



\$145,190,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
FORDHAM UNIVERSITY
REVENUE BONDS, SERIES 2020

Dated: Date of Delivery

Due: July 1, as shown on the inside cover

Payment and Security: The Fordham University Revenue Bonds, Series 2020 (the "Series 2020 Bonds") are special 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 January 29, 2020, between Fordham University (the "University") and DASNY, and (ii) all funds and accounts (except the Arbitrage Rebate Fund) established in connection with the Series 2020 Bonds. The Series 2020 Bonds are to be issued under DASNY's Fordham University Revenue Bond Resolution, adopted March 26, 2008 (the "Resolution") and the Series Resolution authorizing the Series 2020 Bonds, adopted December 11, 2019 (the "Series 2020 Resolution" and together with the Resolution, the "Resolutions").

The Loan Agreement 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, Sinking Fund Installments, if any, and Redemption Price of and interest on the Series 2020 Bonds.

The Series 2020 Bonds will not be a debt of the State of New York (the "State") and the State will not be liable on the Series 2020 Bonds. DASNY has no taxing power.

Description: The Series 2020 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The Series 2020 Bonds will mature on the dates and bear interest at the rates shown on the inside cover. Interest (due July 1, 2020 and each January 1 and July 1 thereafter) will be payable by check or draft mailed to the registered owners of the Series 2020 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 2020 Bonds, by wire transfer to the holder of such Series 2020 Bonds, each as of the close of business on the fifteenth day of the month next preceding an interest payment date. The principal, Sinking Fund Installments, if any, or Redemption Price of the Series 2020 Bonds will be payable at the principal corporate trust office of the Trustee and 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 2020 Bonds, by wire transfer to the holder of such Series 2020 Bonds as more fully described herein.

The Series 2020 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 2020 Bonds will be made in Book-Entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2020 Bonds, payments of the principal, Sinking Fund Installments, if any, Redemption Price and Purchase Price of and interest on such Series 2020 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 2020 BONDS – Book-Entry Only System" herein.

Redemption or Purchase: *The Series 2020 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 Nixon Peabody LLP, Co-Bond Counsel, under existing law and assuming compliance with the tax covenants described herein and the accuracy of certain representations and certifications described herein, interest on the Series 2020 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"). Co-Bond Counsel is also of the opinion that such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed under the Code. Nixon Peabody LLP and Drohan Lee LLP, as Co-Bond Counsel, are further of the opinion that interest on the Series 2020 Bonds is, by virtue of the Act, exempt from personal income taxation imposed by the State of New York and political subdivisions thereof, including The City of New York and the City of Yonkers. See "PART 10 – TAX MATTERS" herein.

The Series 2020 Bonds are offered when, as, and if issued and received by the Underwriter. The offer of the Series 2020 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 Nixon Peabody LLP, New York, New York, and Drohan Lee LLP, New York, New York, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the University by its counsel, Bond Schoeneck & King, PLLC, Syracuse, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Katten Muchin Rosenman LLP, New York, New York. DASNY expects to deliver the Series 2020 Bonds in definitive form in New York, New York, on or about January 29, 2020.

Morgan Stanley

\$145,190,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
FORDHAM UNIVERSITY
REVENUE BONDS, SERIES 2020

Maturity Schedule

<u>Due</u> <u>July 1</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number⁽¹⁾</u>
2039	\$1,165,000	4.000%	2.140% ^C	64990GXW7
2040	1,290,000	4.000	2.170 ^C	64990GXX5

\$69,370,000 4.000% Term Bond Due July 1, 2046, Yield 2.340%^C CUSIP Number⁽¹⁾ 64990GXY3

\$73,365,000 4.000% Term Bond Due July 1, 2050, Yield 2.390%^C CUSIP Number⁽¹⁾ 64990GXZ0

⁽¹⁾ CUSIP numbers have been assigned by an independent company not affiliated with DASNY and are included solely for the convenience of the holders of the Series 2020 Bonds. Neither DASNY nor the Underwriter is responsible for the selection or uses of the CUSIP numbers and no representation is made as to their correctness on the Series 2020 Bonds or as indicated above. CUSIP numbers are subject to being changed after the issuance of the Series 2020 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such Series 2020 Bonds 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 the Series 2020 Bonds.

^C Priced at the stated yield to the first optional call date of July 1, 2029 at a redemption price of 100%.

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 2020 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 2020 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information set forth herein relating to DASNY under the heading "DASNY" has been obtained from DASNY. All other information herein has been obtained by the Underwriter from the University and other sources deemed to be reliable by the Underwriter, and is not to be construed as a representation by DASNY or the Underwriter. In addition, DASNY does not warrant the accuracy of the statements contained herein relating to the University nor does it directly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of security for the Series 2020 Bonds or (3) the value or investment quality of the Series 2020 Bonds.

The University has reviewed the parts of this Official Statement describing the University, the Principal and Interest Requirements, the Project, The Plan of Finance, the Estimated Sources and Uses of Funds and Appendix B. As a condition to delivery of the Series 2020 Bonds, the University will certify that as of the date of this Official Statement and of delivery of the Series 2020 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.

References in this Official Statement to the Act, the Resolution, the Series 2020 Resolution, the Bond Series Certificate and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2020 Resolution, the Bond Series Certificate and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2020 Resolution, the Bond Series Certificate and the Loan Agreement are on file with DASNY and the Trustee.

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 DASNY have remained unchanged after the date of this Official Statement.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2020 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2020 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

TABLE OF CONTENTS

<u>Part</u>	<u>Page</u>	<u>Part</u>	<u>Page</u>
PART 1 — INTRODUCTION	1	Gifts.....	24
Purpose of the Official Statement	1	Investment Performance	25
Purpose of the Issue	1	Plant Values	26
Authorization of Issuance	1	Capital Plan	26
DASNY	1	Outstanding Indebtedness and Other Obligations	26
The University	2	Litigation	27
The Series 2020 Bonds	2	PART 7 — DASNY	28
Payment of the Series 2020 Bonds	2	Background, Purposes and Powers.....	28
Security for the Series 2020 Bonds.....	2	Governance	29
Security for Certain Prior DASNY Bonds.....	2	Claims and Litigation	32
PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE		Other Matters	32
SERIES 2020 BONDS	3	PART 8 — LEGALITY OF THE SERIES 2020 BONDS FOR	
Payment of the Series 2020 Bonds	3	INVESTMENT AND DEPOSIT	33
Security for the Series 2020 Bonds.....	3	PART 9 — NEGOTIABLE INSTRUMENTS.....	33
Events of Default and Acceleration	3	PART 10 — TAX MATTERS	33
Security for Prior DASNY Bonds and Issuance of Additional		Federal Income Tax	33
Indebtedness	4	State Taxes	33
General	4	Original Issue Premium	34
PART 3 — THE SERIES 2020 BONDS	5	Ancillary Tax Matters.....	34
General	5	Changes in Law and Post Issuance Events.....	34
Description of the Series 2020 Bonds.....	5	PART 11 — STATE NOT LIABLE ON THE SERIES 2020 BONDS	34
Redemption and Purchase in Lieu of Redemption Provisions	5	PART 12 — COVENANT BY THE STATE	35
Book-Entry Only System.....	7	PART 13 — LEGAL MATTERS	35
Principal and Interest Requirements	10	PART 14 — UNDERWRITING	35
PART 4 — THE PLAN OF FINANCE	11	PART 15 — CONTINUING DISCLOSURE	36
PART 5 — ESTIMATED SOURCES AND USES OF FUNDS	11	PART 16 — RATINGS	36
PART 6 — THE UNIVERSITY	11	PART 17 — MISCELLANEOUS	36
Introduction	11	APPENDIX A — CERTAIN DEFINITIONS	A-1
Governance	13	APPENDIX B — 2019 AND 2018 FINANCIAL STATEMENTS OF	
Administration.....	15	FORDHAM UNIVERSITY WITH INDEPENDENT	
Employee Relations	16	AUDITORS' REPORT THEREON	B-1
OPERATING INFORMATION	17	APPENDIX C — SUMMARY OF CERTAIN PROVISIONS OF THE	
Undergraduate Admissions	17	LOAN AGREEMENT	C-1
Student Enrollment.....	17	APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF THE	
Student Charges	18	RESOLUTIONS.....	D-1
Student Financial Aid.....	19	APPENDIX E — FORM OF APPROVING OPINIONS OF	
Faculty	19	CO-BOND COUNSEL	E-1
ANNUAL FINANCIAL STATEMENT INFORMATION	20	APPENDIX F — FORM OF AGREEMENT TO PROVIDE	
Annual Financial Statement Presentation	20	CONTINUING DISCLOSURE	F-1
Management Discussion of Recent Financial Performance	23		
Budget Process	23		
State Aid.....	24		
Pension and Other Postretirement Plans	24		

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

**515 BROADWAY, ALBANY, NY 12207
ALFONSO L. CARNEY, JR. – CHAIR**

**OFFICIAL STATEMENT RELATING TO
\$145,190,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
FORDHAM UNIVERSITY
REVENUE BONDS, SERIES 2020**

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 Fordham University (the “University” or “Fordham”), in connection with the offering by DASNY of \$145,190,000 principal amount of its Fordham University Revenue Bonds, Series 2020 (the “Series 2020 Bonds”).

The following is a brief description of certain information concerning the Series 2020 Bonds, DASNY and the University. A more complete description of such information and additional information that may affect decisions to invest in the Series 2020 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 A hereto.

Purpose of the Issue

The Series 2020 Bonds are being issued for the purpose of providing funds which, together with other available moneys, will be used by the University for the purpose of (i) paying a portion of the costs of the renovation and improvement of the existing approximately 124,000 square-foot Bronx campus student center (the "McGinley Center") located on the Rose Hill Campus and the construction of an approximately 71,000 square-foot, three-level stand-alone building that will be connected to the McGinley Center (the "Addition"); (ii) paying capitalized interest; and (iii) paying the Costs of Issuance of the Series 2020 Bonds. See “PART 4 — “THE PLAN OF FINANCE” and “PART 5 — ESTIMATED SOURCES AND USES OF FUNDS.”

Authorization of Issuance

The Series 2020 Bonds will be issued pursuant to the Resolutions and the Act. The Resolution authorizes the issuance of other Series of Bonds (collectively, the “Bonds”) to, among other things, pay 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.

DASNY

DASNY is a public benefit corporation of 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 7 — DASNY.”

The University

The University is an independent, not-for-profit institution of higher education chartered by the Legislature of the State. The main campuses of the University are located in the Bronx, New York and Lincoln Center in mid-town Manhattan in The City of New York, New York. See “PART 6 — THE UNIVERSITY” and “Appendix B — 2019 and 2018 Financial Statements of Fordham University with Independent Auditors’ Report Thereon.”

The Series 2020 Bonds

The Series 2020 Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2020 and on 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 2020 BONDS — Description of the Series 2020 Bonds.”

Payment of the Series 2020 Bonds

The Series 2020 Bonds are special obligations of DASNY payable solely from the Revenues which consist of certain payments to be made by the University under the Loan Agreement, which payments are pledged and assigned to the Trustee. See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2020 BONDS — Payment of the Series 2020 Bonds.”

The Series 2020 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 2020 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 2020 Resolution and pledged therefor.

Security for the Series 2020 Bonds

The Series 2020 Bonds are secured by the pledge and assignment to the Trustee by DASNY 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 2020 Bonds, other than the Arbitrage Rebate Fund.

The University’s obligation to make the payments under the Loan Agreement that constitute the Revenues is a general unsecured obligation of the University and such payments are required to be made by the University out of any money legally available to it. See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2020 BONDS — Security for the Series 2020 Bonds.”

Security for Certain Prior DASNY Bonds

As security for certain prior DASNY bonds issued for the benefit of the University as set forth below (collectively, the “Prior Secured DASNY Bonds”), the University has granted to DASNY a security interest in certain pledged revenues consisting of tuition and fees charged by the University to students for academic instruction. The Series 2020 Bonds will not be secured by a pledge of any revenues of the University. In the Loan Agreement, the University covenants not to grant any pledge on tuition or fees in connection with the incurrence of any indebtedness without granting an equal pledge for benefit of the Series 2020 Bonds. See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2020 BONDS — Security for Prior DASNY Bonds and Issuance of Additional Indebtedness.”

PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2020 BONDS

Set forth below is a narrative description of certain contractual provisions relating to the source of payment of and security for the Series 2020 Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Act, the Loan Agreement, the Resolution, the Series 2020 Resolution and the Bond Series Certificate executed in connection with the issuance of the Series 2020 Bonds. Copies of the Loan Agreement, the Resolution, the Series 2020 Resolution and the Bond Series Certificate are on file with DASNY and the Trustee. See also “Appendix C — Summary of Certain Provisions of the Loan Agreement” and “Appendix D — 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 2020 Bonds

The Series 2020 Bonds will be special obligations of DASNY. The principal of and interest on the Series 2020 Bonds are payable solely from the Revenues. The Revenues include the payments required to be made by the University under the Loan Agreement on account of the principal and Sinking Fund Installments of and interest on the Outstanding Series 2020 Bonds. The Revenues and the right to receive them have been pledged to the Trustee for the benefit of the Holders of the Series 2020 Bonds.

The Loan Agreement is a general unsecured obligation of the University and obligates the University to make payments to satisfy the principal and Sinking Fund Installments, if any, and Redemption Price of and interest on the Series 2020 Bonds. Generally, payments to satisfy principal and Sinking Fund Installments and interest on the Series 2020 Bonds are to be made monthly on the 10th day of each month. Each payment is to be equal to a proportionate share of the interest on the Series 2020 Bonds coming due on the next succeeding interest payment date and of the principal and Sinking Fund Installments coming due on the next succeeding July 1. The Loan Agreement also obligates the University to make payments sufficient to pay the amount, if any, required to pay the Redemption Price or Purchase Price of Series 2020 Bonds called for redemption or contracted to be purchased. See “PART 3 — THE SERIES 2020 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 of and interest on the Series 2020 Bonds.

Security for the Series 2020 Bonds

The Series 2020 Bonds will be secured by the pledge and assignment by DASNY of the Revenues, the right to receive such Revenues and, except as otherwise provided in the Resolution, all of the funds and accounts established pursuant to the Resolutions, in connection with the Series 2020 Bonds, other than the Arbitrage Rebate Fund.

Events of Default and Acceleration

The following are events of default under the Resolution with respect to the Series 2020 Bonds: (i) a default by DASNY in the payment of the principal, Sinking Fund Installment or Redemption Price of any Series 2020 Bond; (ii) a default by DASNY in the payment of interest on any Series 2020 Bond; (iii) a default by DASNY in the due and punctual performance of any covenant or agreement contained in the Series 2020 Resolution to comply with the provisions of the Code necessary to maintain the exclusion of interest on such Series 2020 Bonds from gross income for purposes of federal income taxation; (iv) a default by DASNY in the due and punctual performance of any covenants, conditions, agreements or provisions contained in the Series 2020 Bonds or in the Resolutions which continues for 30 days after written notice thereof is given to DASNY by the Trustee (such notice to be given in the Trustee’s discretion or at the written request of the Holders of not less than 25% in principal amount of Outstanding Bonds) or if such default is not capable of being cured within 30 days, if DASNY fails to commence within 30 days and diligently prosecute the cure thereof; or (v) DASNY shall have notified the Trustee that an “Event of Default,” as defined in the Loan Agreement, has occurred and is continuing and all sums payable by the University under the Loan Agreement have been declared immediately due and payable (unless such declaration shall have been annulled). Unless all sums payable by the University under the Loan Agreement are declared immediately due and payable, 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 2020 Bonds, shall declare the principal of and interest on all the Outstanding Series 2020 Bonds to be due and payable. At any time after the principal of the Series 2020 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 under the Resolution, the Trustee shall, with the written consent of the Holders of not less than 25% in principal amount of Series 2020 Bonds not yet 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 days, and to the Holders within 30 days, in each case after obtaining knowledge of the occurrence thereof, unless such 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, Sinking Fund Installments or Redemption Price of or interest on any of the Series 2020 Bonds, the Trustee will be protected in withholding such notice thereof to the Holders if the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders of the Series 2020 Bonds.

Security for Prior DASNY Bonds and Issuance of Additional Indebtedness

In addition to the Series 2020 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 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 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 2020 Bonds.

As security for the Prior Secured DASNY Bonds (which includes the DASNY Fordham University Insured Revenue Bonds, Series 2008A (the "Series 2008A Bonds"), the DASNY Fordham University Revenue Bonds, Series 2011A (the "Series 2011A Bonds"), the DASNY Fordham University Revenue Bonds, Series 2012 (the "Series 2012 Bonds") and the DASNY Fordham University Revenue Bonds, Series 2014 the "Series 2014 Bonds"), the University has granted to DASNY a security interest in its pledged revenues, consisting of tuition and fees, which was assigned by DASNY to the applicable trustee. Except with respect to the Series 2014 Bonds which are secured by a gross pledge of the University's revenue from tuition and fees, the applicable grant of a security interest in such tuition and fees is in an amount equal to maximum annual debt service on the respective series of Prior Secured DASNY Bonds. At June 30, 2019, the aggregate maximum annual debt service for the Prior Secured DASNY Bonds (excluding the Series 2014 Bonds) was approximately \$15.1 million. With respect to the Series 2014 Bonds, which as of June 30, 2019, are currently outstanding in the amount of approximately \$51.6 million, the grant of a security interest is in tuition and fees. In Fiscal Year 2019, the University reported approximately \$471.9 million in net tuition and fees revenues subject to these liens. In addition, the DASNY Fordham University Revenue Bonds, Series 2016A (the "Series 2016A Bonds") and the DASNY Fordham University Revenue Bonds Series 2017 (the "Series 2017 Bonds" and, collectively with Series 2016A Bonds and the Prior Secured DASNY Bonds, the "Prior DASNY Bonds") were issued as general unsecured obligations of the University.

The Series 2020 Bonds will not be secured by a pledge of any revenues of the University. Pursuant to the Loan Agreement, however, the University has covenanted not to incur any lien, pledge, charge, encumbrance or security interest in tuition and fees in connection with the incurrence of any indebtedness without granting an equal lien, pledge, charge, encumbrance or security interest as security for the payment of all liabilities and the performance of all obligations of the University under the Loan Agreement.

General

The Series 2020 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 2020 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 2020 Resolution and pledged therefor.

PART 3 — THE SERIES 2020 BONDS

Set forth below is a narrative description of certain provisions relating to the Series 2020 Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Resolution, the Series 2020 Resolution, the Bond Series Certificate and the Loan Agreement, copies of which are on file with DASNY and the Trustee. See also “Appendix C — Summary of Certain Provisions of the Loan Agreement” and “Appendix D — Summary of Certain Provisions of the Resolution” for a more complete description of certain provisions of the Series 2020 Bonds.

General

The Series 2020 Bonds will be issued pursuant to the Resolutions. The Series 2020 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 2020 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 2020 Bonds, payments of the principal, Purchase Price and Redemption Price of and interest on the Series 2020 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 of the Series 2020 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 2020 Bonds, the Series 2020 Bonds will be exchangeable for fully registered Series 2020 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 2020 BONDS — Book-Entry Only System” below and “Appendix D — Summary of Certain Provisions of the Resolution.”

Description of the Series 2020 Bonds

The Series 2020 Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2020 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 2020 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

Interest on the Series 2020 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 2020 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 2020 Bonds are not registered in the name of DTC or its nominee, Cede & Co., the principal and Redemption Price of the Series 2020 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.

Redemption and Purchase in Lieu of Redemption Provisions

The Series 2020 Bonds are subject to optional, special and mandatory redemption, and purchase in lieu of optional redemption as described below. For a more complete description of the redemption and other provisions relating to the Series 2020 Bonds, see “Appendix D — Summary of Certain Provisions of the Resolutions.”

Optional Redemption

The Series 2020 Bonds are subject to redemption prior to maturity at the option of DASNY on any Business Day on or after July 1, 2029, 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 2020 Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2020 Bonds maturing July 1, 2046 are subject to redemption, in part, on each July 1 of the years and in the principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to

redeem on July 1 of each year the principal amount of Series 2020 Bonds specified for each of the years shown below:

Term Bond Maturing July 1, 2046

<u>Year</u>	<u>Amount</u>
2041	\$ 1,440,000
2042	11,320,000
2043	11,775,000
2044	12,245,000
2045	15,975,000
2046†	16,615,000

†Final Maturity

The Series 2020 Bonds maturing July 1, 2050 are subject to redemption, in part, on each July 1 of the years and in the principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on July 1 of each year the principal amount of Series 2020 Bonds specified for each of the years shown below:

Term Bond Maturing July 1, 2050

<u>Year</u>	<u>Amount</u>
2047	\$17,275,000
2048	17,970,000
2049	18,685,000
2050†	19,435,000

†Final Maturity

Purchase in Lieu of Optional Redemption

The Series 2020 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 any Business Day on which such Series 2020 Bonds are subject to optional redemption, in any order, in whole or in part, at a Purchase Price equal to 100% of the principal amount of the Series 2020 Bonds or portions thereof to be purchased, plus accrued interest to the date set for purchase (the “Purchase Date”).

Special Redemption

The Series 2020 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 2020 Bonds to be redeemed, plus accrued interest to the redemption date from proceeds of a condemnation or insurance award, which proceeds are not used to repair, restore or replace the Project.

Selection of Bonds to be Redeemed or Purchased

In the case of redemption or purchase in lieu of redemption of less than all of the Series 2020 Bonds, DASNY will select the maturities of the Series 2020 Bonds to be redeemed or purchased. If less than all of the Series 2020 Bonds of maturity are to be redeemed or purchased, the Series 2020 Bonds of such maturity to be redeemed or purchased will be selected 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 2020 Bonds in the name of DASNY, by first-class mail, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to the registered

owners of any Series 2020 Bonds to be redeemed, at their last known addresses appearing on the registration books of DASNY not more than 10 Business Days prior to the date such notice is given. Each notice of redemption, other than a notice of “Special Redemption” will state, in addition to any other condition, that the redemption is conditioned upon the availability on the redemption date of sufficient moneys to pay the Redemption Price of the Series 2020 Bonds to be redeemed. The failure of any owner of a Series 2020 Bond to be redeemed to receive notice of redemption will not affect the validity of the proceedings for the redemption of such Series 2020 Bond.

If on the redemption date, moneys for the redemption of the Series 2020 Bonds of like maturity 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 2020 Bonds of such maturity will cease to accrue from and after the redemption date and such Series 2020 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 2020 Bonds will be given in the name of DASNY to the registered owners of the Series 2020 Bonds to be purchased by first-class mail, postage prepaid, not less than 30 days nor more than 45 days prior to the Purchase Date specified in such notice. The Series 2020 Bonds to be purchased are required to be tendered on the Purchase Date to the Trustee. Series 2020 Bonds to be purchased that are not so tendered will be deemed to have been properly tendered for purchase. If the Series 2020 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 2020 Bonds. Such Series 2020 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 2020 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 2020 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 2020 Bonds to be purchased, the former registered owners of such Series 2020 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 2020 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 2020 Bonds in accordance with their respective terms.

