

VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying “voluntary financial disclosure” will be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of [C9] _____ by and among the Obligated Person, the Trustee and DAC.

Issuer’s and Obligated Person’s Names:

[C1] _____

Issuer’s Six-Digit CUSIP Number:

[C2] _____

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

[C3] _____

Number of pages attached: [C4] _____

____ Description of Voluntary Financial Disclosure (Check One): [C12]

- 1. ____ “quarterly/monthly financial information;”
- 2. ____ “change in fiscal year/timing of annual disclosure;”
- 3. ____ “change in accounting standard;”
- 4. ____ ““interim/additional financial information/operating data;”
- 5. ____ “budget;”
- 6. ____ “investment/debt/financial policy;”
- 7. ____ ““information provided to rating agency, credit/liquidity provider or other third party;”
- 8. ____ ““consultant reports;” and
- 9. ____ “other financial/operating data.”

I hereby represent that I am authorized by the Obligated Person or its agent to distribute this information publicly:

Signature:

Name: [C7] _____ Title: [C8] _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: [C9]

[THIS PAGE INTENTIONALLY LEFT BLANK]