If not all of the Outstanding Series 2020 Bonds are to be purchased, the Series 2020 Bonds to be purchased will be selected by lot in the same manner as Series 2020 Bonds to be redeemed in part are to be selected.

For a more complete description of the redemption and other provisions relating to the Series 2020 Bonds, see “Appendix D — Summary of Certain Provisions of the Resolutions.” Also see “Book-Entry Only System” below for a description of the notices of redemption to be given to Beneficial Owners of the Series 2020 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 2020 Bonds. The Series 2020 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 2020 Bond certificate will be issued for each maturity of each Series of the Series 2020 Bonds, each in the aggregate principal amount of such maturity of such Series, and will be deposited with DTC.

DTC, the world’s largest security depository is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks,

trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s Corporation rating of AA+. The DTC Rules applicable to its Direct or Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2020 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 2020 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 2020 Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2020 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 2020 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2020 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 2020 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 2020 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 2020 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 2020 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 Direct or Indirect 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 Underwriter, 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 2020 Bonds registered in its name for the purposes of payment of the principal and redemption premium, if

any, of, or interest on, the Series 2020 Bonds, giving any notice permitted or required to be given to a registered owners under the Resolution, registering the transfer of the Series 2020 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 2020 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 2020 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 services as depository with respect to the Series 2020 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 2020 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 2020 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 Direct or Indirect Participant acquires an interest in the Series 2020 Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Direct or Indirect Participant, and may desire to make arrangements with such Direct or Indirect 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. NONE OF DASNY, THE TRUSTEE, THE UNIVERSITY OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DIRECT OR INDIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2020 BONDS.

So long as Cede & Co. is the registered owner of the Series 2020 Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2020 Bonds (other than under the caption "PART 10 – TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2020 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 2020 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.

NONE OF DASNY, THE TRUSTEE, THE UNIVERSITY OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR 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 2020 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 2020 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 2020 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2020 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 Bond Years shown for the payment of debt service on the currently outstanding indebtedness of the University, the principal of and interest on the Series 2020 Bonds and the total debt service on all indebtedness of the University, including the Series 2020 Bonds.

Series 2020 Bonds					
12 Month Period Ending June 30	Principal Payments	Interest Payments	Total Debt Service on the Series 2020 Bonds	Debt Service on Other Indebtedness ⁽¹⁾	Total Debt Service ⁽¹⁾
2020		\$ 2,452,098	\$ 2,452,098	\$ 29,868,432	\$ 32,320,530
2021		5,807,600	5,807,600	29,861,443	35,669,043
2022		5,807,600	5,807,600	31,057,221	36,864,821
2023		5,807,600	5,807,600	32,226,877	38,034,477
2024		5,807,600	5,807,600	32,855,262	38,662,862
2025		5,807,600	5,807,600	32,664,888	38,472,488
2026		5,807,600	5,807,600	32,488,451	38,296,051
2027		5,807,600	5,807,600	32,503,557	38,311,157
2028		5,807,600	5,807,600	32,504,435	38,312,035
2029		5,807,600	5,807,600	24,184,405	29,992,005
2030		5,807,600	5,807,600	24,204,645	30,012,245
2031		5,807,600	5,807,600	24,635,279	30,442,879
2032		5,807,600	5,807,600	24,601,151	30,408,751
2033		5,807,600	5,807,600	20,885,275	26,692,875
2034		5,807,600	5,807,600	20,890,075	26,697,675
2035		5,807,600	5,807,600	20,891,875	26,699,475
2036		5,807,600	5,807,600	20,886,981	26,694,581
2037		5,807,600	5,807,600	20,826,788	26,634,388
2038		5,807,600	5,807,600	20,738,425	26,546,025
2039	\$ 1,165,000	5,807,600	6,972,600	13,236,944	20,209,544
2040	1,290,000	5,761,000	7,051,000	13,159,000	20,210,000
2041	1,440,000	5,709,400	7,149,400	13,062,000	20,211,400
2042	11,320,000	5,651,800	16,971,800	3,241,000	20,212,800
2043	11,775,000	5,199,000	16,974,000	3,236,000	20,210,000
2044	12,245,000	4,728,000	16,973,000	3,239,250	20,212,250
2045	15,975,000	4,238,200	20,213,200	-	20,213,200
2046	16,615,000	3,599,200	20,214,200	-	20,214,200
2047	17,275,000	2,934,600	20,209,600	-	20,209,600
2048	17,970,000	2,243,600	20,213,600	-	20,213,600
2049	18,685,000	1,524,800	20,209,800	-	20,209,800
2050	19,435,000	777,400	20,212,400	-	20,212,400
TOTAL	\$145,190,000	\$ 155,163,498	\$300,353,498	\$557,949,660	\$858,303,158

⁽¹⁾ Interest on variable rate bonds is assumed to accrue at the rate of 3.5% per annum. Figures do not include other notes payable of the University outstanding in the amount of \$5,925,000 and capitalized lease obligations outstanding in the amount of \$1,470,000 as of June 30, 2019.

**PART 4 —
THE PLAN OF FINANCE**

The proceeds of the Series 2020 Bonds will be used for the purpose of providing funds which, together with other available moneys, will be used by the University for the purpose of (i) paying a portion of the costs of (a)(1) the renovation and improvement of the existing approximately 124,000 square-foot McGinley Center located on the Rose Hill Campus, including, but not limited to, renovations to the dining space, meeting rooms, student club space, varsity weight and strength conditioning space, IT support offices, general office space, large multi-purpose meeting room and improvements to building utilities, and (2) the acquisition and installation at the McGinley Center of furniture, fixtures, machinery and equipment; (b)(1) the construction of the Addition, and (2) the acquisition and installation in the Addition of furniture, fixtures, machinery and equipment; and (c) additional capital costs associated with the foregoing; (ii) paying capitalized interest; and (iii) paying the Costs of Issuance of the Series 2020 Bonds.

PART 5 — ESTIMATED SOURCES AND USES OF FUNDS

Estimated sources and uses of funds are as follows:

Sources of Funds

Principal Amount of Series 2020 Bonds.....	\$145,190,000.00
Plus: Original Issue Premium	<u>19,980,475.00</u>
Total Sources	<u>\$165,170,475.00</u>

Uses of Funds

Deposit for Project Costs.....	\$150,000,000.00
Deposit to Capitalized Interest Account.....	14,067,297.78
Costs of Issuance ⁽¹⁾	523,654.85
Underwriter’s Discount	<u>579,522.37</u>
Total Uses	<u>\$165,170,475.00</u>

⁽¹⁾ Includes legal fees and associated costs relating to the Series 2020 Bonds.

PART 6 — THE UNIVERSITY

Introduction

Fordham University (the “University” or “Fordham”) is an independent, not-for-profit institution of higher learning in the Jesuit tradition, located principally in New York City with satellite campuses in Westchester County in the State of New York (“New York State”) and in London, England. Fordham was founded in 1841 and was granted its charter in 1846 by New York State.

Rose Hill, the original campus, is situated on 85 acres in the Bronx, a borough of New York City. Approximately 7,200 undergraduate students are enrolled in three undergraduate schools on this campus: Fordham College at Rose Hill, the undergraduate division of the Gabelli School of Business and the School of Professional and Continuing Studies; and two graduate schools: the Graduate School of Arts and Sciences and the Graduate School of Religion and Religious Education. The Rose Hill campus includes 37 structures, comprising 12 classroom/administration buildings, the Walsh Family Library, the University Church, the McGinley Center, the Vincent T. Lombardi Memorial Center with its athletic facilities, and 11 dormitories and other structures. The dormitories house approximately 3,500 students. Four of the oldest buildings on the campus are registered historic New York City landmarks: Cunniffe House (formerly known as the Administration Building), Alumni House, the University Church and St. John’s Hall.

The Lincoln Center campus, set on eight acres adjacent to Lincoln Center for the Performing Arts in Manhattan, was established in 1961. Approximately 9,200 students are enrolled in three undergraduate schools: Fordham College at Lincoln Center, the undergraduate division of the Gabelli School of Business and the School of Professional and Continuing Studies, and five graduate and professional schools: the Graduate School of Arts and Sciences, the graduate division of the Gabelli School of Business, the Graduate School of Education, the Graduate School of Social Service, and the School of Law. The Lincoln Center campus also includes two residence halls, McKeon Hall and McMahon Hall, housing approximately 940 students.

The Westchester campus, located in West Harrison, New York, is a commuter campus and was established in 1976. Approximately 400 students are enrolled in the undergraduate School of Professional and Continuing Studies, and three graduate schools: the graduate division of the Gabelli School of Business, the Graduate School of Education, and the Graduate School of Social Service.

The 114-acre Louis Calder Center in Armonk, New York, was founded in 1967 through a donor bequest. It currently serves as a biological field station for student and faculty research in ecology and applied environmental sciences.

The London Centre in London, England is located in the Clerkenwell district in the Borough of Camden in Central London. At the London Centre, Fordham offers study abroad programs in business, the liberal arts, and theatre. Academic internships, as well as a number of articulation agreements with U.K.-based institutions add to the number of international education and experiential opportunities for the students who study there.

In addition to these locations, the University holds a number of affiliations with higher education institutions throughout the world and offers online classes and degree programs.

Across its several locations, the University has four undergraduate colleges and six graduate schools. Those colleges and schools, including the year established, 2019 fall enrollments, and the degrees granted, are as follows:

School	Year		Enrollment	Degrees Granted
	Established	Location		
Undergraduate¹				
Fordham College at Rose Hill	1841	Rose Hill & London	3,912	BA, BS
Gabelli School of Business	1920	Rose Hill, Lincoln Center & London	2,768	BS
Fordham College at Lincoln Center	1968	Lincoln Center & London	2,179	BA, BS, BFA
School of Professional and Continuing Studies	1944	Lincoln Center, Rose Hill & Westchester	853	BA, BS
Graduate & Professional Schools				
School of Law	1905	Lincoln Center	1,518	JD, LL.M, SJD
Graduate School of Education	1916	Lincoln Center & Westchester	802	ADV, EDD, MAT, MS, MSE, MST, PhD
Gabelli School of Business	1969	Lincoln Center & Westchester	1,541	ADV, MBA, MS, MSGF, PhD
Graduate School of Social Service	1916	Lincoln Center & Westchester	2,193	MSW, PhD
Graduate School of Arts and Sciences	1916	Lincoln Center & Rose Hill	866	ADV, MA, MS, MPHIL, PhD
Graduate School of Religion & Religious Education	1968	Rose Hill	182	ADV

¹ Does not include 23 students enrolled in the University's London Program (London Dramatic Academy: 12 students; Gabelli School of Business: 7 students; Liberal Arts: 4 students).

The University serves full-time and part-time undergraduate and graduate students at all locations. Of the undergraduate total, 57% are women and 43% are men. Of the undergraduate students who report their ethnicity,

31.2% are members of racial minorities, which include 4.3% African American, 15.6% Hispanic, 11.2% Asian, and 0.1% Hawaiian/Pacific Islander.

Students from across the United States attend Fordham, with 36.1% of the 2019 first-year class coming from New York and the balance representing the 49 other states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and 63 foreign countries.

The University offers degrees ranging from the baccalaureate to the doctorate through its ten schools and colleges. In the 2018-2019 academic year, Fordham awarded 5,142 degrees and advanced certificates including: 120 doctorates, 382 law degrees, 2,339 master's degrees, 2,217 bachelor's degrees and 84 advanced certificates.

Governance

The University is governed by a self-perpetuating Board of Trustees (the Board). The University statutes provide that the Board shall consist of not more than 40 or fewer than five persons. The President of the University is an ex-officio member of the Board. The term of office of each member other than the President is four years. After completion of two four-year terms on the Board, a period of one year must elapse before re-election to the Board, except that any trustee who is currently serving as chair of the Board or who has been recommended by the nominating subcommittee for chair may be re-elected for a third consecutive term without any lapse of time. The Board meets at least four times per year. The Board has an Executive Committee that meets at least four times per year and usually ten times per year. Among other committees of the Board are the Audit and Risk Management Committee and the Finance and Investment Committee. The Finance and Investment Committee meets in person at least four times per year, with interim telephonic meetings as necessary; the Audit and Risk Management Committee meets in person at least three times per year. The Executive Committee represents the Board in all its functions between regularly scheduled Board meetings except those expressly prohibited by University statutes.

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The members of the Board and its officers and their professional affiliations or principal businesses as of October 17, 2019 are listed below.

Robert D. Daleo^{1,2}
Chair of the Board
Vice Chairman, Retired
Thomson Reuters

Don Almeida^{1,2}
Vice Chair
Retired Vice Chairman,
PricewaterhouseCoopers LLP

Mary Ann Sullivan¹
Vice Chair
Partner
Hogan Lovells US, LLP

Joseph M. McShane, S.J.^{1,2}
President
Fordham University

Carolyn M. Albstein³
Member, Board of Trustees
Education Alliance

Sally J. Bellet
President & Trustee
Stein-Bellet Foundation

Darryl Emerson Brown
President
BrownBoys3 Inc.

James E. Buckman
Lead Director, Wyndham Destinations Inc.
Director, Wyndham Hotels & Resorts Inc.

Vincent Cappucci
Founding Partner
Entwistle & Cappucci, LLP

Donna M. Carroll
President
Dominican University

Anthony P. Carter
Former Vice President of Global
Diversity & Inclusion and Chief
Diversity Officer
Johnson & Johnson

Gregory C. Chisholm, S.J.
Pastor
St. Charles Borromeo/Chapel of the
Resurrection

Carolyn Dursi Cunniffe
Former Senior Vice President of
Executive Recruiting
Cablevision Systems Corporation

Carolyn N. Dolan^{2,3}
Executive Vice President
Fiera Capital, Inc.

Michael J. Dowling
President and Chief Executive Officer
Northwell Health, Inc.

Christopher F. Fitzmaurice^{1,3}
CFF Asset Management

James P. Flaherty
Founder and Chairman,
International Healthcare Investor

Nora Ahern Grose
Retired, Real Estate and Construction
Manager
Halpern Real Estate Development, and
Olympia & York

Patricia Heller
Co-Founder,
Fordham Parents Leadership Council

Andrew Hinton³
Vice President, Global Ethics &
Compliance
Google, LLC

James J. Houlihan
Partner, Houlihan-Parnes Realtors LLC

Alexis Klemish
Senior Corporate and Tech Transactions
Counsel
GM Cruise, LLC

Maryanne R. Lavan³
Senior Vice President and General Counsel
Lockheed Martin Corporation

John Lumelleau^{1,3}
Retired President and Chief Executive
Officer
Lockton Company

Brian W. MacLean^{1,3}
Retired President and Chief Operating
Officer
Travelers Insurance Company

J. Thomas McClain, S.J.²
General Treasurer
Curia of the Society of Jesus

Sylvester McClearn²
Managing Director
CastleOak Securities

Henry Miller¹
Chairman
Marblegate Asset Management

James J. Miracky, S.J.¹
Provincial Assistant for Higher
Education
Society of Jesus, USA Northeast
Province

Kevin F. O'Brien, S.J.
President
Santa Clara University

Joseph M. O'Keefe, S.J.¹
Rector, Fordham Jesuit Community
Fellow and Scholar in Residence,
Graduate School of Education
Fordham University

Valerie Irick Rainford
Managing Director, Head of
Advancing Black Leaders & Diversity
Advancement Strategies
JP Morgan Chase & Co.

Gualberto J. Rodriguez
President
Caribbean produce Exchange

James S. Rowen²
Chief Operating Officer
Renaissance Technologies, LLC

Susan Conley Salice¹
President
Salice Family Foundation

Jorge B. San Miguel²
President
The San Miguel Foundation

Eileen FitzGerald Sudler
General Counsel
Sudler Management Corporation

Dario Wertheim²
Shareholder
Grupo Wertheim

John M. Zizzo
Retired Partner
Cadwalader, Wickersham & Taft LLP

¹Member of Executive Committee
²Member of Finance and Investment
Committee

³Member of Audit and Risk Management
Committee

Administration

The University is administered by a President who is responsible for its daily operations. The Board elects additional officers of the University. Those presently serving as officers of the University include:

The Reverend Joseph Michael McShane, S.J., President

The Reverend Joseph M. McShane, S.J., became the 32nd president of Fordham University on July 1, 2003. He previously served at Fordham as Dean of Fordham College, as a professor of theology and as a member of the Board of Trustees. He served on the religious studies faculty at LeMoyne College in Syracuse, New York, from 1982 to 1992 and as chair of the Department of Religious Studies from 1991 to 1992. Father McShane joined the Fordham Board of Trustees in 1987 and served until 1992 when he was appointed Dean of Fordham College and professor of theology. In 1998, Father McShane left Fordham to become president of the University of Scranton in Pennsylvania and was reappointed to Fordham's Board of Trustees in 2001. He left the University of Scranton in 2003 to return to Fordham as its President. In addition to his presidential responsibilities, Father McShane serves on the boards of Santa Clara University (Santa Clara, California), Bloomberg Family Foundation (New York, New York), YMCA of Greater New York, The Association of Jesuit Colleges and Universities (AJCU, Washington, DC), and the Commission on Independent Colleges and Universities (New York State). Father McShane received a bachelor's degree in English and philosophy and a master's degree in English from Boston College, and he holds a Ph.D. in the history of Christianity from the University of Chicago. He received M. Div. and S.T.M. degrees from the Jesuit School of Theology at Berkeley.

Martha K. Hirst, Senior Vice President, Chief Financial Officer and Treasurer

Martha K. Hirst was appointed Fordham's Senior Vice President, Chief Financial Officer, and Treasurer, effective July 1, 2015. Prior to coming to Fordham, she served for four years as Executive Vice President, Chief Operating Officer, and Treasurer at St. John's University. Prior to St. John's, Ms. Hirst served in several senior positions with the City of New York, including as Commissioner of New York City's Department of Citywide Administrative Services for eight years and as Deputy Commissioner of the Department of Sanitation for six. Ms. Hirst received a bachelor's degree, *magna cum laude*, from New York University and a master's degree in urban planning from NYU's Wagner School of Public Service.

Dennis Jacobs, Provost and Senior Vice President for Academic Affairs

Dennis Jacobs joined Fordham University in July 2019 to serve as Provost and Senior Vice President for Academic Affairs. He previously served as Provost and Vice President for Academic Affairs at Santa Clara University; Vice President and Associate Provost for Undergraduate Studies and International Studies at the University of Notre Dame; and Professor of Chemistry at the University of Notre Dame. He earned his Ph.D. in chemistry from Stanford University and bachelor's degrees in chemistry and physics from the University of California at Irvine.

Peter A. Stace, Senior Vice President for Enrollment and Strategy

As the Senior Vice President for Enrollment and Strategy, Peter A. Stace oversees the Enrollment Group, which integrates the offices of undergraduate admission, financial aid, enrollment services, academic records, student accounts, and enrollment research. He chairs the Council on Undergraduate Enrollment and co-chairs the Continuous University Strategic Planning committee. He is also a member of the Education Advisory Board ("EAB") Enrollment Management Forum, Academic Affairs Forum and the EAB Student Success Collaborative.

Dr. Stace has served Fordham as its chief enrollment officer since 1995. Before joining Fordham, he was Vice Provost for Enrollment Management at Northeastern University, Dean of Admission and Enrollment Planning at Ithaca College, and Assistant Dean in the College of Arts and Sciences at Syracuse University. He is a frequent speaker nationally and co-authored several articles and a book chapter on the topic of enrollment management.

Dr. Stace holds a B.S. in Economics from Fordham as well as an M.A. in Human Capital Economics and a Ph.D. in Higher Education Administration from Syracuse University.

Roger A. Milici Jr., Vice President for Development and University Relations

Roger A. Milici, Jr. joined the University as Associate Vice President for Development in May 2009. He was appointed Vice President in May 2011. Under Milici's leadership, the University successfully completed two fundraising campaigns – Excelsior Ever Upward for \$500 million and Faith & Hope A Campaign for Financial Aid for \$175 million.

In 2019 The Council for Advancement and Support of Education (CASE) recognized Fordham’s Development and University Relations (DAUR) division, led by Mr. Milici, with an Educational Fundraising Award for sustained excellence in fundraising programs. The award, based on a blind analysis of fundraising data, places the University’s advancement program among the top 90 colleges and universities in the nation.

Before coming to Fordham, Mr. Milici served as Senior Director of Development and Alumni Relations at the Fletcher School of Law and Diplomacy at Tufts University, a post he held from June 2001. Mr. Milici received a bachelor’s degree in international affairs and a master’s degree in social and public policy from Duquesne University. He also studied in the Master of Divinity program at the University of Notre Dame.

Nicholas Milowski, Vice President for Finance and Assistant Treasurer

Nicholas Milowski joined Fordham in December 2015 and manages the University’s finance and treasury operations. Prior to joining Fordham, Nick was the Controller at the Helmsley Charitable Trust and a Senior Manager at KPMG. At KPMG, he specialized in providing audit and advisory services to large higher education and other nonprofit organizations. He holds two bachelor’s degrees from the College of the Holy Cross, in Economics/Accounting and in German Studies. He is a Certified Public Accountant and a Chartered Global Management Accountant.

Employee Relations

The Fordham University community of employees is strong. As of November 1, 2019, the University employed 2,899 people (other than faculty) in the following capacities:

	<u>Full-Time</u>	<u>Part-Time</u>
Administrative/Technical/Professional	1,136	41
Clerical (Local 153)	215	13
Maintenance (Local 810)	225	24
Hourly	<u>-</u>	<u>1,245</u>
Total	1,576	1,323

The University’s full-time tenured and tenure-track faculty are not unionized but make their concerns known to the administration through the Faculty Senate of Fordham University.

The University’s full-time and part-time (contingent) non-tenure track faculty are represented by the Service Employees International Union Local 200 United (“SEIU”). Effective July 1, 2018, the University and the SEIU reached an agreement for two separate collective bargaining agreements; one for part-time contingent faculty and the other for full-time non-tenure track faculty. Collective bargaining agreements were ratified by the union membership and approved by the Board. These collective bargaining agreements terminate on June 30, 2021.

The University has collective bargaining agreements with the Office and Professional Employee International Union, Local 153, an affiliate of the AFL-CIO, for its clerical, secretarial and select technical positions, and the Fordham University Employees, Local 810, an affiliate of the International Brotherhood of Teamsters, which represents physical plant and post office employees at all three campus locations. Both the Local 153 agreement and the Local 810 collective bargaining agreements terminate on June 30, 2020.

OPERATING INFORMATION

Undergraduate Admissions

The following table illustrates the number of applications received for first-time full-time admission to Fordham's undergraduate programs, the number of applicants accepted by the University and the number of successful applicants who enrolled, for each of the last five academic years from 2015 through 2019.

The number of applications for first-year undergraduate admission to the University has grown from 42,811 for Fall 2015 to a record 47,930 for Fall 2019, an increase of 5,119 or 12%.

ADMISSIONS STATISTICS FOR FALL

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
First-Year Applications	42,811	44,816	45,146	46,308	47,930
First-Year Acceptances	20,366	20,268	20,966	21,312	21,988
Percentage Accepted	48%	45%	46%	46%	46%
First-Year Matriculants	2,211	2,199	2,283	2,299	2,270
Percentage Matriculants	11%	11%	11%	11%	10%

The outcome of the yield calculation is a result of judicious management of the discount rate, while continually seeking to increase the academic profile of the students Fordham recruits. The University's matriculation has been maintained between 10% and 11%, and is an anticipated outcome of the University's enrollment strategy.

Student Enrollment

Total enrollment was 16,972 in Fall 2019, with 13,600 full-time students and 3,372 part-time students. The following table details enrollment at Fordham for the past five academic years.

TOTAL ENROLLMENT

<u>Fall</u>	<u>Full-Time</u>			<u>Part-Time</u>			<u>Grand Total Full- & Part-Time</u>
	<u>Undergraduate</u>	<u>Graduate & Professional</u>	<u>Total</u>	<u>Undergraduate</u>	<u>Graduate & Professional</u>	<u>Total</u>	
2015	8,329	4,114	12,443	526	2,317	2,843	15,286
2016	8,763	4,121	12,884	495	2,203	2,698	15,582
2017	9,132	4,258	13,390	467	2,180	2,647	16,037
2018	9,149	4,587	13,736	496	2,283	2,779	16,515
2019	9,229	4,371	13,600	538	2,834	3,372	16,972

MEAN SAT SCORES ENTERING FIRST-YEAR UNDERGRADUATE STUDENTS

<u>Fall</u>	<u>Total</u>
2015	1321
2016	1327
2017	1319
2018	1335
2019	1340

Student Charges

The following table details tuition and room charges for Fordham's ten colleges and schools, for academic years 2015 through 2019:

	<u>STUDENT CHARGES</u>				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Tuition:					
Full-Time Undergraduate	\$46,120	\$47,850	\$49,645	\$51,285	\$52,980
Fordham College of Professional and Continuing Studies, (Per Credit)	\$840	\$860	\$882	\$900	\$915
Graduate Arts and Sciences, (Per Credit)	\$1,421	\$1,200	\$1,471	\$1,486	\$1,516
Law School					
J.D. Full-time (Flat Rate)	\$53,440	\$55,444	\$57,386	\$59,538	\$61,770
J.D. Part-time (Flat Rate)	\$40,080	\$41,584	\$43,040	\$44,654	\$46,328
Other Professional Schools Range Per Credit	\$827-\$1,537	\$844-\$1,397	\$876-\$1,495	\$902-\$1,555	\$929-\$1,617
Annual Room Rates	\$8,405-\$13,280	\$8,660-\$18,130	\$8,960-\$18,760	\$9,229-\$19,320	\$9,505-\$19,895
Annual Board Charge	\$5,145-\$7,250	\$5,300-\$7,465	\$5,445-\$6,955	\$5,610-\$7,980	\$5,780-\$8,220

The University anticipates increases in tuition and room and board charges will approximate the pattern of the past several years. The University believes that such increases are comparable to those that can be expected at universities competing with Fordham for students and that they will not have an adverse impact on student enrollment.

Student Financial Aid

The University administers a comprehensive financial assistance program comprising scholarships, grants, loans and a work-study program for its students. The sources and amounts of financial aid received by undergraduate students for the past five fiscal years are as follows:

SCHOLARSHIPS AND GRANTS FROM ALL SOURCES BY SOURCE¹

(in millions)

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Total Scholarships and Grants:	\$173.2	\$191.0	\$213.4	\$230.7	\$245.2
Federal ²	9.5	9.8	9.6	10.5	10.5
State	1.0	1.3	1.9	1.4	1.3
External/Other	0.3	0.5	0.1	0.3	-
Institutional aid	162.4	179.4	201.8	218.5	233.4

¹ Aid includes awards for the fall and spring given to undergraduates who enrolled in the Fall term. It does not include assistance for the summer term, aid to graduate or professional students, or awards to undergraduates who do not enroll for the Fall term. Institutional aid consists of awards based on need, merit, or athletics, as well as tuition remission for employees. The data were extracted in March or early April, before the end of the fiscal year, in order to satisfy the deadlines of college guides, and are not materially different from those at the end of the fiscal year.

² Includes Pell Grant Funds, which are not reflected in the University's financial statements.

Reductions in federal or state aid programs, including student loan programs, or restrictive changes in eligibility requirements could adversely affect all students requiring financial assistance, including students receiving such aid at Fordham. However, the University does not believe that reductions or restrictions in any specific federal or state program would disproportionately affect Fordham students, as compared with those at other universities with which Fordham competes for its student body. Future payments of state-funded financial aid are dependent on the enactment of annual appropriations and the ability of the State of New York to pay the sums appropriated.

Faculty

Of the full-time faculty members, more than 92% hold doctoral or other terminal degrees; 56% are men, 44% are women, and 28% are members of racial minorities. Tenured faculty total 449, or 61% of the total full-time faculty. The undergraduate student/faculty ratio in Fall 2018 was 14.9 to 1, and the average class size for undergraduate courses was 22.8 students.

The faculty profile for the past four academic years is as follows:

FACULTY PROFILE¹

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Full-time	737	736	754	742
Part-time & adjunct	<u>861</u>	<u>833</u>	<u>879</u>	<u>1,058</u>
Total	1,598	1,569	1,633	1,800
Tenured	452	452	456	449

¹Fall 2019 data will be available in Spring 2020

ANNUAL FINANCIAL STATEMENT INFORMATION

Annual Financial Statement Presentation

The University's financial statements as of and for the fiscal years ended June 30, 2019 and 2018, included herein as Appendix B, have been audited by KPMG LLP, independent auditors, as stated in their report appearing therein, which includes an emphasis of matter paragraph regarding the University's adoption of Accounting Standards Update No. 2016-14 (ASU 2016-14), *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (described below)*.

The University is in a healthy financial position, with total assets in excess of \$2.0 billion and an investment portfolio of \$852.2 million. Operating revenue without donor restrictions totaled \$661.2 million against operating expenses of \$635.2 million, with an operating result of \$26.0 million before transferring \$8 million to Board-designated restricted funds. Fiscal year 2019 represented the 50th consecutive year during which the University achieved an operating surplus. The insured replacement value for the University's buildings, furnishings, and equipment was over \$2.0 billion at June 30, 2019. Since June 30, 2019, there has been no material adverse change in the financial condition of the University.

The following tables provide summaries of the statements of activities of the University for each of the five fiscal years ended June 30, 2015 through June 30, 2019, and summaries of the statements of financial position of the University as of the last day of each fiscal year from June 30, 2015 through June 30, 2019. The formatting of amounts reported in these summaries may differ slightly from the audited financial statements to ensure the comparability of amounts across each of the five years and, accordingly, the following tables should be read in conjunction with the financial statements and the notes thereto included herein as Appendix B.

In August 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14. The University adopted the requirements of the new ASU which includes the change in net assets terminology from unrestricted to net assets without donor restrictions and from temporarily and permanently restricted net assets to net assets with donor restrictions, the presentation of expenses by their function and their natural classification in one location, and quantitative and qualitative information about the management of liquid resources and availability of financial assets to meet cash needs within one year of the date of the statement of financial position. The University adopted ASU 2016-14 for the year ended June 30, 2019 and applied the changes retrospectively for the year ended June 30, 2018. Certain reclassifications of the 2015-2017 amounts in the Summaries of Activities and Financial Position have been made to conform to with the presentation of the amounts for 2018 and 2019, except for immaterial items.

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Summaries of Activities
Fiscal Years Ended June 30
(in thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Changes in net assets without donor restrictions:					
Operating revenue:					
Tuition and fees, net	\$ 471,876	447,396	424,687	414,070	407,899
Government grants	14,632	16,148	16,972	15,980	14,168
Investment return, net	32,501	32,065	27,845	27,246	28,031
Contributions and private grants	31,483	28,371	27,540	27,957	25,301
Student housing	64,481	63,494	60,709	58,831	54,350
Food services	18,961	18,663	17,545	19,566	18,435
Other	21,119	20,862	16,739	17,856	18,687
Net assets released from restrictions	6,186	4,616	4,471	6,881	49,338
Total operating revenue	<u>661,239</u>	<u>631,615</u>	<u>596,508</u>	<u>588,387</u>	<u>616,209</u>
Operating expenses:					
Program services:					
Instruction, research and auxiliary services	374,617	363,502	343,238	343,709	334,939
Academic support	175,849	172,902	172,507	164,832	164,315
Total program services	<u>550,466</u>	<u>536,404</u>	<u>515,745</u>	<u>508,541</u>	<u>499,254</u>
Institutional administration	84,728	80,703	76,603	71,576	69,711
Total operating expenses	<u>635,194</u>	<u>617,107</u>	<u>592,348</u>	<u>580,117</u>	<u>568,965</u>
Net operating result before transfer	26,045	14,508	4,160	8,270	47,244
Transfer to designated funds	(8,000)	(8,100)	—	—	—
Net operating result	<u>18,045</u>	<u>6,408</u>	<u>4,160</u>	<u>8,270</u>	<u>47,244</u>
Non-operating activities:					
Investment (loss) return, net	(13,394)	354	20,583	(32,333)	(13,753)
Loss on advance refunding (2018)/defeasance and refunding (2016) of debt	—	(6,862)	—	(8,378)	—
Changes in postretirement benefits	(2,366)	1,977	2,600	(5,716)	2,528
Provision for voluntary separation benefits	—	(10,517)	—	—	—
Transfer to designated funds	8,000	8,100	—	—	—
Other	5,474	3,939	5,930	(3,720)	(287)
Increase (decrease) in net assets without donor restrictions	<u>15,759</u>	<u>3,399</u>	<u>33,273</u>	<u>(41,877)</u>	<u>35,732</u>
Changes in net assets with donor restrictions:					
Contributions and private grants	40,302	27,431	42,097	22,534	18,246
Investment return, net	2,156	15,205	42,249	(25,427)	(13,512)
Appreciation in fair value of perpetual trust	138	281	554	(730)	40
Net assets released from restrictions	(6,186)	(4,616)	(4,471)	(6,881)	(49,338)
Increase (decrease) in net assets with donor restrictions	<u>36,410</u>	<u>38,301</u>	<u>80,429</u>	<u>(10,504)</u>	<u>(44,564)</u>
Increase (decrease) in net assets	52,169	41,700	113,702	(52,381)	(8,832)
Net assets at beginning of year	<u>1,333,247</u>	<u>1,291,547</u>	<u>1,177,845</u>	<u>1,230,226</u>	<u>1,239,058</u>
Net assets at end of year	\$ <u><u>1,385,416</u></u>	<u><u>1,333,247</u></u>	<u><u>1,291,547</u></u>	<u><u>1,177,845</u></u>	<u><u>1,230,226</u></u>

Summaries of Financial Position
As of June 30
(amounts in thousands)

Assets	2019	2018	2017	2016	2015
Cash and cash equivalents	\$ 13,377	14,581	1,242	1,939	2,722
Accounts receivable, net	16,975	11,598	11,505	13,346	12,129
Student loans receivable, net	8,851	10,325	11,260	12,287	12,619
Deposits with bond trustees	616	499	546	2,046	8,335
Contributions receivable, net	69,839	53,798	62,129	37,628	40,512
Other assets	26,003	23,141	19,823	18,374	18,190
Investments	852,210	801,142	738,854	660,335	720,954
Plant assets, net	<u>1,028,513</u>	<u>1,048,183</u>	<u>1,063,245</u>	<u>1,068,716</u>	<u>1,037,877</u>
Total assets	<u>\$ 2,016,384</u>	<u>1,963,267</u>	<u>1,908,604</u>	<u>1,814,671</u>	<u>1,853,338</u>
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	\$ 76,500	59,888	62,852	68,082	68,317
Deferred revenue and deposits	54,710	53,860	37,099	30,657	33,941
Provision for voluntary separation benefits	2,519	10,517	—	—	—
Fair value of swap agreement	9,032	6,695	10,634	16,564	12,844
Other liabilities	9,019	8,628	8,090	7,767	7,717
Postretirement benefit obligation	67,824	61,032	58,786	57,178	47,880
Long-term debt, net	<u>411,364</u>	<u>429,400</u>	<u>439,596</u>	<u>456,578</u>	<u>452,413</u>
Total liabilities	<u>630,968</u>	<u>630,020</u>	<u>617,057</u>	<u>636,826</u>	<u>623,112</u>
Commitments and contingencies					
Net assets:					
Without donor restrictions:					
Undesignated	421,269	408,734	417,136	409,801	420,125
Board-designated	<u>261,474</u>	<u>258,250</u>	<u>246,449</u>	<u>220,511</u>	<u>252,064</u>
Total net assets without donor restrictions	<u>682,743</u>	<u>666,984</u>	<u>663,585</u>	<u>630,312</u>	<u>672,189</u>
With donor restrictions:					
Non-endowed	214,384	187,234	183,334	151,679	144,450
Endowed	<u>488,289</u>	<u>479,029</u>	<u>444,628</u>	<u>395,854</u>	<u>413,587</u>
Total net assets with donor restrictions	<u>702,673</u>	<u>666,263</u>	<u>627,962</u>	<u>547,533</u>	<u>558,037</u>
Total net assets	<u>1,385,416</u>	<u>1,333,247</u>	<u>1,291,547</u>	<u>1,177,845</u>	<u>1,230,226</u>
Total liabilities and net assets	<u>\$ 2,016,384</u>	<u>1,963,267</u>	<u>1,908,604</u>	<u>1,814,671</u>	<u>1,853,338</u>

Management Discussion of Recent Financial Performance

The University's financial management posture is marked by (1) a rigorous, long-range operating and capital financial planning process that is informed by the University's strategic plan, (2) a predictive cash flow modeling and forecasting process that seeks to maximize yield on working capital, and (3) a robust financial reporting and monitoring process that provides up-to-date financial information to budget managers to inform decision-making on both a macro and micro level. Fordham's financial planning apparatus incorporates an all-funds approach that considers all of its revenue sources, including fundraising and sponsored research, in order to promote the most responsible stewardship of resources across the University. The effectiveness of this process is evidenced in fiscal year 2019 being the 50th consecutive year in which the University has achieved an operating surplus.

The University's operating revenues for fiscal year 2019 totaled \$661.2 million, including \$6.2 million of net assets released from restriction, while operating expenses totaled \$635.2 million, resulting in an operating surplus of \$26.0 million for the year, or a 3.9% operating margin. Net tuition revenue grew by 5.5%. Operating expenses increased 2.9% to \$635.2 million. Total contributions were \$71.8 million in fiscal year 2019, up 28.6% when compared to \$55.8 million in fiscal year 2018. Total assets increased by \$53.1 million, or 2.7%, to \$2.0 billion; net assets increased 3.9% to \$1.39 billion. Cash and investments increased \$49.9 million, or 6.1% to \$865.6 million. Long-term debt decreased by 4.2% to \$411.4 million, inclusive of net unamortized premium and issuance costs. Since June 30, 2019, there has been no material adverse change in the financial condition of the University.

In keeping with its long-standing commitment to control the growth of operating expenses, the University continues to seek opportunities to manage costs while not compromising the quality of its programming. In 2018, the University successfully instituted a Voluntary Separation Program (VSP), which sought to, among other things, introduce new and diverse talent to the University and reduce operating costs. The VSP resulted in net operating budget savings in fiscal year 2019 of approximately \$3.5 million and has a 2.5-year return on investment.

In connection with the issuance of certain of the Prior DASNY Bonds, the University agreed to certain financial covenants in the related loan agreements. As of June 30, 2019, the University was in compliance with those financial covenants.

Budget Process

The University employs a continual financial planning process that involves coordination of strategic and financial planning, the setting of growth rates of revenues and expenses based on various internal and external factors, and communication both vertically and horizontally across the University community. Each annual financial planning cycle comprises five fiscal years and includes the annual operating budget as well as four subsequent planning budgets based on forecasted revenues and expenses.

The principal financial planning activities within each annual cycle include:

- April: The Board of Trustees is asked to approve the five-year financial plan for the upcoming five years. That plan includes a number of significant budget drivers, including the level of endowment spending (the "spending rate"), the proposed rates of growth for each significant revenue and expense component, and a description of the significant strategic priorities that are to be funded.
- September: The Financial Planning and Analysis group within the Office of Finance disseminates guidelines to budget managers that set the cadence and expectations around the upcoming financial plan development process. These guidelines vary from year to year, based on identified priorities, commitments and goals established for the upcoming fiscal year.
- Fall/Winter: A series of detailed financial planning meetings are held with all schools and divisions within the institution. In addition, the strategic planning body of the University, as well as an advisory committee of senior University leadership, develop and evaluate the strategic priorities that are formulated by local planning groups across the University community. Tuition rate increases for the ensuing fiscal year are proposed to the Board for its December meeting.
- Late Winter/Early Spring: The final five-year financial plan is drafted, which includes capital spending priorities and funded strategic initiatives. Rates of revenue and expense growth for the upcoming five-year period are refreshed, as necessary.

As an institution heavily dependent on revenue from students, Fordham's initial revenue forecasts for budget planning are based on expected future enrollments and tuition and fee charges, and the University's expectation of market conditions. The initial expenditure projections are made for salary and benefit costs and expected student financial aid requirements. As noted above, at the December meeting of the Board, it adopts the specific undergraduate and graduate tuition rate increases.

Detailed departmental budgets are developed by the University's Provost, vice presidents, and deans in consultation with the Office of Finance. These departmental budget allocations are finalized as a University-wide budget for presentation to the Board at its spring meeting.

Once the fiscal year begins, budget performance is monitored through real-time reporting of actual revenues and expenses using automated budget dashboards customized to the specific needs of each budget manager. In addition, the University's senior finance leaders conduct an annual budget forum to discuss the state of the University's finances, which includes a segment to review the performance of the University against its budget and financial targets. Monthly reporting and management analysis is distributed to the University's senior leadership team and Board.

State Aid

The University benefits from a New York State program through which aid is allocable to certain not-for-profit institutions of higher education based on the number of academic degrees conferred during the previous year. The University received \$1.2 million per annum in 2019 and 2018 from New York State under this program. Future payments are dependent on the enactment of annual appropriations by the New York State Legislature and the ability of New York State to pay the sums appropriated.

Pension and Other Postretirement Plans

Employees of the University are covered under a defined contribution retirement plan administered by either Teachers Insurance and Annuity Association (TIAA), Fidelity Investments, or Prudential Defined Contribution Services, at each employee's option. Fordham's contributions to retirement plans for its employees totaled approximately \$20.0 million in each of fiscal years 2019 and 2018.

In addition to providing retirement benefits, the University provides certain health care and life insurance benefits for retired faculty and administrative employees who meet certain minimum age and length of service requirements. The cost of providing these benefits is recognized as they are earned by the employees.

Net periodic postretirement benefit cost for fiscal year 2019 totaled \$6.5 million, which consisted of \$4.4 million of service cost, and \$2.4 million of interest cost, less \$0.3 million amortization of net gain. The University expects to continue to fund such benefit costs on a pay-as-you-go basis. Payments made by the University for these benefits, net of participants' contributions, were \$2.2 million and \$1.7 million in fiscal years 2019 and 2018, respectively. The accumulated postretirement benefit obligation at June 30, 2019 was \$67.8 million.

Gifts

The Office of the Vice President for Development and University Relations is responsible for developing and executing plans for fund-raising to support endowment growth, capital expenditures, and the operating budget of the University. Sources of gifts are alumni, corporations, foundations and friends. The estimated alumni participation rate is 16%. In July 2019, the University concluded a campaign for financial aid, which met its goal of raising \$175 million.

The total amounts of contributions and private grants received by the University segregated by donor restrictions during the most recent five fiscal years are as follows:

CONTRIBUTIONS AND PRIVATE GRANTS

**Fiscal Years Ending June 30
(in thousands)**

<u>Fiscal Year</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
2015	\$25,301	\$18,246	\$43,547
2016	27,957	22,534	50,491
2017	27,540	42,097	69,637
2018	28,371	27,431	55,802
2019	31,483	40,302	71,785

Investment Performance

The fair values and returns for the University's investments for each of the last five fiscal years are as follows:

INVESTMENT VALUES AND RETURNS

**Fiscal Year Ending June 30
(in thousands)**

<u>Fiscal Year</u>	<u>Fair Values at June 30</u>	<u>Investment Return (Loss), Net of Fees</u>
2015	\$720,954	\$766
2016	660,335	(30,514)
2017	738,854	90,677
2018	801,142	47,624
2019	852,210	21,263

The fair values of the investments are determined based on quoted market prices or estimated fair values provided by external managers and general partners in the case of limited partnership investments. These estimated values are reviewed and evaluated by the University.

The University's invested funds, including cash and cash equivalents, had a fair value of approximately \$880 million (unaudited) at November 30, 2019, of which approximately \$775 million was endowment or similar funds held primarily in the University's Endowment Investment Pool and approximately \$105 million was operating funds. The University's Investment Pool is made up of approximately 900 individual accounts that are invested jointly, but accounted for separately to assure compliance with donor restrictions.

The annual returns for the University's Investment Pool for the last five fiscal years are as follows:

ANNUAL INVESTMENT RETURNS

Fiscal Years Ending June 30

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
(0.14%)	(5.5%)	12.9%	7.6%	3.0%

The Finance and Investment Committee of the Board (the F&I Committee) is responsible for overseeing the University's investment program by establishing investment policy and asset allocation; authorizing retention of external investment managers and consultants; and monitoring the implementation and performance of the investment program. The University's Chief Investment Officer is responsible for the day-to-day management of

the investment program. At June 30, 2019, the University had outstanding commitments for alternative investments of approximately \$100.2 million. The F&I Committee has established a long-term asset allocation policy, which provides for the following asset class allocation targets: Real Assets 20%; Diversifiers 20%; Private Equity 20%; Public Equity 20%; Private Bonds 15%; and Public Bonds 5%.

Plant Values

The net book values of the physical plant of the University for the past five fiscal years are as follows:

	PLANT ASSETS				
	Fiscal Years Ending June 30 (in thousands)				
	2015	2016	2017	2018	2019
Land and land improvements	\$37,428	\$39,321	\$39,950	\$39,548	\$39,536
Buildings and building improvements	1,128,238	1,147,777	1,218,235	1,219,045	1,245,583
Furnishings, equipment and library collections	274,529	282,967	298,158	299,599	309,253
Construction in progress	26,803	75,433	7,119	35,286	27,266
Total	\$1,466,998	\$1,545,498	\$1,563,102	\$1,593,478	\$1,621,638
Less: Accumulated depreciation	(429,121)	(476,782)	(499,857)	(545,295)	(593,125)
Total	\$1,037,877	\$1,068,716	\$1,063,245	\$1,048,183	\$1,028,513

The University presently carries, under blanket policies, insurance on its buildings and their contents, excluding building foundations and land, at 100% of the estimated replacement cost of all buildings and facilities.

Capital Plan

The McGinley Center is the Rose Hill Campus' central hub of student activity. In connection with the offering of the Series 2020 Bonds, the University has developed a capital plan to expand and renovate the McGinley Center to accommodate the needs of the student population, which has grown substantially since the facility opened in 1958. This project is expected to be completed in fiscal year 2025 and will enhance the University's attractiveness to students and families, and improve retention and yield. The renovated and expanded McGinley Center is expected to be partially funded from the proceeds of the Series 2020 Bonds and fundraising. No other major capital projects are currently approved by the Board.

Outstanding Indebtedness and Other Obligations

The following table presents a summary of the University's outstanding long-term indebtedness at June 30, 2019. Certain Prior DASNY Bonds are secured by pledges of University tuition and fees, and they are noted in a footnote to this table.

Long-Term and Other Debt Obligations	Interest Rate	Maturity Year	Amount Outstanding (in thousands)
Series 2008A	Variable	2032	\$74,880
Series 2011	5.00%	2021	3,755
Series 2012	3.00% - 5.00%	2032	23,930
Series 2014	4.00% - 5.00%	2044	51,575
Series 2016A	4.00% - 5.00%	2041	137,925
Series 2017	4.00% - 5.00%	2036	78,050
U.S. Department of Education	3.00%	2022	425
Capitalized Lease Obligations	2.00% – 7.00%	2021	1,470
Unsecured Note ⁽¹⁾	None	2020	<u>5,500</u>
			<u>\$377,510</u>

⁽¹⁾ Represents an obligation to Jesuits of Fordham, Inc. in connection with the acquisition in July 2012 of a building on the University's Rose Hill Campus.

DASNY's Series 2017, 2016A, 2014, 2012, 2011A and 2008A Bonds mature in varying amounts through July 1, 2044. The Series 2008A Bonds, the Series 2011A Bonds and the Series 2012 Bonds are secured by pledges of tuition revenues equal to the maximum annual debt service requirements on the applicable series of bonds. The Series 2014 Bonds are secured by a general pledge of tuition revenues. The Series 2016A Bonds and Series 2017 Bonds are general unsecured obligations of the University.

The U.S. Department of Education note is due in semiannual installments through November 2022. The note is secured by the properties financed.

Capitalized lease obligations relate to computer equipment purchased by the University.

In May 2008, the Series 2008A Bonds were issued in the amount of \$96.9 million, the proceeds of which were used to refund a previous bond issue and pay costs of issuance. The Series 2008A Bonds are secured by an irrevocable letter of credit, which expires in 2021.

In connection with a prior bond issue in 2005, and as amended with the issuance of the Series 2008A Bonds, the University entered into an interest-rate swap agreement with an original notional amount of approximately \$96.9 million. Under the terms of the agreement, the University pays a fixed rate of 3.2475%, and receives 67% of the one month LIBOR on the notional principal amount (approximately \$74.9 million at June 30, 2019). The liability of the swap agreement, reported at fair value and categorized as Level 2 in the hierarchy, was \$9.0 million and \$6.7 million at June 30, 2019 and 2018, respectively. The University was not obligated under the swap agreement to post any collateral at June 30, 2019 or 2018.

The University has a \$50 million committed unsecured line of credit with Bank of America, N.A. As of June 30, 2019, the University had no outstanding borrowings under this line of credit.

Litigation

There is no litigation pending or, to the knowledge of the University, threatened in any court, agency or other administrative body to which the University is a party, wherein an unfavorable decision would adversely affect the

ability of the University to enter into the Loan Agreement and carry out its obligations thereunder or which would in the aggregate have a material adverse impact on the financial condition or operation of the University.

On February 14, 2019, the Child Victims Act (“CVA”) was signed into law in New York. The CVA created a window for victims of childhood sexual abuse to file previously time-barred claims until August 14, 2020. The CVA has resulted in lawsuits against entities such as schools, churches and youth organizations. To date, Fordham University has been named in two such lawsuits and Fordham Preparatory High School, which was part of the University until May 1970, has been named in one lawsuit alleging sexual abuse. While the University cannot predict the number of claims that will be filed against it, it is not expected at this time that the claims will be consequential to the University’s operations. Moreover, the University will pursue insurance coverage relating to the costs and defense of all CVA-related claims.

PART 7 — 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 Departments of Health and Education of the State, 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. At December 31, 2019, DASNY had approximately \$56.1 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 and 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 under Section 103 of the Internal Revenue Code of 1986, as amended. All of DASNY’s outstanding bonds and notes, both fixed and variable rate, are special 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 obligations were issued. DASNY has no obligation to pay its special 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 obligations are solely dependent upon payments made by DASNY’s client for which the particular special 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 536 employees located in three main offices (Albany, New York City and Buffalo) and at approximately 47 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 appointment to the Board by the Speaker of the State Assembly is currently vacant.

The Governor of the State 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 office of Secretary is currently vacant.

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 selected 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.

JOHN B. JOHNSON, JR., Vice-Chair, Watertown.

John B. Johnson, Jr. was reappointed as a Member of DASNY by the Governor on June 19, 2013. Mr. Johnson is Chairman of the Board of the Johnson Newspaper Corporation, which publishes the Watertown Daily Times, Batavia Daily News, Malone Telegram, Catskill Daily Mail, Hudson Register Star, Ogdensburg Journal, Massena-Potsdam Courier Observer, seven weekly newspapers and three shopping newspapers. He holds a Bachelor's degree from Vanderbilt University, and Master's degrees in Journalism and Business Administration from the Columbia University Graduate School of Journalism and Business. Mr. Johnson was awarded an Honorary Doctor of Science degree from Clarkson University. Mr. Johnson's term expired on March 31, 2016 and by law he 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 expires on March 31, 2020.

BERYL L. SNYDER, J.D., 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.

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.

GERARD ROMSKI, ESQ., Mount Kisco.

Gerard Romski 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. Romski 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.

SHANNON TAHOE, Acting Commissioner of Education of the State of New York, Cohoes; ex-officio.

Shannon Tahoe assumed the role of Acting Commissioner of Education and Acting President of the University of the State of New York effective November 16, 2019. Since September 2006, Ms. Tahoe has served in various capacities within the Department, including Deputy Counsel and Assistant Counsel for Legislation. In October 2019, she was appointed Acting Counsel and Deputy Commissioner for Legal Affairs. This appointment will continue to remain in effect along with her appointment as Acting Commissioner of Education and Acting President of the University of the State of New York. Ms. Tahoe has provided legal advice and counsel on critical policy matters and key initiatives. She is familiar with all aspects of the work of the Department, having managed the day-to-day operations of the Office of Counsel as Deputy Counsel and now Acting Counsel. During her tenure, Ms. Tahoe has also assisted with the successful management of a broad array of critical Departmental functions and responsibilities. She holds a Juris Doctorate degree from Syracuse University and Bachelor of Science degree from the University of Rochester.

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.

HOWARD A. ZUCKER, M.D., J.D., Commissioner of Health of the State of New York, Albany; ex-officio.

Howard A. Zucker, M.D., J.D., was appointed Commissioner of Health on May 5, 2015 after serving as Acting Commissioner of Health since May 5, 2014. Prior to that, he served as First Deputy Commissioner leading the State Department of Health's preparedness and response initiatives in natural disasters and emergencies. Before joining the State Department of Health, Dr. Zucker was professor of Clinical Anesthesiology at Albert Einstein College of Medicine of Yeshiva University and a pediatric cardiac anesthesiologist at Montefiore Medical Center. He was also an adjunct professor at Georgetown University Law School where he taught biosecurity law. Dr. Zucker earned his medical degree from George Washington University School of Medicine. He also holds a Juris Doctor degree from Fordham University School of Law and a Master of Laws degree from Columbia Law School.

The principal staff of DASNY are as follows:

REUBEN R. McDANIEL, III is the Acting 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 J. NADEAU is the Chief Financial Officer and Treasurer of DASNY. As Chief Financial Officer and Treasurer, Ms. Nadeau is responsible for supervising DASNY's investment program, general accounting, accounts payable, accounts receivable, financial reporting functions, budget, payroll, insurance and information services, as well as the development and implementation of financial policies, financial management systems and internal controls for financial reporting. She previously was Vice President-Accounting and Controller for US Light Energy. Prior to that she was Vice President-Accounting and Controller for CH Energy Group, Inc. and held various positions culminating in a director level position at Northeast Utilities. Ms. Nadeau also held various positions with increasing responsibility at Coopers & Lybrand LLP. She holds a Bachelor of Science degree in Accounting, a Master of Business Administration with a concentration in Management and a Juris Doctor degree from the University of Connecticut. She is licensed to practice law in New York and Connecticut.

MICHAEL E. CUSACK is General Counsel to DASNY. Mr. Cusack is responsible for all legal services including legislation, litigation, contract matters, and the legal aspects of all DASNY financings. In addition, he is responsible for the supervision of DASNY's environmental affairs unit. He is licensed to practice law in the State of New York and the Commonwealth of Massachusetts, as well as the United States District Court for the Northern District of New York. Mr. Cusack has over twenty years of combined legal experience, including management of an in-house legal department and external counsel teams (and budgets) across a five-state region. He most recently served as of counsel to the Albany, New York law firm of Young/Sommer, LLC, where his practice included representation of upstate New York municipalities, telecommunications service providers in the siting of public utility/personal wireless service facilities and other private sector clients. He holds a Bachelor of Science degree from Siena College and a Juris Doctor degree from Albany Law School of Union University.

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 is responsible for overseeing intergovernmental relations and managing the Communications & Marketing Department, as well as coordinating policy and operations across DASNY's multiple business lines. Ms. Griffin most recently served as the Director of Intergovernmental Affairs for Governor Andrew M. Cuomo where she worked as the Governor's liaison with federal, state and local elected officials and managed staff serving in various capacities in the Governor's Office. Prior to that she served as the Assistant Executive Deputy Secretary for Governor Andrew M. Cuomo overseeing the operations staff and Assistant Secretary for Intergovernmental Affairs for both Governor David A. Paterson and Governor Eliot Spitzer. She 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 restraining or enjoining the issuance or delivery of the Series 2020 Bonds or questioning or affecting the validity of the Series 2020 Bonds or the proceedings and authority under which they are to be issued.

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 of 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, 2019. Copies of the most recent audited financial statements are available upon request at the offices of DASNY.

PART 8 — LEGALITY OF THE SERIES 2020 BONDS FOR INVESTMENT AND DEPOSIT

Under New York State law, the Series 2020 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 2020 Bonds may be deposited with the State Comptroller to secure deposits of State moneys in banks, trust companies and industrial banks.

PART 9 — NEGOTIABLE INSTRUMENTS

The Series 2020 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 2020 Bonds.

PART 10 — TAX MATTERS

Federal Income Tax

The Internal Revenue Code of 1986 (the “Code”) imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2020 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2020 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2020 Bonds. Pursuant to the Resolutions, the Loan Agreement and a Tax Certificate dated the date of delivery of the Series 2020 Bonds (the “Tax Certificate”), DASNY and the University have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2020 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, DASNY and the University have made certain representations and certifications in the Resolutions, the Loan Agreement and the Tax Certificate. In addition, Nixon Peabody LLP, Co-Bond Counsel, has relied on the opinion of Bond, Schoeneck & King, PLLC, counsel to the University, regarding, among other matters, the current status of the University as an organization described in Section 501(c)(3) of the Code and the use of the facilities financed or refinanced with the Series 2020 Bonds in activities that are not considered “unrelated trade or business” activities of the University, as defined in Section 513(a) of the Code, which opinion is subject to a number of qualifications and limitations. 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 or refinanced by the Series 2020 Bonds in a manner that is substantially related to the University’s exempt purposes under the Code, may cause interest on the Series 2020 Bonds to be included in gross income retroactive to the date of the issuance of the Series 2020 Bonds. Neither Nixon Peabody LLP nor Drohan Lee LLP will independently verify the accuracy of those representations and certifications or that opinion.

In the opinion of Nixon Peabody LLP, under existing law and assuming compliance with the aforementioned covenants, and the accuracy of certain representations and certifications made by DASNY and the University described above, interest on the Series 2020 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Nixon Peabody LLP is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

State Taxes

Nixon Peabody LLP and Drohan Lee LLP are also of the opinion that interest on the Series 2020 Bonds is, by virtue of the Act, exempt from personal income taxes imposed by the State of New York or any political subdivision of the State of New York, including The City of New York and the City of Yonkers. Co-Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Series 2020 Bonds nor as to the taxability of the Series 2020 Bonds or the income therefrom under the laws of any state other than New York.

Original Issue Premium

Series 2020 Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Series 2020 Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, and individuals seeking to claim the earned income credit. Ownership of the Series 2020 Bonds may also result in other federal tax consequences to taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Series 2020 Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2020 Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2020 Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Nixon Peabody LLP is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as Appendix E. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2020 Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2020 Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2020 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2020 Bonds from gross income for federal or state income tax purposes, or otherwise. 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 holders of the Series 2020 Bonds may occur. Prospective purchasers of the Series 2020 Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2020 Bonds.

Co-Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2020 Bonds may affect the tax status of interest on the Series 2020 Bonds. Co-Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Series 2020 Bonds, or the interest thereon, if any action is taken with respect to the Series 2020 Bonds or the proceeds thereof upon the advice or approval of other counsel.

PART 11 — STATE NOT LIABLE ON THE SERIES 2020 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 2020 Bonds are not a debt of the State and that the State is not liable on them.

PART 12 — 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 13 — LEGAL MATTERS

Certain legal matters incidental to the authorization and issuance of the Series 2020 Bonds by DASNY are subject to the approval of Nixon Peabody LLP, New York, New York and Drohan Lee LLP, New York, New York, Co-Bond Counsel, whose approving opinions will be delivered with the Series 2020 Bonds. The proposed forms of Co-Bond Counsel's opinions is set forth in Appendix E hereto.

Certain legal matters will be passed upon for the University by its counsel, Bond Schoeneck & King PLLC, Syracuse, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Katten Muchin Rosenman LLP, New York, New York.

PART 14 — UNDERWRITING

Morgan Stanley & Co. LLC (the "Underwriter") has agreed, subject to certain conditions, to purchase the Series 2020 Bonds from DASNY at an aggregate purchase price of \$164,590,952.63 (consisting of the principal amount of the Series 2020 Bonds plus original issue premium of \$19,980,475.00 less underwriter's discount of \$579,522.37).

The Series 2020 Bonds are being offered for sale to the public at the prices shown on the inside cover page hereof. The Underwriter reserves the right to lower such initial offering prices as it deems necessary in connection with the marketing of the Series 2020 Bonds. The Underwriter may offer and sell the Series 2020 Bonds to certain dealers (including dealers depositing the Series 2020 Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth in this Official Statement. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2020 Bonds to the public. The obligation of the Underwriter to accept delivery of the Series 2020 Bonds is subject to the terms and conditions set forth in the Bond Purchase Agreement, the approval of legal matters by counsel and other conditions. The Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Series 2020 Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Underwriter has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2020 Bonds.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriter and certain of its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for DASNY, for which they received or will receive customary fees and expenses.

In the ordinary course of its various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for its own account and for the accounts of its customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of DASNY.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or

instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

PART 15 — 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, the University will enter into a written agreement (the “Continuing Disclosure Agreement”) for the benefit of the Holders of the Series 2020 Bonds with Digital Assurance Certification LLC (“DAC”), as disclosure dissemination agent and the Trustee. The proposed form of Continuing Disclosure Agreement is attached as Appendix F hereto.

The University has not failed in the past five years to comply in any material respect with any prior undertaking pursuant to the Rule 15c2-12.

PART 16 — RATINGS

Moody’s Investors Service (“Moody’s”) has assigned a rating of “A2” to the Series 2020 Bonds. S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned a rating of “A” to the Series 2020 Bonds. Such ratings reflect only the views of such rating agencies and any desired explanation of the significance of such ratings and outlooks should be obtained from the rating agencies at the following addresses: Moody’s, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; and S&P, 55 Water Street, New York, New York 10041. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by either rating agency (or both) if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of either rating may have an adverse effect on the market price of the Series 2020 Bonds.

PART 17 — MISCELLANEOUS

Reference in this Official Statement to the Act, the Resolutions and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolutions and the Loan Agreement for full and complete details of their provisions. Copies of the Resolutions and the Loan Agreement are on file with DASNY and the Trustee.

The agreements of DASNY with Holders of the Series 2020 Bonds are fully set forth in the Resolutions. Neither any advertisement of the Series 2020 Bonds nor this Official Statement is to be construed as a contract with purchasers of the Series 2020 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 “DASNY” has been obtained from DASNY. All other information herein has been obtained by the Underwriter from the University and other sources deemed to be reliable by the Underwriter, and is not to be construed as a representation by DASNY or the Underwriter. In addition, DASNY does not warrant the accuracy of the statements contained herein relating to the University nor does it directly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of security for the Series 2020 Bonds or (3) the value or investment quality of the Series 2020 Bonds.

The information regarding DTC and DTC’s book-entry only system has been furnished by DTC. DASNY believes that this information is reliable, but makes no representations or warranties whatsoever as to the accuracy or completeness of this information.

“Appendix A — Certain Definitions,” “Appendix C — Summary of Certain Provisions of the Loan Agreement,” “Appendix D — Summary of Certain Provisions of the Resolution” and “Appendix E — Form of Approving Opinions of Co-Bond Counsel” have been prepared by Nixon Peabody LLP, New York, New York and Drohan Lee LLP, New York, New York, Co-Bond Counsel.

“Appendix B — 2019 and 2018 Financial Statements of Fordham University with Independent Auditors’ Report Thereon” contains the financial statements of the University as of and for the years ended June 30, 2019 and 2018 which have been audited by KPMG LLP, independent auditors, as stated in their report appearing therein, which includes an emphasis of matter paragraph regarding the University’s adoption of Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*.

The University has reviewed the parts of this Official Statement describing the University, the Principal and Interest Requirements, the Estimated Sources and Uses of Funds, the Project, The Plan of Finance and Appendix B. The University, as a condition to issuance of the Series 2020 Bonds, is required to certify that as of the date of this Official Statement, 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.

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

CERTAIN DEFINITIONS

Appendix A

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CERTAIN DEFINITIONS

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

Accreted Value means with respect to any Capital Appreciation Bond (i) as of any Valuation Date, the amount set forth for such date in the Series Resolution authorizing such Capital Appreciation Bond or the Bond Series Certificate relating thereto and (ii) as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Accreted Value accrues during any semiannual period in equal daily amounts on the basis of a year of twelve (12) thirty-day months, and (2) the difference between the Accreted Values for such Valuation Dates.

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 Healthcare Financing Construction Act, being Title 4-B of the Public Authorities Law of the State of New York, as amended.

Annual Administrative Fee means the fee payable to the Authority during each Bond Year for the general administrative and supervisory expenses of the Authority in an amount more particularly described in Schedule A attached to the Loan Agreement and made a part of the Loan Agreement.

Appreciated Value means with respect to any Deferred Income Bond (i) as of any Valuation Date, the amount set forth for such date in the Series Resolution authorizing such Deferred Income Bond or in the Bond Series Certificate relating to such Bond and (ii) as of any date other than a Valuation Date, the sum of (a) the Appreciated Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Appreciated Value accrues during any semiannual period in equal daily amounts on the basis of a year of twelve (12) thirty-day months, and (2) the difference between the Appreciated Values for such Valuation Dates, and (iii) as of any date of computation on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date.

Arbitrage Rebate Fund means the fund so designated and established by a Series Resolution pursuant to the Resolution.

Authority 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 hereafter succeed to the rights, powers, duties and functions of the Authority.

Authority Fee means the fee payable to the Authority consisting of all of the Authority's internal costs and overhead expenses attributable to the issuance of the Bonds and the construction of the Project, as more particularly described in Schedule B attached to the Loan Agreement and made a part of the Loan Agreement.

Authorized Newspaper means The Bond Buyer or any other newspaper of general circulation printed in the English language and customarily published at least once a day for at least five (5) days (other than legal holidays) in each calendar week in the Borough of Manhattan, City and State of New York, designated by the Authority.

Authorized Officer means (i) in the case of the Authority, the Chair, the Vice-Chair, the Treasurer, an Assistant Treasurer, the Secretary, an Assistant Secretary, the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the Managing Director of Public Finance and Portfolio Monitoring, the Managing Director of Construction, and the General Counsel, and when used with reference to any act or document also means any other person authorized by a resolution or the by-laws of the Authority to perform such act or execute such document; (ii) in the case of the Institution, the person or persons authorized to perform any act or sign any document by or pursuant to a resolution of the Institution's Board of Trustees or its Executive Committee or the by-laws of the Institution; and (iii) in the case of the Trustee, the President, a Vice President, a Corporate Trust Officer,

Appendix A

an Assistant Corporate Trust Officer, a Trust Officer or an Assistant Trust Officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the by-laws of the Trustee.

Bond or Bonds when used in connection with the Resolution, means any of the bonds of the Authority authorized and issued pursuant to the Resolution and to a Series Resolution and, when used in connection with the Loan Agreement, means the Authority's Fordham University Revenue Bonds, Series 2020 authorized by the Resolution and issued pursuant to the Series 2020 Resolution.

Bond Counsel means, with respect to the Series 2020 Bonds, Nixon Peabody LLP and Drohan Lee LLP, or an attorney or other law firm appointed by the Authority with respect to a Series of Bonds, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds.

Bond Series Certificate means a certificate of an Authorized Officer of the Authority fixing terms, conditions and other details of Bonds of a Series in accordance with the delegation of power to do so under a Series Resolution.

Bond Year means, unless otherwise stated in a Series Resolution, 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 of a Series, means the registered owner of any Bonds of such Series.

Book Entry Bond means a Bond of a Series 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 when used in connection with any particular Series 2020 Bonds means a day other than (a) a Saturday and Sunday or (b) a day on which any of the following are authorized or required to remain closed: (i) banks or trust companies chartered by the State of New York or the United States of America, (ii) the Trustee, (iii) the New York Stock Exchange, (iv) the Facility Provider or a Credit Facility or Liquidity Facility, if any, or (v) DTC.

Capital Appreciation Bond means any Bond as to which interest accruing thereon is compounded on each Valuation Date for such Bond and is payable only at the maturity or prior redemption thereof.

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

Construction Fund means the fund so designated and established by a Series Resolution pursuant to the Resolution.

Continuing Disclosure Agreement means the Agreement to Provide Continuing Disclosure, entered into in connection with the issuance of the Bonds, by and among the Authority, the Institution, Digital Assurance Certification LLC, as disclosure dissemination agent, and the Trustee, or such other parties thereto designated at such times, providing for continuing disclosure.

Contract Documents means any general contract or agreement for the construction of the Project, notice to bidders, information for bidders, form of bid, general conditions, supplemental general conditions, general requirements, supplemental general requirements, bonds, plans and specifications, addenda, change orders, and any other documents entered into or prepared by or on behalf of the Institution relating to the construction of the Project, and any amendments to the foregoing.

Cost or Costs of Issuance means the items of expense incurred in connection with the authorization, sale and issuance of Bonds of a Series, 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, a Facility Provider or a Depository, legal fees and charges, professional consultants' fees, fees and charges for execution, transportation and safekeeping of such Bonds, premiums, fees and charges for insurance on such Bonds,

commitment fees or similar charges relating to a Reserve Fund Facility, a Liquidity Facility, a Credit Facility, an Interest Rate Exchange Agreement or a Remarketing Agreement, costs and expenses of refunding such Bonds and other costs, charges and fees, including those of the Authority, in connection with the foregoing.

Cost or Costs of the Project means costs and expenses or the refinancing of costs and expenses determined by the Authority to be necessary in connection with a 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 a 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 a 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 a 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 a Project, (vii) any sums required to reimburse the Institution or the Authority 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 a Project (including interest on moneys borrowed from parties other than the Institution), (viii) interest on the Bonds of a Series prior to, during and for a reasonable period after completion of the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of a Project, and (ix) fees, expenses and liabilities of the Authority incurred in connection with such Project or pursuant to the Resolution or to the Loan Agreement, a Mortgage, a Liquidity Facility, Credit Facility, a Reserve Fund Facility, an Interest Rate Exchange Agreement or a Remarketing Agreement.

Credit Facility means, with respect to a Series of Bonds, an irrevocable letter of credit, surety bond, loan agreement, or other agreement, facility or insurance or guaranty arrangement pursuant to which the Authority is entitled to obtain money to pay the principal and Sinking Fund Installments, if any, of and interest on particular Bonds whether or not the Authority 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 approved by the Authority.

Any such Credit Facility may also constitute a Liquidity Facility if it also meets the requirements of the definition of a Liquidity Facility in the Resolution. *There is no Credit Facility for the Series 2020 Bonds.*

Debt Service Fund means the fund so designated and established by a Series Resolution pursuant to the Resolution.

Debt Service Reserve Fund means a reserve fund for the payment of the principal and Sinking Fund Installments, if any, of and interest on a Series of Bonds so designated, created and established by the Authority by or pursuant to a Series Resolution. *There is no Debt Service Reserve Fund for the Series 2020 Bonds.*

Appendix A

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

Deferred Income Bond means any Bond as to which interest accruing thereon prior to the Interest Commencement Date of such Bond is compounded on each Valuation Date for such Bond, and as to which interest accruing after the Interest Commencement Date is payable semiannually on July 1 and January 1 of each Bond Year.

Depository 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 Bond Series Certificate relating to a Series of Bonds to serve as securities depository for the Bonds of such Series.

Event of Default when used in connection with the Resolution, means each event described in Section 11.02 of the Resolution summarized in Appendix D under the heading “**Events of Default**” and, when used in connection with the Loan Agreement, means each event described in Section 27(a) of the Loan Agreement summarized in Appendix C under the heading “**Defaults and Remedies.**”

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 nationally recognized statistical 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 wholly comprised of any of the foregoing obligations.

Facility Provider means the issuer of a Reserve Fund Facility, a Credit Facility or a Liquidity Facility.

Federal Agency Obligation means:

(i) an obligation issued by any federal agency or instrumentality approved by the Authority;

(ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by a federal agency approved by the Authority;

(iii) 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

(iv) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

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) 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) share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Institution means Fordham University, 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.

Insurance Consultant means a person or firm which is qualified to survey risks and to recommend insurance coverage for Institution facilities and services and organizations engaged in like operations and which is selected by the Institution.

Interest Commencement Date means, with respect to any particular Deferred Income Bond, the date prior to the maturity date thereof specified in the Series Resolution authorizing such Bond or in the Bond Series Certificate relating to such Bond, after which interest accruing on such Bond shall be payable on the interest payment date immediately succeeding such Interest Commencement Date and semiannually thereafter on July 1 and January 1 of each Bond Year.

Interest Rate Exchange Agreement means (i) an agreement entered into by the Authority or the Institution in connection with the issuance of or which relates to Bonds of a Series which provides that during the term of such agreement the Authority or the Institution is to pay to the Counterparty an amount based on the interest accruing at a fixed or variable rate per annum on an amount equal to a principal amount of such Bonds and that the Counterparty is to pay to the Authority or the Institution an amount based on the interest accruing on a principal amount equal to the same principal amount of such Bonds at a fixed or variable rate per annum, in each case computed according to a formula set forth in such agreement, or that one shall pay to the other any net amount due under such agreement or (ii) interest rate cap agreements, interest rate floor agreements, interest rate collar agreements and any other interest rate related hedge agreements or arrangements.

Liquidity Facility means, with respect to a Series of Bonds, an irrevocable letter of credit, a surety bond, a loan agreement, a Standby Purchase Agreement, a line of credit or other agreement or arrangement pursuant to which money may be obtained upon the terms and conditions contained therein for the purchase of Bonds tendered for purchase accordance with the terms of the Series Resolution authorizing such Bonds or the Bond Series Certificate relating to such Bonds, 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 savings bank, 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 savings 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 approved by the Authority.

A Liquidity Facility may also be a Credit Facility. *There is no Liquidity Facility for the Series 2020 Bonds.*

Appendix A

Loan Agreement means a Loan Agreement or any other agreement, by and between the Authority and the Institution in connection with the issuance of a Series of Bonds, as the same shall have been amended, supplemented or otherwise modified as permitted by the Resolution and by such Loan Agreement.

Management Consultant means a nationally recognized accounting or management consulting firm or other similar firm, experienced in reviewing and assessing university operations, acceptable to the Authority.

Mortgage means a mortgage granted by the Institution to the Authority in connection with the issuance of a Series of Bonds, if any, in form and substance satisfactory to an Authorized Officer of the Authority, on the Mortgaged Property mortgaged in connection therewith as security for the performance of the Institution's obligations under the Loan Agreement with respect to such Series of Bonds, as such Mortgage may be amended or modified from time to time with the consent of the Authority. *There is no Mortgage securing the Institution's obligations to the Authority under the Loan Agreement relating to the Series 2020 Bonds.*

Mortgaged Property means the land or interest therein described in each Mortgage, if any, together with the buildings and improvements thereon or hereafter erected thereon and the furnishings and equipment owned by the Institution located thereon or therein as may be specifically identified in a Mortgage.

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 or purchase by the Authority 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 Bond Series Certificate related to such Bonds.

Outstanding, when used in reference to Bonds of a Series, means, as of a particular date, all Bonds of such Series authenticated and delivered under the Resolution and under a 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 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) Option Bonds tendered or deemed tendered in accordance with the provisions of the Series Resolution authorizing such Bonds or the Bond Series Certificate relating to such Bonds 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 Bonds or the Bond Series Certificate relating to such Bonds.

Paying Agent means, with respect to a Series of Bonds, the Trustee and any other bank or trust company and its successor or successors, appointed pursuant to the provisions of the Resolution or of a Series Resolution, a Bond Series Certificate or any other resolution of the Authority adopted prior to authentication and delivery of such Series of Bonds for which such Paying Agent or Paying Agents shall be so appointed.

Permitted Collateral means:

- (i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligations;
- (ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations;
- (iii) commercial paper that (a) matures within two hundred seventy (270) days after its date of issuance, (b) is rated in the highest short term rating category by at least one nationally recognized statistical rating service and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least one nationally recognized statistical rating service no lower than in the second highest rating category; and

(iv) 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 nationally recognized statistical rating service in the highest rating category.

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 Authority 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;
- (v) security interests, liens and other encumbrances to secure the purchase price of any equipment or furnishings; and
- (vi) Such other encumbrances, defects, and irregularities to which the prior written consent of the Authority has been obtained.

Permitted Investments means:

- (i) Government Obligations;
- (ii) Federal Agency Obligations;
- (iii) Exempt Obligations;
- (iv) uncollateralized 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 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 fully secured by a letter or credit, contract, agreement or surety bond issued by it, are rated by at least one nationally recognized statistical rating service in at least the second highest rating category, and (b) fully collateralized by Permitted Collateral;
- (vi) Investment Agreements that are fully collateralized by Permitted Collateral; and
- (vii) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Pledged Revenues means the “Pledged Revenues” as such term is defined in a Loan Agreement, if applicable. *There are no Pledged Revenues securing the Institution’s obligations to the Authority under the Loan Agreement relating to the Series 2020 Bonds.*

Prior Pledges means the “Prior Pledges” as such term is defined in a Loan Agreement, if applicable.

Appendix A

Project, when used in the connection with the Resolution, means each “dormitory” as defined in the Act, which may include more than one part, financed in whole or in part from the proceeds of the sale of a Series of Bonds, as more particularly described in a Loan Agreement or a Series Resolution and, when used in connection with the Loan Agreement, means each of the buildings and improvements, and the land appurtenant thereto, more particularly described in Schedule C to the Loan Agreement, acquired, constructed, reconstructed or otherwise renovated or improved with the proceeds of the Bonds; provided, however, such term does not include any of the foregoing if and to the extent that the Bonds are no longer Outstanding.

Provider Payments means the amount, certified by a Facility Provider to the Trustee, payable to such Facility Provider on account of amounts advanced by it under a Reserve Fund Facility, a Credit Facility or a Liquidity Facility, including interest on amounts advanced and fees and charges with respect thereto.

Rating Service means each of Fitch, Inc., Moody’s Investors Service, Inc. and Standard & Poor’s Rating Services, in each case, which has assigned a rating to Outstanding Bonds at the request of the Authority, or their respective successors and assigns.

Record Date means, unless a Series Resolution authorizing a Series of Bonds or a Bond Series Certificate relating thereto provides otherwise with respect to Bonds of such Series, 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 of a Series, 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 Bond Series Certificate.

Related Agreements means, in connection with the Bonds, each Remarketing Agreement, any broker-dealer agreement, auction agent agreement and agreement entered into in connection with a Reserve Fund Facility, Credit Facility or Liquidity Facility, to which the Institution is a party, if any.

Remarketing Agent means the person appointed by or pursuant to a Series Resolution authorizing the issuance of Option Bonds to remarket such Option Bonds tendered or deemed to have been tendered for purchase in accordance with such Series Resolution or the Bond Series Certificate relating to such Option Bonds.

Remarketing Agreement means, with respect to Option Bonds of a Series, an agreement either between the Authority and the Remarketing Agent, or among the Authority, the Institution and the Remarketing Agent, relating to the remarketing of such Bonds.

Reserve Fund Facility means a surety bond, insurance policy, letter of credit or other financial guaranty or instrument authorized by or pursuant to a Series Resolution establishing a Debt Service Reserve Fund to be delivered in lieu of or substitution of all or a portion of the moneys otherwise required to be held in such Debt Service Reserve Fund.

Resolution means the Authority’s Fordham University Revenue Bond Resolution, adopted by the Authority on March 26, 2008, as from time to time amended or supplemented by Supplemental Resolutions or Series Resolutions in accordance with the terms and provisions thereof.

Revenues means, with respect to a Series of Bonds, all payments received or receivable by the Authority which pursuant to the applicable Loan Agreement are required to be paid to the Trustee for such Series of Bonds (except payments to the Trustee for the administrative costs and expenses or fees of the Trustee and payments to the Trustee for deposit to the Arbitrage Rebate Fund), and all amounts received as a consequence of the enforcement of such Loan Agreement, including but not limited to amounts derived from the foreclosure or sale of or other realization upon the Pledged Revenues, if any, for such Series of Bonds.

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, and any Bonds of such Series 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, if any, or other provisions.

Series Resolution or Series 2020 Resolution when used in connection with the Resolution, means a resolution of the Authority authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to Article II of the Resolution and, when used in connection with the Loan Agreement, means the Authority's Series Resolution Authorizing \$170,000,000 Fordham University Revenue Bonds, Series 2020 adopted December 11, 2019 with respect to the Project, as the same may be amended, supplemented or otherwise modified pursuant to the terms of the Resolution.

Sinking Fund Installment means, with respect to a Series of Bonds, as of any date of calculation, when used with respect to any Bonds of such Series, other than Option Bonds or Variable Interest Rate Bonds, so long as any such Bonds are Outstanding, the amount of money required by the Series Resolution pursuant to which such Bonds were issued or by the Bond Series Certificate relating thereto to be paid on a single future July 1 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 Authority 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, and when used with respect to Option Bonds or Variable Interest Rate Bonds of a Series, so long as such Bonds are Outstanding, the amount of money required by the Series Resolution pursuant to which such Bonds were issued or by the Bond Series Certificate relating thereto to be paid on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said future date, but does not include any amount payable by the Authority by reason only of the maturity of a Bond, and said future date is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Option Bonds or Variable Interest Rate Bonds of such Series are deemed to be Bonds entitled to such Sinking Fund Installment.

State means the State of New York.

Sub-Series means the grouping of the Bonds of a Series established by the Authority pursuant to the Series Resolution authorizing the issuance of the Bonds of such Series or the Bond Series Certificate related to such Series of Bonds.

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

Tax Certificate means the certificate of the Authority, including the appendices, schedules and exhibits thereto, executed in connection with the issuance of the Bonds in which the Authority makes 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.

Term Bonds means, with respect to a Series of Bonds, the Bonds so designated in a Series Resolution or a Bond Series Certificate and payable from Sinking Fund Installments.

Trustee means the bank or trust company appointed as Trustee for a Series of Bonds pursuant to a Series Resolution or Bond Series Certificate delivered under the Resolution and having the duties, responsibilities and rights provided for in the Resolution with respect to such Series, 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.

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 Bond Series Certificate 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 Bond Series Certificate;

Appendix A

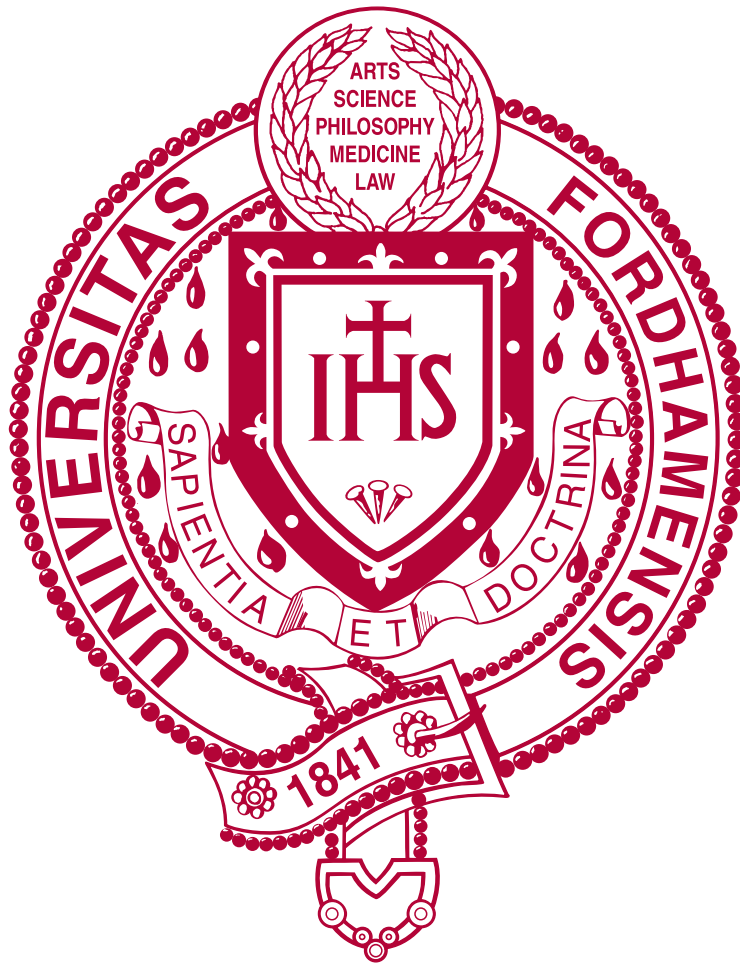
provided, however, that in each case such variable interest rate may be subject to a Maximum Interest Rate and a Minimum Interest Rate as provided in the Series Resolution authorizing such Bonds or the Bond Series Certificate relating thereto and that Series Resolution or Bond Series Certificate shall 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 of a Series 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.

**2019 AND 2018 FINANCIAL STATEMENTS OF FORDHAM UNIVERSITY WITH INDEPENDENT
AUDITORS' REPORT THEREON**

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FORDHAM UNIVERSITY



2019 and 2018 Financial Statements
With Report of Independent Auditors

FORDHAM UNIVERSITY

Table of Contents

	Page
Independent Auditors' Report	1
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6



KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Trustees
Fordham University:

We have audited the accompanying financial statements of Fordham University (the University), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fordham University as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.



Emphasis of Matter

As discussed in note 2(o) to the financial statements, in 2019, the University adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

KPMG LLP

October 24, 2019

FORDHAM UNIVERSITY

Statements of Financial Position

June 30, 2019 and 2018

(Amounts in thousands)

Assets	2019	2018
Cash and cash equivalents (note 3)	\$ 13,377	14,581
Accounts receivable, net (notes 3 and 6)	16,975	11,598
Student loans receivable, net (note 6)	8,851	10,325
Deposits with bond trustees (note 10)	616	499
Contributions receivable, net (note 7)	69,839	53,798
Other assets (notes 2(g) and 2(n))	26,003	23,141
Investments (notes 3, 4, and 5)	852,210	801,142
Plant assets, net (note 8)	1,028,513	1,048,183
Total assets	\$ 2,016,384	1,963,267
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 76,500	59,888
Deferred revenue and deposits	54,710	53,860
Provision for voluntary separation benefits (note 14)	2,519	10,517
Fair value of swap agreement (note 10)	9,032	6,695
Other liabilities	9,019	8,628
Postretirement benefit obligation (note 9)	67,824	61,032
Long-term debt, net (note 10)	411,364	429,400
Total liabilities	630,968	630,020
Commitments and contingencies (notes 3, 4, 9, 10, and 13)		
Net assets (notes 5 and 12):		
Without donor restrictions:		
Undesignated	421,269	408,734
Board-designated	261,474	258,250
Total net assets without donor restrictions	682,743	666,984
With donor restrictions:		
Non-endowed	214,384	187,234
Endowed	488,289	479,029
Total net assets with donor restrictions	702,673	666,263
Total net assets	1,385,416	1,333,247
Total liabilities and net assets	\$ 2,016,384	1,963,267

See accompanying notes to financial statements.

FORDHAM UNIVERSITY

Statements of Activities

Years ended June 30, 2019 and 2018

(Amounts in thousands)

	2019	2018
Changes in net assets without donor restrictions:		
Operating revenue:		
Tuition and fees, net (financial aid of \$236,245 and \$221,712 in 2019 and 2018, respectively)	\$ 471,876	447,396
Government grants	14,632	16,148
Investment return, net	32,501	32,065
Contributions and private grants	31,483	28,371
Student housing	64,481	63,494
Food services	18,961	18,663
Other	21,119	20,862
Net assets released from restrictions	6,186	4,616
Total operating revenue	661,239	631,615
Operating expenses:		
Program services:		
Instruction, research, and auxiliary services	374,617	363,502
Academic support	175,849	172,902
Total program services	550,466	536,404
Institutional administration	84,728	80,703
Total operating expenses	635,194	617,107
Net operating result before transfer	26,045	14,508
Transfer to designated funds	(8,000)	(8,100)
Net operating result	18,045	6,408
Non-operating activities:		
Investment (loss) return, net	(13,394)	354
Loss on advance refunding of debt	—	(6,862)
Changes in postretirement health benefits other than net periodic benefit cost	(308)	3,660
Net periodic benefit costs other than service cost	(2,058)	(1,683)
Provision for voluntary separation benefits	—	(10,517)
Transfer to designated funds	8,000	8,100
Other	5,474	3,939
Increase in net assets without donor restrictions	15,759	3,399
Changes in net assets with donor restrictions:		
Contributions and private grants	40,302	27,431
Investment return, net	2,156	15,205
Appreciation in fair value of perpetual trust	138	281
Net assets released from restrictions	(6,186)	(4,616)
Increase in net assets with donor restrictions	36,410	38,301
Increase in net assets	52,169	41,700
Net assets at beginning of year	1,333,247	1,291,547
Net assets at end of year	\$ 1,385,416	1,333,247

See accompanying notes to financial statements.

FORDHAM UNIVERSITY

Statements of Cash Flows

Years ended June 30, 2019 and 2018

(Amounts in thousands)

	2019	2018
Cash flows from operating activities:		
Increase in net assets	\$ 52,169	41,700
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Net appreciation on investments	(20,437)	(46,199)
Loss on advanced refunding of debt	—	6,862
Provision for doubtful student accounts	1,198	800
Provision for uncollectible contributions receivable	4,749	920
Depreciation of plant assets	57,302	56,427
Amortization of bond issue costs and original issue discount/premium	(1,290)	(1,068)
Postretirement related changes other than net periodic pension cost	308	(3,660)
Appreciation in fair value of perpetual trust	(138)	(281)
Permanently restricted contributions and investment return	(40,493)	(22,561)
Benefit for deferred taxes	(2,810)	—
Capital contributions and grants	(14,851)	(1,056)
Change in value of interest rate swap	2,337	(3,939)
Changes in operating assets and liabilities:		
Accounts receivable	(6,575)	(1,768)
Contributions receivable, net of permanently restricted and capital components	(5,933)	3,499
Other assets	86	(2,161)
Accounts payable and accrued expenses	14,778	4,805
Deferred revenue and deposits	850	16,761
Provision for voluntary separation benefits	(7,998)	10,517
Amounts held for others	285	449
Postretirement benefit obligation	6,484	5,906
Net cash provided by operating activities	40,021	65,953
Cash flows from investing activities:		
Purchases of investments	(408,967)	(286,467)
Sales of investments	378,336	270,378
Purchases of plant assets	(36,822)	(40,389)
Increase (decrease) in accounts payable for capital projects	1,834	(1,933)
Decrease in student loans receivable, net	1,474	935
Net cash used in investing activities	(64,145)	(57,476)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	—	91,211
Bond issuance costs	—	(826)
Repayment of long-term debt	(17,556)	(15,409)
Advance refunding of long-term debt	—	(83,440)
Increase in deposits with bond trustees, net of loss on advance refunding	(117)	(8,455)
Change in financed accounts payable and accrued expenses	—	(5,836)
Permanently restricted contributions and investment return	40,493	22,561
Capital contributions and grants	14,851	1,056
(Increase) decrease in contributions receivable for capital projects	(6,879)	661
(Increase) decrease in permanently restricted contributions receivable	(7,978)	3,250
Increase in U.S. government refundable advances	106	89
Net cash provided by financing activities	22,920	4,862
Net (decrease) increase in cash and cash equivalents	(1,204)	13,339
Cash and cash equivalents at beginning of year	14,581	1,242
Cash and cash equivalents at end of year	\$ 13,377	14,581
Supplemental disclosures:		
Interest paid	\$ 16,665	17,526
Acquisition of equipment through capitalized leases	810	976

See accompanying notes to financial statements.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

(1) The University

Fordham University (the University) is an independent, not-for-profit, institution of higher learning, in the Jesuit tradition, within its principal campuses located in New York City. The University was founded in 1841 and was granted its charter in 1846 by the State of New York. It is exempt from federal income taxes under the provisions of the Internal Revenue Code, as an organization described in Section 501(c)(3).

The central mission of the University is the discovery of wisdom and the transmission of learning through research and through undergraduate, graduate, and professional education of the highest quality. Guided by its Catholic and Jesuit traditions, the University fosters the intellectual, moral, and religious development of its students and prepares them for leadership in a global society.

The University awards baccalaureate, graduate, and professional degrees to students from Fordham College at Rose Hill, Fordham College at Lincoln Center, the Gabelli School of Business (undergraduate and graduate), the School of Professional and Continuing Studies, the Graduate Schools of Arts and Sciences, Education, Religion and Religious Education, Social Service, and the School of Law. The University's principal locations include residential campuses in the Bronx and Manhattan, a campus in West Harrison, New York, the Louis Calder Center Biological Field Station in Armonk, New York, and the London Centre in the United Kingdom. In addition to these locations, the University holds a number of affiliations with higher education institutions across the globe and offers online classes and online degree programs.

The University is accredited by the Middle States Association of Colleges and Schools and presently serves approximately 9,600 undergraduate students and 6,900 graduate and professional students.

The University's primary source of revenue is tuition and fees from undergraduate, graduate, and professional and continuing education. Other sources of revenue include student housing and food services, contributions, grants and contracts, return on investments, and other services.

(2) Summary of Significant Accounting Policies

The significant accounting policies followed by the University are described below:

(a) *Basis of Presentation*

The University prepares its financial statements on the accrual basis in conformity with U.S. generally accepted accounting principles (GAAP), and classifies its activities into one of two classes of net assets, based on either the existence, or absence, of donor-imposed restrictions.

The two classes of net assets are as follows:

- Without donor restrictions: Net assets that are not subject to donor-imposed restrictions and are available to support the general operations of the University. Net assets without donor restrictions may be designated for specific uses by action of the Board of Trustees of the University (the Board).
- With donor restrictions: Net assets subject to donor-imposed restrictions that will be met either by actions of the University or the passage of time. A donor-imposed restriction arises when a donor

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

makes a contribution and, in doing so, specifies its use for a specific activity within the University's overall mission. Included in this net asset class are net assets that are subject to donor imposed stipulations that they be maintained in perpetuity by the University. Donors generally permit the use of all or part of the investment earnings for operations or specific purposes.

Expirations of restrictions on net assets with donor restrictions, including reclassifications of restricted gifts and grants for buildings and equipment when the associated long-lived asset is placed in service, are reported as net assets released from restrictions.

(b) Operating and Non-operating Activities

Operating activities include student-sourced revenues, such as tuition and fees, student housing, and food services. They also include grants and contracts, donations for general operations, the allocation of endowment spending for current operations, other revenues that are ordinary and routine in nature, and all operating expenses.

Non-operating activities tend to vary from year to year, such as changes in market values of investments and other financial instruments, certain actuarially-determined activities relating to the University's postretirement plan, and other non-recurring transactions. Accordingly, they are excluded from operating activities in order to preserve the comparability of the University's net operating result from year to year.

(c) Tuition and Fee Revenue

The University recognizes revenue from student tuition and fees within the fiscal year in which the respective educational services are delivered. Campus-based programs are generally delivered from August through December (the Fall Term) and January through May (the Spring Term), as well as during three terms that span the summer months. Online courses are delivered on a rolling basis over the course of the fiscal year, with instruction periods of various lengths based on the nature of each respective academic program offering them. Payments for the Fall Term are typically due in July and recorded as deferred revenue until the performance obligations are met.

Institutional aid (scholarships) reduces the published price of tuition for students and is funded by a number of sources, including the endowment, certain research funds, and gifts.

(d) Student Housing and Food Services

The University generates revenue from student housing and food services, which are offered for the benefit of students, faculty, and staff. Accordingly, fees for these services are set to recover the associated costs of providing them. Amounts billed for housing and food services are owed prior to the start of the academic term to which the services benefit, and are provided over the course of that academic term. Revenues associated with these services are earned and recognized over the course of each academic term as such services are provided.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

(e) Fair Value Measurements

The University measures the fair value of relevant financial assets and liabilities using a three-tiered fair value hierarchy, which prioritizes the inputs to valuation techniques used to make fair value measurements. The three levels of the fair value hierarchy and associated inputs are as follows:

- Level 1 inputs, which are quoted or published prices in active markets for identical assets or liabilities that the University has the ability to access at the measurement date;
- Level 2 inputs, which are directly or indirectly attributable to the assets or liabilities being valued, but cannot be considered Level 1 inputs; and
- Level 3 inputs, which are unobservable and derived from valuation methodologies, including pricing models, discounted cash flow models, and similar techniques, and are not based on market, exchange, dealer, or broker traded transactions.

A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input that is significant to its fair value measurement.

Investments reported using a practical expedient, known as net asset value (NAV), to estimate fair value are not classified in the fair value hierarchy, except for those with a readily-determinable fair value based on a published price that serves as the basis for current transactions and, therefore, classified as Level 1 in the fair value hierarchy.

(f) Investments

Investments are reported at fair value. Investments in publicly traded securities are reported at fair value based upon quoted market prices. Investments in investment companies (consisting of investments in hedge funds and private capital funds) are estimated using values reported by those investment companies, which are based upon the underlying NAV of the investment. These estimated values are reviewed and evaluated by the University.

Investment income is reported as increases in net assets with donor restrictions if the terms of the underlying gift restrict the use of any income to specific activities or require it be added to the principal of the gift, or if the income is not yet available for expenditure based on the University's spending policy. Absent those conditions, investment income is recognized as increases in net assets without donor restrictions.

(g) Contributions and Grants

Contributions (including pledges and assets other than case) are initially reported at fair value as revenue in the period received, net of an allowance for uncollectible amounts. Contributions to be received after one year (i.e., pledges) are recorded at their discounted present value using a risk-adjusted rate. Discounts on contributions are amortized to contribution revenue over the life of the pledge.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

Contributions of property and equipment are reported as increases in net assets without donor restrictions unless the donor places restrictions on their use. Contributions made toward long-lived assets are held as net assets with donor restrictions until the asset is completed and available for use, at which time the contributions are released from restriction and reclassified to net assets without donor restrictions. Contributions with donor-imposed restrictions are reported as changes in net assets without donor restrictions if the restriction is satisfied in the same fiscal year in which the contribution was received by the University.

Revenue from grants is recognized as performance obligations are satisfied which, in some cases, are as related costs are incurred.

In other cases, a grant may represent a non-reciprocal transaction in which the benefits afforded to the University and sponsor are not of equal value or the benefit of such an arrangement may accrue only to the public at large. In situations such as these, revenues may be subject to conditions, in the form of both a barrier to entitlement (e.g. a specific service level must be maintained to remain eligible for grant funding, or discretion as to the University's use of the grant is limited), or an explicit or implicit provision that the University may not ultimately be entitled to the full amount of the grant (e.g. the sponsor may be released from its obligation to make future payments at some point during the arrangement), or both.

Revenues from conditional non-exchange transactions are recognized when the barrier or financial limitation is overcome or satisfied. Similarly, conditional promises to give are not recognized until they become unconditional (i.e. at which time the conditions on which they depend are met).

The University holds split-interest agreements, which consist of irrevocable charitable remainder trusts and a perpetual trust, and are reported in other assets on the statements of financial position. These assets total \$16,357 and \$15,641 at June 30, 2019 and 2018, respectively, are categorized as Level 3 in the fair value hierarchy.

(h) Cash Equivalents

Cash equivalents include investments with maturities of three months or less at the time of purchase, except for such investments purchased by the University's investment managers as part of their ongoing investment strategies.

(i) Plant Assets

Plant assets are recorded at cost or, for donated assets, at fair value at the date of donation. Interest expense for construction financing, net of income earned on unspent proceeds is capitalized as a cost of construction. Depreciation is recorded using the straight-line method over the estimated useful lives of the related assets.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

The useful lives used in calculating depreciation are as follows:

Land improvements	20 years
Buildings	50 years
Building improvements	20 years
Furnishings and equipment	3–10 years
Library collections	30 years

(j) *Deferred Revenue and Deposits*

Deferred revenue and deposits include tuition and other student deposits related to programs applicable to the next fiscal year, as well as grants and other payments received in advance of incurring related expenses. Deferred revenue is recognized ratably as revenue over the period of benefit.

(k) *Derivative Instrument*

The University maintains an interest rate swap agreement to mitigate interest rate risk associated with its variable rate debt, and reports it at fair value. The fair value of the swap is based upon third-party valuations, which involve the use of pricing models that calculate and compare the present value of both the fixed and variable rate components of the swap.

(l) *Accounting Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates in the financial statements include valuations of investments, and the postretirement benefit obligation; the net realizable value of receivables; and the allocation of expenses to programs and supporting services (operation and maintenance, depreciation, and interest). Actual results could differ from those estimates.

(m) *Risks and Uncertainties*

The University invests in various investment securities. Investment securities are exposed to various risks and other factors such as interest rate changes, market fluctuations, and credit risks. Due to the level of fluctuation in values associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur and that such changes could materially affect the amounts reported in the statements of financial position in future periods.

(n) *Income Taxes*

The University evaluates and accounts for uncertainties in income taxes recognized in its financial statements using a threshold of more-likely-than-not of being sustained. The University has no material uncertain tax positions.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

Income generated from activities that support the University's mission but may not directly relate to its exempt purpose (i.e. unrelated business activities), is subject to tax. On December 22, 2017, the President signed into law H.R.1, originally known as the Tax Cuts and Jobs Act, which requires changes to the tax treatment of certain activities by tax-exempt organizations, including income from unrelated business activities. In connection with the University's evaluation of the law's impact on its operations, it recorded a deferred tax asset totaling \$2,810, included in other assets of June 30, 2019, to reflect the fact that current net operating loss carryforwards will likely not be deductible against future taxable income as a result of the new law's provisions.

(o) Recent Accounting Pronouncements

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which is intended to improve net asset classification requirements and enhance other information presented, including liquidity, financial performance, and cash flows. The University retroactively adopted this pronouncement, effective June 30, 2018.

The main provisions of this pronouncement require consolidation of three classes of net assets to two:

- Net assets without donor restrictions, previously reported as unrestricted net assets in 2018 of \$666,930, net of \$54 in underwater endowments; and
- Net assets with donor restrictions, previously reported as temporarily restricted net assets of \$313,353 and permanently restricted net assets of \$352,964, in 2018.

The pronouncement also requires the recognition of underwater endowment funds as a reduction in net assets with donor restrictions, enhances disclosures for net assets without donor restrictions, and requires new disclosures around liquidity and the natural classification of expenses.

The FASB issued ASU No. 2017-07, *Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, which requires the service cost component of net periodic benefit cost for pension and other postretirement benefits be presented as a component of employee benefit expense. The other components of net periodic benefit cost, such as interest, expected return on assets, and amortization of other actuarially-determined amounts, are required to be presented as non-operating charges in net assets without donor restrictions. The University retroactively adopted ASU No. 2017-07 for the year ended June 30, 2018. The adoption had no effect on amounts of net assets reported in the June 30, 2018 financial statements.

The FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. ASU No. 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The University retroactively adopted ASU No. 2014-09 and its related amendments as of June 30, 2018. There was no material impact to the financial statements resulting from adoption.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

The FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU No. 2018-08 helps an organization evaluate whether it should account for a grant (or similar transaction) as a contribution or as an exchange transaction. The ASU also clarifies and expands the criteria for determining whether a contribution is conditional, which may delay recognition of contribution revenue (recipient) or expense (resource provided). The University adopted ASU No. 2018-08 under the modified prospective basis to all agreements that were either not completed as of the effective date or entered into after the effective date, for the year ended June 30, 2019. Under this approach, the University did not restate comparative periods in the financial statements. The adoption did not result in a material change to how the University accounts for revenue from contributions and grants.

The FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The new lease guidance establishes a model under which lessees record a right-of-use asset and lease liability for all leases with terms longer than 12 months. The University plans to adopt ASU No. 2016-02 for the year ending June 30, 2020 and is evaluating the impact of this ASU on its financial statements.

(p) Reclassifications

Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

(3) Operational Liquidity

To manage liquidity, the University has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due. The University also invests cash in excess of daily requirements in short-term investments, and has a committed line of credit, which it could draw upon to manage liquidity needs.

The University's cash flows have seasonal variations during the year attributable to tuition billing cycles with a concentration of cash received for tuition payments in August and January for the Fall and Spring terms, respectively.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

At June 30, 2019, the University's financial assets available within one year of the statement of financial position for general expenditure are as follows:

Cash and cash equivalents	\$	13,377
Accounts receivable, net		16,975
Short-term investments		92,162
Estimated endowment appropriations		32,483
Total financial assets available within one year		154,997
Line of credit (liquidity resource)		50,000
Total financial assets and liquidity resource available within one year	\$	204,997

In addition to these resources, the University maintains board-designated and quasi-endowed investments, valued at \$261,474 on June 30, 2019. Although spending from the quasi endowment is governed by the Board and set by its spending policy, the University could make these resources available, subject to lock-up provisions of the investments in which these funds are invested, with Board approval.

(4) Investments

Investments at June 30, including information relative to the University's ability to redeem its investments in investment companies and partnerships, are as follows:

	2019	2018	Redemption frequency	Days notice
Cash and cash equivalents	\$ 104,476	84,076	Daily	Not applicable
U.S. government obligations	1,564	1,572	Daily	Not applicable
U.S. public equities	26,708	26,215	Daily	Not applicable
Equity mutual funds	4,277	57,335	Daily	Not applicable
Fixed income mutual funds	519	660	Daily	Not applicable
Non-public equity funds	185,931	222,535	Daily-monthly	5-45
Absolute return hedge funds	224,340	125,657	Quarterly-annual	5-90
Private capital funds:				
Private equity	81,164	56,473	Illiquid	Not applicable
Private debt	103,522	104,653	Illiquid	Not applicable
Private real assets	117,786	119,915	Illiquid	Not applicable
Other	1,923	2,051		
	\$ 852,210	801,142		

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

Certain investment companies and partnerships in which the University has invested have imposed restrictions as to the frequency at which the University might redeem, in part or whole, its investment. Redemption frequencies can vary based on a number of criteria, including the liquidity of an investment company's underlying investments or initial investment lockup periods.

The University's investments in investment companies and partnerships are categorized as follows:

- Non-public equity funds invest in long-only equity in the United States, international developed markets, and emerging markets. Over the long term, these investments are expected to reflect a return commensurate with the overall economic and capital market climate in which the University operates.
- Absolute return hedge funds generally have the flexibility to invest in a wide array of security types (e.g., equities, bonds, currencies and derivatives) as deemed appropriate by the fund manager to carry out the fund's objective. The goal of absolute return strategies is to provide, in aggregate, a return that is consistently positive and uncorrelated with other asset classes.
- Private equity funds invest in securities from private or closely held companies that may either go public or be acquired by other companies, or from public companies that may go private. The market for these securities is illiquid and comprises a variety of strategies such as venture capital, growth equity, and leverage buyouts. The investment horizon is typically more than ten years.
- Private debt funds invest in illiquid debt obligations or debt-related financial instruments. The category is comprised of a variety of strategies such as mezzanine financing, direct lending and distressed debt investing. The investment horizon is typically five to ten years.
- Private real assets are primarily held in private equity-type structures that invest in tangible assets that include real estate, farmland, timber, oil and gas. The investment horizon is typically seven to ten years.

Total unfunded commitments for private capital funds are \$100,217 and \$129,201 at June 30, 2019 and 2018, respectively.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

Investments are classified in the fair value hierarchy at June 30 as follows:

2019				
	NAV	Level 1	Level 2	Total
Cash and cash equivalents	\$ —	104,476	—	104,476
U.S. government obligations	—	1,564	—	1,564
U.S. public equities	—	26,708	—	26,708
Equity mutual funds	—	4,277	—	4,277
Fixed income mutual funds	—	519	—	519
Equity funds	—	185,931	—	185,931
Hedge funds	224,340	—	—	224,340
Private capital funds	302,472	—	—	302,472
Other	—	101	1,822	1,923
	<u>\$ 526,812</u>	<u>323,576</u>	<u>1,822</u>	<u>852,210</u>

2018				
	NAV	Level 1	Level 2	Total
Cash and cash equivalents	\$ —	84,076	—	84,076
U.S. government obligations	—	1,572	—	1,572
U.S. public equities	—	26,215	—	26,215
Equity mutual funds	—	57,335	—	57,335
Fixed income mutual funds	—	660	—	660
Equity funds	—	222,535	—	222,535
Hedge funds	125,657	—	—	125,657
Private capital funds	281,041	—	—	281,041
Other	—	169	1,882	2,051
	<u>\$ 406,698</u>	<u>392,562</u>	<u>1,882</u>	<u>801,142</u>

There were no transfers between levels during the year ended June 30, 2019 or 2018.

The University's investment return, net of fees, is \$21,263 and \$47,624 for the years ended June 30, 2019 and 2018, respectively.

(5) Endowment Funds

The University's endowment consists of 992 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the University's Board to function as endowments (i.e. quasi endowments). At June 30, 2019 and 2018, the fair values of 38 and 19 endowment funds were less than their original fair values (underwater) by \$231 and \$54, respectively.

Pursuant to the investment policy statement approved by its Board of Trustees, the University interprets the New York Prudent Management of Institutional Funds Act (NYPMIFA) as allowing the appropriation or

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

accumulation of a donor-restricted endowment fund as is deemed prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the provisions of the applicable gift instrument.

Endowment activities during the years ended June 30, 2019 and 2018 are as follows:

	Quasi endowment		Donor-restricted endowment	Total
	Without donor restrictions	With donor restrictions		
Net assets at June 30, 2017	\$ 246,449	17,035	427,593	691,077
Investment return, net	14,609	1,262	28,815	44,686
Contributions	—	—	23,836	23,836
Appropriations for expenditures	(10,908)	(716)	(18,796)	(30,420)
Net assets at June 30, 2018	250,150	17,581	461,448	729,179
Investment return, net	5,793	411	11,531	17,735
Contributions	75	—	17,350	17,425
Appropriations for expenditures	(10,791)	(765)	(19,267)	(30,823)
Net assets at June 30, 2019	\$ <u>245,227</u>	<u>17,227</u>	<u>471,062</u>	<u>733,516</u>

The University maintains an investment pool for substantially all of its investments. The pool is managed to achieve the maximum prudent long-term total return while providing a predictable stream of funding to programs supported by the endowment. The Board has authorized spending and investment policies designed to support these goals. Under the investment policy, endowment assets are invested in a manner that is intended to earn, over the long term, a compound annual rate of return in excess of inflation plus the spending rate. The University seeks to achieve competitive returns when compared with the University's peer group and measured against the appropriate benchmark for each asset class in the University's portfolio.

The University considers the duration and preservation of the investment pool, the donor restrictions governing use of individual endowment funds, general economic conditions, the possible effect of inflation and deflation, the expected total return, the change in fair value of investments, the University's investment policy, and certain other factors in making a determination to appropriate or accumulate endowment funds. In 2019 and 2018, the spending policy permits the use of total return at a rate of appropriation (spending rate) of 4.5% of the average quarterly fair value during the three preceding calendar years.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

(6) Accounts Receivable

Accounts receivable, net consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Students	\$ 17,322	15,105
Grants	4,617	1,784
Other	<u>4,371</u>	<u>2,755</u>
	26,310	19,644
Allowance for doubtful accounts	<u>(9,335)</u>	<u>(8,046)</u>
Accounts receivable, net	<u>\$ 16,975</u>	<u>11,598</u>

Student loans receivable are net of an allowance for uncollectible accounts, totaling \$2,915 and \$3,006 at June 30, 2019 and 2018, respectively.

(7) Contributions Receivable

Contributions receivable, net consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Amounts expected to be collected in:		
Less than one year	\$ 24,530	21,351
One to five years	52,726	43,703
More than five years	<u>10,007</u>	<u>8,392</u>
	87,263	73,446
Less:		
Allowance for uncollectible amounts	(11,560)	(16,309)
Discount to net present value (ranging from 0.7% to 3.3%)	<u>(5,864)</u>	<u>(3,339)</u>
	<u>\$ 69,839</u>	<u>53,798</u>

Receivables from nine donors account for 48% and 61% of the gross contributions receivable balance at June 30, 2019 and 2018, respectively. As of June 30, 2019, \$8,375 of pledges were outstanding related to the expansion and refurbishment of the University's Campus Center.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

(8) Plant Assets

Plant assets, net of accumulated depreciation, consist of the following at June 30:

	<u>2019</u>	<u>2018</u>
Land and land improvements	\$ 39,536	39,548
Buildings and building improvements	1,245,583	1,219,045
Furnishings, equipment, and library collections	309,253	299,599
Construction in progress	<u>27,266</u>	<u>35,286</u>
Total	1,621,638	1,593,478
Less accumulated depreciation	<u>(593,125)</u>	<u>(545,295)</u>
	<u>\$ 1,028,513</u>	<u>1,048,183</u>

(9) Pension and Other Postretirement Benefits

Certain eligible employees of the University receive retirement income benefits under defined contribution plans. Contributions by the University range from 5% to 11% of an employee's earnings and are determined by the employee's classification, level of earnings, and length of service. The University's contributions for retirement benefits for its employees totaled \$19,988 and \$19,899 during the years ended June 30, 2019 and 2018, respectively.

In addition to providing retirement income benefits, the University sponsors an unfunded postretirement plan, which funds certain healthcare and life insurance benefits for certain retired employees who meet minimum age and length of service requirements. The following tables summarize changes in the plan's benefit obligation and components of net periodic benefit cost for the years ended June 30:

	<u>2019</u>	<u>2018</u>
Change in postretirement benefit obligation:		
Benefit obligation at beginning of year	\$ 61,032	58,786
Service cost	4,426	4,275
Interest cost	2,434	2,167
Plan participants' contributions	827	684
Actuarial net loss (gain)	2,094	(2,513)
Benefits paid	<u>(2,989)</u>	<u>(2,367)</u>
Postretirement benefit obligation at end of year	<u>\$ 67,824</u>	<u>61,032</u>

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

	<u>2019</u>	<u>2018</u>
Components of net periodic benefit cost:		
Service cost	\$ 4,426	4,275
Interest cost	2,434	2,167
Amortization of net gain	<u>(376)</u>	<u>(536)</u>
Net periodic benefit cost	<u>\$ 6,484</u>	<u>5,906</u>

At June 30, 2019, the gain not yet recognized as a component of net periodic benefit cost totals \$6,042.

Information with respect to plan assumptions and estimated future benefit payments is as follows:

	<u>2019</u>	<u>2018</u>
Benefit obligation weighted average assumptions as of June 30:		
Discount rate	3.38 %	4.06 %
Rate of compensation increase	3.50	3.50
Benefit cost weighted average discount rate assumption for the year ended June 30	4.06 %	3.74 %
Healthcare cost trend:		
Ultimate rate	4.50 %	4.50 %
Year that the ultimate rate is reached	2035	2026

The healthcare cost trend rate assumption has a significant effect on the amounts reported. A one-percentage-point change in assumed healthcare cost trend rates would have the following effects as of and for the year ended June 30, 2019:

	<u>One- percentage- point increase</u>	<u>One- percentage- point decrease</u>
Effect on total of service and interest cost components	\$ 1,410	(1,116)
Effect on postretirement benefit obligation	10,292	(8,446)

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

Estimated future annual benefit payments consist of the following:

2020	\$	2,073
2021		2,217
2022		2,263
2023		2,465
2024		2,632
2025–2029		17,457

(10) Long-Term and Other Debt Obligations

The University's long-term and other debt obligations consist of the following outstanding amounts at June 30:

Description	Maturity year	Interest rate	2019	2018
Bonds payable:				
Revenue bonds:				
Series 2017 (i)	2036	4.00%–5.00%	\$ 78,050	78,050
Series 2016 (ii)	2041	4.00%–5.00%	137,925	140,855
Series 2014 (iii)	2044	4.00%–5.00%	51,575	53,450
Series 2012 (iv)	2032	3.00%–5.00%	23,930	25,710
Series 2011 (v)	2021	5.00 %	3,755	5,505
Series 2008A (vi)	2032	Variable	74,880	80,080
Note payable to U.S. Department of Education (vii)	2022	3.00 %	425	586
Note payable for Loyola Hall (viii)	2020	None	5,500	8,250
Capitalized lease obligations (ix)	2021	2.00%–7.00%	1,470	1,770
Total principal debt			377,510	394,256
Net unamortized premium			37,819	39,372
			415,329	433,628
Unamortized bond issue costs			(3,965)	(4,228)
Total long-term and other debt obligations			\$ 411,364	429,400
Line of credit outstanding (x)			\$ —	—

- i) In December 2017, the Dormitory Authority of the State of New York (DASNY) issued Fordham University Revenue Bonds, Series 2017 (Series 2017 Bonds) for \$78,050. The proceeds were used in connection with refunding tranches of the Series 2011 Bonds and to cover the costs of issuance of the Series 2017 Bonds. Proceeds totaling \$90,385 plus \$3,730 of other University funds, were deposited in

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

an irrevocable trust with an escrow agent in order to provide future debt service payments on the advance refunded bonds. In conjunction with the creation of the trust and satisfaction of certain other conditions, the refunded bonds are deemed paid and no longer outstanding. This transaction resulted in a loss of \$6,862, which reflects the escrowing of an amount in excess of the bond principal to be retired, as well as the write-off of associated bond issuance costs and premium, and is reflected as a non-operating loss in the 2018 statement of activities. Premiums paid at the time of issuance of the Series 2017 Bonds totaled \$13,161 (\$12,095 and \$12,805 unamortized at June 30, 2019 and 2018, respectively).

- ii) In May 2016, DASNY issued Fordham University Revenue Bonds, Series 2016 (Series 2016 Bonds) for \$146,465, the proceeds of which were used in connection with refunding tranches of the Series 2011 Bonds, the defeasance and advance refunding of the Series 2008B Bonds, to refurbish an academic building and to cover the costs of issuance of the Series 2016 Bonds. Premiums paid at the time of issuance of the Series 2016 Bonds totaled \$23,255 (\$20,329 and \$21,253 unamortized at June 30, 2019 and 2018, respectively).
- iii) In April 2014, DASNY issued Fordham University Revenue Bonds, Series 2014 (Series 2014 Bonds) for \$61,815, the proceeds of which were used to acquire a facility, refund a prior bond issue and pay costs of issuing the Series 2014 Bonds. Premiums paid at the time of issuance totaled \$4,367 (\$3,329 and \$3,527 unamortized at June 30, 2019 and 2018, respectively).
- iv) In October 2012, DASNY issued Fordham University Revenue Bonds, Series 2012 (Series 2012 Bonds) for \$42,320, the proceeds of which were used to refund prior bond issues and pay costs of issuing the Series 2012 Bonds. Premiums paid at the time of issuance totaled \$3,887 (\$2,569 and \$2,767 unamortized at June 30, 2019 and 2018, respectively).
- v) In May 2011, DASNY issued Fordham University Revenue Bonds, Series 2011 (Series 2011 Bonds) for \$146,645, the proceeds of which were used to construct a new Law School building, a 430-bed residence hall, and to make renovations to an existing library. Premiums paid at the time of issuance totaled \$6,285.

In connection with the issuance of the Series 2016 Bonds, \$50,000 of the Series 2011 Bonds was advance refunded. At the time of the refunding, the unamortized bond issuance costs and the original issue premium associated with this portion of the Series 2011 Bonds were fully amortized.

In connection with the issuance of the Series 2017 Bonds, \$83,440 of the Series 2011 Bonds were advance refunded. At the time of the refunding, the unamortized bond issuance costs and the original issue premium associated with this portion of the Series 2011 Bonds were fully amortized. The unamortized premium on the outstanding portion of the Series 2011 Bonds totaled \$106 and \$159 at June 30, 2019 and 2018, respectively.

- vi) In May 2008, DASNY issued Fordham University Revenue Bonds, Series 2008A (Series 2008A Bonds) for \$96,895, the proceeds of which were used to refund a previous bond issue and pay costs of issuing the Series 2008A Bonds. The Series 2008A Bonds are secured by an irrevocable letter of credit, which expires in 2021.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

In connection with a prior bond issue in 2005, and as amended with the issuance of the Series 2008A Bonds, the University entered into an interest rate swap agreement with a notional amount of \$96,895. Under the terms of the agreement, the University pays a fixed rate of 3.2475%, and receives 67.0000% of the one-month LIBOR on the notional principal amount (\$95,750 at June 30, 2019).

The liability of the swap agreement, reported at fair value and categorized as Level 2 in the hierarchy, is \$9,032 and \$6,695 at June 30, 2019 and 2018, respectively. The University was not obligated under the swap agreement to post any collateral at June 30, 2019 or 2018.

- vii) The note payable to the U.S. Department of Education is due in semiannual installments through November 2022 and is secured by the properties financed by the note.
- viii) In July 2012, the University entered into an agreement with the Jesuits of Fordham, Inc., a not-for-profit provincial order, for the purchase of a building for \$30,000. The note is payable pursuant to an interest-free promissory note. The unamortized discount totaled \$609 and \$1,140 at June 30, 2019 and 2018, respectively.
- ix) The University has executed certain capital lease agreements relating to computer equipment, which bear interest at rates ranging from 2% to 7% per annum.
- x) The University maintains an unsecured line of credit that provides up to \$50,000 and \$20,000 of short-term financing in 2019 and 2018, respectively. These were not borrowed against in 2019 or 2018 and expire in February 2020.

Bonds payable are secured by mortgages on certain of the University's property and, in certain cases, by pledges of dormitory and tuition revenue equal to the annual debt service requirements on the bonds.

The combined aggregate payments on outstanding debt obligations are as follows:

	<u>Bonds and notes principal</u>	<u>Capital lease principal</u>	<u>Interest</u>	<u>Total</u>
Year:				
2020	\$ 17,011	819	15,831	33,661
2021	17,611	444	15,200	33,255
2022	16,327	208	14,818	31,353
2023	18,100	—	14,116	32,216
2024	19,510	—	13,324	32,834
Thereafter	<u>287,480</u>	<u>—</u>	<u>114,528</u>	<u>402,008</u>
Subtotal	376,039	1,471	187,817	565,327
Net unamortized premium	37,819	—	—	37,819
Unamortized bond issue costs	<u>(3,965)</u>	<u>—</u>	<u>—</u>	<u>(3,965)</u>
	<u>\$ 409,893</u>	<u>1,471</u>	<u>187,817</u>	<u>599,181</u>

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

Total interest expense on long-term debt totals \$16,665 and \$17,526 for the years ended June 30, 2019 and 2018, respectively.

The University is required to establish and deposit with bond trustees certain funds for the benefit of bondholders, and to fulfill construction commitments. The funds are invested, principally in U.S. government obligations, by the bond trustees until withdrawn to effect the purposes for which they were generated. Deposits held by bond trustees, are reported at fair value and categorized as Level 1 in the fair value hierarchy, consist of the following as of June 30:

	2019	2018
Debt service funds	\$ 291	188
Construction funds	325	311
	\$ 616	499

(11) Functional Classification of Expenses

The University's primary program activities are instruction and research and academic support. Institutional support includes \$14,007 and \$13,238 of fund-raising expenses in 2019 and 2018, respectively. For purposes of reporting fund-raising expenses, the University includes only those fund-raising costs incurred by its development office.

Natural expenses attributable to the operation and maintenance of the physical plant or more than one functional expense category are allocated using a variety of cost allocation methods such as usable square footage, and time and effort. Interest expense is allocated to program and supporting activities based upon the purposes of loan or bond proceeds.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

Operating expenses are allocated to program and supporting activities during the year ended June 30 as follows:

	2019						
	Program activities			Supporting activities			Total operating expenses
	Instruction, research, and auxiliary services	Academic support	Total	Institutional administration	Operations and maintenance	Total	
Salaries and wages	\$ 159,730	71,604	231,334	34,291	19,414	53,705	285,039
Fringe benefits	52,119	28,645	80,764	12,937	8,735	21,672	102,436
Professional fees	13,160	10,324	23,484	8,294	6,119	14,413	37,897
Depreciation	36,494	15,395	51,889	5,413	—	5,413	57,302
Interest and other financing costs	11,568	3,153	14,721	322	—	322	15,043
Other	63,527	35,514	99,041	19,367	19,069	38,436	137,477
Total before allocation	336,598	164,635	501,233	80,624	53,337	133,961	635,194
Allocation of operations and maintenance	38,019	11,214	49,233	4,104	(53,337)	(49,233)	—
Total operating expenses	\$ 374,617	175,849	550,466	84,728	—	84,728	635,194

	2018						
	Program activities			Supporting activities			Total operating expenses
	Instruction, research, and auxiliary services	Academic support	Total	Institutional administration	Operations and maintenance	Total	
Salaries and wages	\$ 153,763	69,192	222,955	33,818	18,687	52,505	275,460
Fringe benefits	51,597	29,141	80,738	14,573	8,657	23,230	103,968
Professional fees	12,382	9,009	21,391	6,162	6,444	12,606	33,997
Depreciation	35,663	15,281	50,944	5,483	—	5,483	56,427
Interest and other financing costs	12,399	3,398	15,797	395	—	395	16,192
Other	58,775	35,475	94,250	16,206	20,607	36,813	131,063
Total before allocation	324,579	161,496	486,075	76,637	54,395	131,032	617,107
Allocation of operations and maintenance	38,923	11,406	50,329	4,066	(54,395)	(50,329)	—
Total operating expenses	\$ 363,502	172,902	536,404	80,703	—	80,703	617,107

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

(12) Net Assets

At June 30, net assets comprised of the following:

	2019		Total
	Without donor restrictions	With donor restrictions	
Limited use as to purpose or time:			
Board-designated endowment	\$ 245,227	17,227	262,454
Board-designated non-endowed funds	16,247	—	16,247
Accumulated endowment earnings pending appropriation for:			
Scholarships and fellowships	—	76,433	76,433
Academic support	—	45,320	45,320
General	—	32,542	32,542
Donations and endowment appropriations pending expenditure	—	95,248	95,248
Contributions receivable	—	35,392	35,392
Annuity and life income funds	—	4,790	4,790
Other	—	16,401	16,401
	<u>261,474</u>	<u>323,353</u>	<u>584,827</u>
Restricted in perpetuity:			
Historical gift values restricted for:			
Scholarships and fellowships	—	191,584	191,584
Academic support	—	83,738	83,738
General	—	41,445	41,445
Contributions receivable	—	34,577	34,577
Annuity and life income funds	—	13,864	13,864
Other	—	14,112	14,112
	—	<u>379,320</u>	<u>379,320</u>
Undesignated	<u>421,269</u>	<u>—</u>	<u>421,269</u>
	<u>\$ 682,743</u>	<u>702,673</u>	<u>1,385,416</u>

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

	2018		Total
	Without donor restrictions	With donor restrictions	
Limited use as to purpose or time:			
Board-designated endowment	\$ 250,150	17,581	267,731
Board-designated non-endowed fund	8,100	—	8,100
Accumulated endowment earnings pending appropriation for:			
Scholarships and fellowships	—	81,217	81,217
Academic support	—	46,767	46,767
General	—	34,141	34,141
Donations and endowment appropriations pending expenditure	—	87,374	87,374
Contributions receivable	—	27,163	27,163
Annuity and life income funds	—	4,878	4,878
Other	—	14,178	14,178
	<u>258,250</u>	<u>313,299</u>	<u>571,549</u>
Restricted in perpetuity:			
Historical gift values restricted for:			
Scholarships and fellowships	—	176,097	176,097
Academic support	—	83,605	83,605
General	—	39,621	39,621
Contributions receivable	—	26,635	26,635
Annuity and life income funds	—	12,540	12,540
Other	—	14,466	14,466
	—	<u>352,964</u>	<u>352,964</u>
Undesignated	<u>408,734</u>	<u>—</u>	<u>408,734</u>
	<u>\$ 666,984</u>	<u>666,263</u>	<u>1,333,247</u>

The amounts reported as endowed net assets in the statements of financial position include historical gift value, accumulated endowment earnings and board designated donor restricted net assets.

FORDHAM UNIVERSITY
Notes to Financial Statements
June 30, 2019 and 2018
(Amounts in thousands)

(13) Commitments and Contingencies

The University leases facilities under operating leases in the normal course of business, some of which are sublet. Minimum annual rental payments and sublease income are as follows:

	<u>Rental payments</u>	<u>Sublease income</u>	<u>Total</u>
Year ending June 30:			
2020	\$ 7,062	(543)	6,519
2021	7,549	(557)	6,992
2022	5,220	(571)	4,649
2023	4,343	—	4,343
2024	4,535	—	4,535
2025 and thereafter	72,176	—	72,176

Rent expense relating to leases totals \$8,300 and \$8,578 for the years ended June 30, 2019 and 2018, respectively.

The University has no outstanding commitments under contracts for construction projects as of June 30, 2019.

The University is a defendant in various lawsuits arising in the normal course of business. Management of the University does not expect the ultimate resolution of these actions to have a material adverse effect on the University's financial position.

(14) Voluntary Separation Offer

During the year ended June 30, 2018, the University extended a Voluntary Separation Offer (VSO) to eligible administrators. The VSO provided for separation allowances comprising salary based on length of service and fringe benefits, principally medical coverage, if eligible, and tuition remission. In 2018, the University recorded a provision for voluntary separation benefits totaling \$10,517, payable through June 30, 2020. During 2019, the University paid out benefits totaling \$7,998.

(15) Related-Party Transactions

The University has a written conflict of interest policy that requires, among other things, that no member of the Board can participate in any decision in which he or she (or an immediate family member) has a material financial interest. Each trustee is required to certify compliance with the conflict of interest policy on an annual basis and indicate whether the University does business with an entity in which a trustee has a material financial interest. When such relationships exist, measures are taken to mitigate any actual or perceived conflict, including requiring that such transactions be conducted at arm's length, for good and sufficient consideration, based on terms that are fair and reasonable to and in the best interest of the University, and in accordance with relevant conflict of interest laws.

FORDHAM UNIVERSITY

Notes to Financial Statements

June 30, 2019 and 2018

(Amounts in thousands)

Effective fiscal year 2016, a member of the Board is also an owner of a corporation from which the University leases facilities. Rental costs incurred total \$2,118 and \$2,048 for the years ended June 30, 2019 and 2018, respectively. In September 2017, the associated lease agreement was extended and now expires in December 2038. There are rental commitments to the corporation totaling \$45,955 at June 30, 2019.

(16) Subsequent Events

In connection with the preparation of the financial statements, the University evaluated subsequent events through October 24, 2019, which was the date the financial statements were issued.

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

Appendix C

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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 A or in the body of this Official Statement.

Construction of the Project

The Institution agrees that, whether or not there are sufficient moneys available to it under the provisions of the Resolution and the Series 2020 Resolution and under the Loan Agreement, the Institution shall complete the acquisition, design, construction, reconstruction, rehabilitation, renovation and improving or otherwise providing and furnishing and equipping of the Project, substantially in accordance with the Contract Documents relating thereto. Subject to the conditions of the Loan Agreement, the Authority will, to the extent of moneys available in the Construction Fund, cause the Institution to be reimbursed for, or pay, any costs and expenses incurred by the Institution which constitute Costs of the Project, provided such costs and expenses are approved by the Authority, which approval shall not be unreasonably withheld or delayed (subject to receipt by the Authority of all required documents and information as set forth in the Loan Agreement).

(Section 5)

Amendment of the Project

(a) The Project may be amended by the Institution, with the prior written consent of the Authority, which consent will not be unreasonably withheld, or delayed (subject to receipt by the Authority of all required documents and information as set forth in the Loan Agreement) to decrease, increase or otherwise modify the scope thereof. Any such increase may provide for the addition of any further acquisition, design, construction, reconstruction, rehabilitation, renovation, improving, or otherwise providing, furnishing and equipping of the Project which the Authority is authorized to undertake.

(b) The Institution shall provide such moneys or an irrevocable letter of credit or other security in such form as may be reasonably acceptable to the Authority as in the reasonable judgment of the Authority may be required for the cost of completing the Project or a portion thereof in accordance with the Contract Documents in excess of the moneys in the Construction Fund established for such Project, whether such moneys, letter of credit or other security are required as a result of an increase in the scope of the Project or otherwise. Such moneys, letter of credit or other security shall be paid or made available to the Trustee for deposit in the Construction Fund within fifteen (15) days after receipt by the Institution of written notice from the Authority that such moneys or other security are required.

(c) The Institution agrees to furnish or cause to be furnished to the Authority copies of all change orders regardless of amount, upon the request of the Authority therefor.

(Section 6)

Financial Obligations

(a) Except to the extent that moneys are available therefor under the Resolution or the Series 2020 Resolution or under the Loan Agreement, including, without limitation, moneys in the Debt Service Fund, and interest accrued but unpaid on investments held in the Debt Service Fund, the Institution unconditionally agrees to pay or cause to be paid, so long as the Bonds are Outstanding, to or upon the order of the Authority, from its general funds or any other moneys legally available to it:

(i) On or before the date of delivery of the Bonds, the Authority Fee as set forth in Schedule B attached to the Loan Agreement;

Appendix C

(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) In the case of Variable Interest Rate Bonds that pay interest more frequently than semi-annually, on or before the tenth (10th) day of each month, an amount equal to the interest coming due on such Variable Interest Rate Bonds on all Interest Payment Dates in the next succeeding month, assuming that such Variable Interest Rate Bonds will, during such next succeeding month, bear interest at the rate borne by such Variable Interest Rate Bonds on the last day of the month immediately preceding the month of payment by the Institution plus one percent (1%) per annum;

(iv) On the tenth (10th) day of each month commencing on the tenth (10th) day of the sixth (6th) month immediately preceding the date on which interest on the Bonds, becomes due, other than Variable Interest Rate Bonds that pay interest more frequently than semi-annually, one-sixth (1/6) of the interest coming due on the Bonds, , on the immediately succeeding interest payment date; **provided, however,** that, if with respect to such Bonds there are more or less than six (6) such payment dates prior to the first interest payment on such Bonds, on each payment date prior to such interest payment date, the Institution shall pay with respect to such Bonds an amount equal to the interest coming due on such Bonds on such interest payment date multiplied by a fraction, the numerator of which is one (1) and the denominator of which is the number of payment dates prior to the first interest payment date on such Bonds;

(v) On the tenth (10th) day of each month commencing on the tenth (10th) day of the July immediately preceding the July 1 on which the principal or a Sinking Fund Installment of Bonds becomes due, one-twelfth (1/12) of the principal and Sinking Fund Installment on the Bonds coming due on such July 1; **provided, however,** that, if with respect to the Bonds there are less than twelve (12) such payment dates prior to the July 1 on which principal or Sinking Fund Installments come due on such Bonds, on each payment date prior to such July 1, the Institution shall pay with respect to such Bonds an amount equal to the principal and Sinking Fund Installments of such Bonds coming due on such July 1 multiplied by a fraction, the numerator of which is one (1) and the denominator of which is the number of payment dates prior to such July 1;

(vi) At least forty-five (45) days with respect to Bonds other than Option Bonds and Variable Interest Rate Bonds, and fifteen (15) days with respect to Option Bonds and Variable Interest Rate Bonds, prior to any date on which the Redemption Price or purchase price of Bonds previously called for redemption or contracted to be purchased is to be paid, the amount required to pay the Redemption Price or purchase price of such Bonds;

(vii) 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);

(viii) Promptly after notice from the Authority, 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 Authority (A) for the Authority Fee then unpaid, (B) to reimburse the Authority for payments made by it pursuant to provisions of the Loan Agreement summarized in paragraph (e) below and any expenses or liabilities incurred by the Authority pursuant to provisions of the Loan Agreement summarized under the headings “**Damage or Condemnation,**” “**Taxes and Assessments**” and “**Arbitrage; Tax Exemption**” below and other provisions of the Loan Agreement relating to indemnity by the Institution, (C) to reimburse the Authority for any external costs or expenses incurred by it attributable to the issuance of the Bonds or the financing or construction of the Project, including but not limited to any fees or other amounts payable by the Authority under a Remarketing Agreement, Credit Facility or Liquidity Facility, if any, (D) for the costs and expenses incurred by the Authority 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, (E) for the fees and expenses of the Trustee and any Paying Agent in connection with performance of their duties under the Resolution, and (F) to pay any Provider Payments then due and unpaid;

(ix) Promptly upon demand by the Authority (a copy of which shall be furnished to the Trustee), all amounts required to be paid by the Institution as a result of an acceleration pursuant to provisions of the Loan Agreement summarized under the heading “**Defaults and Remedies;**”

(x) Promptly upon demand by the Authority, the difference between the amount on deposit in the Arbitrage Rebate Fund available to be rebated in connection with the 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, and any fees or expenses incurred by the Authority in connection therewith including those of any rebate analyst or consultant engaged by the Authority;

(xi) [Reserved];

(xii) Promptly upon demand by the Authority, all amounts required to be paid by the Authority to a counterparty in accordance with an Interest Rate Exchange Agreement or to reimburse the Authority for any amounts paid to a counterparty in accordance with an Interest Rate Exchange Agreement; and

(xiii) To the extent not otherwise set forth in the provisions of the Loan Agreement summarized in this paragraph (a), including without limitation, in the event of any insufficiency, any amounts necessary to pay the principal, Sinking Fund Installment, or Redemption Price, if any, of, and interest on, the Bonds, on the dates, in the amounts, at the times and in the manner provided in or pursuant to the Resolution and the Series 2020 Resolution, whether at maturity, upon acceleration, redemption or otherwise.

Subject to the provisions of the Loan Agreement and of the Resolution or the Series 2020 Resolution, the Institution shall receive a credit against the amount required to be paid by the Institution during a Bond Year pursuant to provisions of the Loan Agreement summarized in paragraph (a)(v) above 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 and maturity to be so redeemed or (ii) the Trustee, at the direction of the Authority, has purchased one or more Bonds and 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 Authority directs the Institution, and the Institution agrees, to make the payments required by provisions of the Loan Agreement summarized in this paragraph (a) as follows: (i) the payments required by paragraphs (a)(iii), (a)(iv), (a)(v), (a)(vi), (a)(ix), and (a)(xiii) directly to the Trustee for deposit and application in accordance with the Resolution and the Bond Series Certificate(s); (ii) the payments required by paragraph (a)(ii) directly to the Trustee for deposit in the Construction Fund or other fund established under the Resolution, as directed by the Authority; (iii) the payments required by paragraphs (a)(x) directly to the Trustee for deposit in the Arbitrage Rebate Fund; and (iv) the payments required by paragraphs (a)(i), (a)(vii), a(viii) and (a)(xii) to or upon the written order of the Authority.

(b) Notwithstanding any provisions in the Loan Agreement or in the Resolution 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 shall be applied in reduction of the Institution’s indebtedness to the Authority 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 provisions of the Resolution summarized in Appendix D under the heading “**Defeasance.**”

Appendix C

Except as otherwise provided in the Resolution, 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.

(c) 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 Authority, 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 Authority or the Trustee; **provided, however**, that nothing in the Loan Agreement shall be construed to release the Authority from the performance of any agreements on its part in the Loan Agreement contained or any of its other duties or obligations, and in the event the Authority shall fail to perform any such agreement, duty or obligation, the Institution may institute such action as it may deem necessary to compel performance or recover damages for non-performance. Notwithstanding the foregoing, the Authority shall have no obligation to perform its obligations under the Loan Agreement to cause advances to be made to reimburse the Institution for, or to pay, the Costs of the Project beyond the extent of moneys in the Construction Fund established for such Project available therefor.

The Loan Agreement and the obligations of the Institution to make payments under the Loan Agreement are general obligations of the Institution.

(d) The Authority, for the convenience of the Institution, shall furnish to the Institution statements of the due date, purpose and amount of payments to be made pursuant to the Loan Agreement. The failure to furnish such statements shall not excuse non-payment of the amounts payable under the Loan Agreement at the time and in the manner provided by the Loan Agreement. The Institution shall notify the Authority as to the amount and date of each payment made to the Trustee by the Institution.

(e) The Authority shall have the right in its sole discretion to make on behalf of the Institution any payment required pursuant to provisions of the Loan Agreement summarized herein which has not been made by the Institution when due. No such payment by the Authority shall limit, impair or otherwise affect the rights of the Authority under provisions of the Loan Agreement summarized under the heading “**Defaults and Remedies**” below arising out of the Institution’s failure to make such payment and no payment by the Authority shall be construed to be a waiver of any such right or of the obligation of the Institution to make such payment.

(f) The Institution, if there is not then an Event of Default under the Loan Agreement, shall have the right to make voluntary payments in any amount to the Trustee. In the event of a voluntary payment, the amount so paid shall be deposited in the Debt Service Fund and applied in accordance with the Resolution or held by the Trustee for the payment of Bonds in accordance with the Resolution. Upon any voluntary payment by the Institution or any payment made pursuant to provisions of the Loan Agreement summarized under the heading “**Sale of the Project**” below, the Authority agrees to direct the Trustee to purchase or redeem Bonds in accordance with the Resolution or to give the Trustee irrevocable instructions in accordance with provisions of the Resolution summarized in Appendix D under the heading “**Defeasance**” with respect to such Bonds; **provided, however**, that in the event such voluntary payment is in the sole judgment of the Authority sufficient to pay all amounts then due under the Loan Agreement and under the Resolution, including the purchase or redemption of all Bonds Outstanding, or to pay or provide for the payment of all Bonds Outstanding in accordance with provisions of the Resolution summarized in Appendix D under the heading “**Defeasance**,” the Authority agrees, in accordance with the instructions of the Institution, to direct the Trustee to purchase or redeem all Bonds Outstanding, or to cause all Bonds Outstanding to be paid or to be deemed paid in accordance with the Resolution.

(g) If the Institution elects to purchase Bonds, with the consent of the Authority, the Institution shall give written notice to the Authority, the Trustee and each Facility Provider, if any, whenever Bonds are to be purchased at the election of the Institution, which written notice shall include the Sub-Series, if applicable, maturity

and principal amount of the Bonds to be so purchased. All such purchases shall be subject to the condition that money for the payment of the purchase price therefore is available on the date set for each such purchase.

(Section 9)

Warranty of Title; Utilities and Access

The Institution warrants, represents and covenants to the Authority that (i) it has good and marketable title to the Project, free and clear of liens and encumbrances, except Permitted Encumbrances, so as to permit it to have quiet enjoyment and use thereof for purposes of the Loan Agreement and the Institution's programs and (ii) the Institution has such rights of way, easements or other rights in land as may be reasonably necessary for ingress and egress to and from the Project for proper operation and utilization of the Project and for utilities required to serve the Project, together with, such rights of way, easements or other rights in, to and over land as may be necessary for construction, use and operation by the Institution of the Project.

The Institution warrants, represents and covenants that from and after the date on which the Authority enters into a bond purchase agreement with one or more underwriters for the purchase and offering of Bonds, the Project (i) is then and will continue to be kept free from any encumbrances, liens or commitments of any kind, other than Permitted Encumbrances, (ii) is and will continue to 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 continue to 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 10)

Additional Representation and Covenants

(a) The Institution warrants and represents that (i) it has the requisite power and authority (A) to authorize, execute and deliver, and to perform its obligations under, the Loan Agreement and the Related Agreements and (B) to incur the indebtedness contemplated by the Loan Agreement and thereby, (ii) the Loan Agreement and the Related Agreements constitute valid and binding obligations of the Institution enforceable in accordance with their terms subject to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting or relating to the rights of creditors generally and general principles of equity, and (iii) the execution and delivery of, consummation of the transaction contemplated by and performance of the Institution's obligations under the Loan Agreement and each of the Related Agreements do not violate, conflict with or constitute a default under the charter or by-laws of the Institution or any indenture, mortgage, trust, or other commitment or agreement to which the Institution is a party or by which it or any of its properties are bound, or any existing law, rule, regulation, judgment, order, writ, injunction or decree of any governmental authority, body, agency or other instrumentality or court having jurisdiction over the Institution or any of its properties.

(b) The Institution covenants not to incur any lien, pledge, charge, encumbrance or security interest in tuition and fees in connection with the incurrence of any indebtedness without granting an equal lien, pledge, charge, encumbrance or security interest as security for the payment of all liabilities and the performance of all obligations of the Institution pursuant to the Loan Agreement.

(Section 12)

Tax-Exempt Status of Institution

The Institution represents that: (i) it is an organization described in Section 501(c)(3) of the Code, or corresponding provisions of prior law, and is not a "private foundation," as such term is defined under Section 509(a) of the Code; (ii) it has received a letter or other notification from the Internal Revenue Service to that effect; (iii) such letter or other notification has not been modified, limited or revoked; (iv) it is in compliance with all terms, conditions and limitations, if any, contained in such letter or other notification; (v) the facts and circumstances which form the basis of such letter or other notification as represented to the Internal Revenue Service continue to exist; and (vi) it is exempt from federal income taxes under Section 501(a) of the Code, except for payment of unrelated business income tax. The Institution agrees that: (a) it shall not perform any act or enter into

Appendix C

any agreement which shall adversely affect such federal income tax status and shall conduct its operations in the manner which will conform to the standards necessary to qualify the Institution as an educational organization within the meaning of Section 501(c)(3) of the Code or any successor provision of federal income tax law; and (b) it shall not perform any act, enter into any agreement or use or permit the Project to be used in a manner, or for any trade or business unrelated to the educational purposes of the Institution, which could adversely affect the exclusion of interest on the Bonds from federal gross income pursuant to Section 103 of the Code.

(Section 13)

Securities Acts Status

The Institution represents that: (i) it is an organization organized and operated (A) exclusively for educational or charitable purposes and (B) not for pecuniary profit; and (ii) no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. The Institution agrees that it shall not perform any act or enter into any agreement which shall adversely affect such status as set forth in provisions of the Loan Agreement summarized herein.

(Section 14)

Maintenance of Corporate Existence

The Institution covenants that it will maintain its corporate existence, will continue to operate as an institution for higher education, will 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 for higher education, providing such programs of instruction as it may from time to time determine, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more corporations to consolidate with or merge into it; **provided, however**, that (a) if no Event of Default shall be continuing, then, upon prior written notice to the Authority and the Trustee, 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 organizations; **provided, further**, that (i) any such sale, transfer, consolidation, merger or acquisition does not in the opinion of counsel satisfactory to the Authority adversely affect the exclusion from federal gross income the interest paid or payable on the Bonds, (ii) 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 (iii) 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, under the Continuing Disclosure Agreement and under the Related Agreements, and furnishes to the Authority (A) a certificate to the effect that upon such sale, transfer, consolidation, merger or acquisition such corporation shall be in compliance with each of the provisions of the Loan Agreement and of the Related Agreements and shall meet the requirements of the Act, and (B) such other certificates and documents as the Authority and the Trustee may reasonably require to establish compliance with provisions of the Loan Agreement summarized herein.

(Section 15)

Environmental Quality Review and Historic Preservation

For the purpose of assisting the Authority in making any findings or determinations which might be required by (i) Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereunder (collectively, "SEQR") or (ii) the New York State Historic Preservation Act of 1980 and the regulations promulgated thereunder (collectively the "Preservation Act"), the Institution agrees to abide by the requirements relating thereto as set forth in the Loan Agreement.

(Section 16)

Use and Possession of the Project

Subject to the rights, duties and remedies of the Authority under the Loan Agreement, the Institution shall have sole and exclusive control and possession of and responsibility for (i) the Project, (ii) the operation of the Project and supervision of the activities conducted therein or in connection with any part thereof and (iii) the maintenance, repair and replacement of the Project; **provided, however**, that, except as otherwise limited by the Loan Agreement, the foregoing shall not prohibit use of the Project by persons other than the Institution or its students, staff or employees in furtherance of the Institution's corporate purposes, if such use will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

(Section 17)

Restrictions on Religious Use

The Institution agrees that with respect to the Project or portion thereof, so long as such Project or portion thereof exists and unless and until such Project or portion thereof is sold for the fair market value thereof, such 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; **provided, further**, that if at any time hereafter, in the opinion of Bond Counsel, the then applicable law would permit the Project or portion thereof to be used without regard to the above stated restriction, said restriction shall not apply to such Project and each portion thereof. The Authority and its agents may conduct such inspections as the Authority deems necessary to determine whether the Project or any portion or real property thereof financed by Bonds is being used for any purpose proscribed by the Loan Agreement. The Institution further agrees that prior to any disposition of any portion of the Project for less than fair market value, it shall execute and record in the appropriate real property records an instrument subjecting, to the satisfaction of the Authority, the use of such portion of such Project to the restriction that (i) so long as such portion of such Project (and, if included in the Project, the real property on or in which such portion of such Project is situated) shall exist and (ii) until such portion of such Project is sold or otherwise transferred to a person who purchases the same for the fair market value thereof at the time of such sale or transfer, such portion of such Project shall not be used for sectarian religious instruction or as a place of religious worship or used in connection with any part of the program of a school or department of divinity of any religious denomination. The instrument containing such restriction shall further provide that such restriction may be enforced at the instance of the Authority or the Attorney General of the State, by a proceeding in any court of competent jurisdiction, by injunction, mandamus or by other appropriate remedy. The instrument containing such restriction shall also provide that if at any time thereafter, in the opinion of Bond Counsel, the then applicable law would permit such portion of the Project, or, if included in the Project, the real property on or in which such portion is situated, to be used without regard to the above stated restriction, then said restriction shall be without any force or effect. For the purposes of the provisions of the Loan Agreement summarized herein an involuntary transfer or disposition of the Project or a portion thereof, upon foreclosure or otherwise, shall be considered a sale for the fair market value thereof.

(Section 18)

Sale of the Project

The Institution covenants that it will not transfer, sell or convey any interest in the Project or any part thereof or interest therein, including development rights, without the prior approval of the Authority, unless (a) in the opinion of Bond Counsel, the same will not adversely affect the exclusion of interest on any Bond from gross income for federal income tax purposes and (b) to the extent required by the Tax Certificate, the Institution pays to the Trustee either for deposit into the Debt Service Fund, or, pursuant provisions of the Resolution summarized in Appendix D under the heading "**Defeasance**," to be set aside or to purchase Defeasance Securities in accordance with the direction of the Authority, an amount equal to the greater of:

(i) the amount, if any, which is sufficient to redeem or provide for payment in accordance with Section 12.01(b) of the Resolution of any Outstanding Bonds required to be redeemed or deemed paid in order to preserve the exclusion of interest on Bonds from gross income for federal income tax purposes; and

Appendix C

(ii) the lesser of (A) the net proceeds of such transfer, sale or conveyance or (B) a percentage of the Outstanding Bonds determined by dividing (1) the principal amount of the Bonds issued to finance the portion of such Project being transferred, sold or conveyed (which principal amount shall be reasonably determined by the Authority) by (2) the aggregate principal amount of Bonds issued.

Notwithstanding the foregoing, the Institution may remove equipment, furniture or fixtures that is part of the Project and was financed with the proceeds of Bonds provided that the Institution substitutes for such equipment, furniture or fixtures additional equipment, furniture or fixtures having a value and utility at least equal to the equipment, furniture or fixtures removed or replaced.

(Section 19)

Maintenance, Repair and Replacement

The Institution agrees that, throughout the term of the Loan Agreement, it 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, reasonable wear and tear expected, and shall from time to time make all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted. The Institution shall give the Authority not less than fifteen (15) days prior written notice of its intention to make a change or alteration that materially alters the scope or nature of the Project or a portion thereof. 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 Bonds provided the Institution substitutes for any such removed or replaced fixtures, furnishings and equipment, additional fixtures, furnishings and equipment having equal or greater value and utility than the fixtures, furnishings and equipment so removed or replaced.

The Institution further agrees that it 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 20)

Covenant as to Insurance

(a) 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.

(b) The Institution shall furnish to the Authority annually (1) a certificate or report of an Insurance Consultant that the insurance coverage maintained by the Institution is adequate and in accordance with the standards above, and (2) any certificates of workers' compensation insurance and disability benefits insurance coverage required by the New York State Workers' Compensation Board.

(c) If the Authority shall so request in writing, the Institution shall provide to the Authority summaries or other evidence of its insurance coverage and shall obtain endorsements reasonably requested by the Authority.

(Section 21)

Damage or Condemnation

In the event of a taking of the Project or any portion thereof by eminent domain or condemnation, or of damage or destruction affecting all or part thereof, any property casualty insurance, condemnation or eminent domain proceeds shall, if in excess of \$250,000 which are not applied to reimburse the Institution for costs incurred

to repair or restore the same, be paid to the Trustee for deposit in the Construction Fund. All proceeds derived from an award for such taking or from property casualty insurance shall be applied as follows:

(i) If within one hundred twenty (120) days (or such longer period as the Authority and the Institution may agree) from the receipt by the Authority of actual notice or knowledge of the occurrence, the Institution and the Authority agree in writing that the property or the affected portion thereof shall be repaired, replaced or restored, the Institution shall proceed to repair, replace or restore the same, or the affected portion thereof, including all fixtures, furniture, equipment and effects, to its original condition insofar as possible with such changes and additions as shall be appropriate to the needs of the Institution and approved in writing by the Authority. The funds required for such repair, replacement or restoration shall be paid, subject to such conditions and limitations as the Authority may impose, from the proceeds of insurance, condemnation or eminent domain awards received by reason of such occurrence and to the extent such proceeds are not sufficient, from funds to be provided by the Institution.

(ii) If no agreement for the repair, restoration or replacement of the property or the affected portion thereof shall have been reached by the Authority and the Institution within such period, the proceeds then held by the Institution shall be paid to the Trustee for deposit in the Debt Service Fund and all respective proceeds then held in the Construction Fund shall be transferred to the Debt Service Fund, whereupon such proceeds shall be applied to the purchase or redemption of Outstanding Bonds.

(Section 22)

Taxes and Assessments

The Institution shall pay when due at its own expense, and hold the Authority harmless from, all taxes, assessments, water and sewer charges and other impositions, if any, which may be levied or assessed upon the Project or any part thereof, and upon all ordinary costs of operating, maintaining, repairing and replacing the Project and its equipment. The Institution shall file exemption certificates as required by law. The Institution agrees to exhibit to the Authority within ten (10) days after written demand by the Authority, 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 good faith contest of such impositions and deposits with the Authority of the full amount such impositions shall be deemed to be complete compliance with the requirements of the Loan Agreement. Notwithstanding the foregoing, the Authority in its sole discretion, after notice in writing to the Institution, may pay any such charges, taxes and assessments if, in the reasonable judgment of the Authority, the Project or any part thereof would be in substantial danger by reason of the Institution's failure to pay such charges, taxes and assessments 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: (a) the interests or security of the Authority under the Loan Agreement or under the Resolution; (b) the ability of the Authority to enforce its rights thereunder; (c) the ability of the Authority to fulfill the terms of any covenants or perform any of its obligations under the Loan Agreement or under the Resolution; or (d) the ability of the Institution to fulfill the terms of any covenants or perform any of its obligations under the Loan Agreement and the Institution agrees to reimburse the Authority for any such payment, with interest thereon from the date payment was made by the Authority at a rate equal to the highest rate of interest payable on any investment held for the Debt Service Fund on the date such payment was made by the Authority.

(Section 23)

Defaults and Remedies

(a) As used in the Loan Agreement the term "Event of Default" shall mean:

(i) the Institution shall (A) default in the timely payment of any amount payable pursuant to the Loan Agreement (other than pursuant to Section 9(a)(xiii) of 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, the Series 2020 Resolution or with the Resolution, and such default continues for a period in excess of seven (7) days or days or (B) default in the timely payment of any amount payable pursuant to Section 9(a)(xiii) of the Loan Agreement; or

Appendix C

(ii) the Institution defaults in the due and punctual performance of any other covenant in the Loan Agreement contained 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 Authority or the Trustee; **provided, however,** that, if in the determination of the Authority 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 Authority 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 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 or (F) take corporate action for the purpose of any of the foregoing; 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 of the Institution shall be suspended or revoked; or

(vii) a petition to dissolve the Institution shall be filed by the Institution with the Board of Regents of the University of the State of New York, the legislature 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 Board of Regents of the University of the State of New York, 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, which in the judgment of the Authority will adversely affect the rights of the Holders of the Bonds 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.

(b) Upon the occurrence of an Event of Default, the Authority 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) direct the Trustee to 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 and in the Authority's sole discretion apply any such proceeds or moneys for such purposes as are authorized by the Resolution;

(iii) withhold any or all further performance under the Loan Agreement;

(iv) 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;

(v) to the extent permitted by law, (A) enter upon the Project and complete the construction thereof in accordance with the plans and specifications with such changes therein as the Authority may deem appropriate and employ watchmen to protect the Project, all at the risk, cost and expense of the Institution, consent to such entry being given by the Institution, (B) at any time discontinue any work commenced in respect of the construction of the Project or change any course of action undertaken by the Institution and not be bound by any limitations or requirements of time whether set forth in the Loan Agreement or otherwise, (C) assume any construction contract made by the Institution in any way relating to the construction of the Project and take over and use all or any part of the labor, materials, supplies and equipment contracted for by the Institution, whether or not previously incorporated into the construction of such Project, and (D) in connection with the construction of the Project undertaken by the Authority pursuant to the provisions of this subparagraph (v), (1) engage builders, contractors, architects, engineers and others for the purpose of furnishing labor, materials and equipment in connection with the construction of such Project, (2) pay, settle or compromise all bills or claims which may become liens against the Project or against any moneys of the Authority applicable to the construction of such Project, or which have been or may be incurred in any manner in connection with completing the construction of the Project or for the discharge of liens, encumbrances or defects in the title to the Project or against any moneys of the Authority applicable to the construction of such Project, and (3) take or refrain from taking such action under the Loan Agreement as the Authority may from time to time determine. The Institution shall be liable to the Authority for all sums paid or incurred for construction of the Project whether the same shall be paid or incurred pursuant to the provisions of this subparagraph (v) or otherwise, and all payments made or liabilities incurred by the Authority under the Loan Agreement of any kind whatsoever shall be paid by the Institution to the Authority upon demand. The Institution irrevocably constitutes and appoints the Authority its true and lawful attorney-in-fact to execute, acknowledge and deliver any instruments and to do and perform any acts in the name and on behalf of the Institution for the purpose of exercising the rights granted to the Authority by this subparagraph (vi) during the term of the Loan Agreement; and

(vi) take any action necessary to enable the Authority to realize on its liens under the Loan Agreement or by law, and 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 Authority are cumulative, non-exclusive and in addition to any and all rights and remedies that the Authority may have or may be given by reason of any law, statute, ordinance or otherwise, and no failure to exercise or delay in exercising any remedy shall effect a waiver of the Authority's right to exercise such remedy thereafter.

Appendix C

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 Authority may annul any declaration made pursuant to provisions of the Loan Agreement summarized in paragraph (b) above and its consequences if such Event of Default shall be cured. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereto.

(Section 27)

Investment of Moneys

The Institution acknowledges that the Authority may in its sole discretion direct the investment of certain moneys held under the Resolution and the Series 2020 Resolution as provided therein and that no representation or warranty has been made by the Authority with respect to interest rates on, or the amount to be earned as a result of, any such investment. Neither the Authority 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, or for any loss, direct or indirect, resulting from any such investment. The Authority 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 29)

Limitation on Agreements

Except as expressly provided in the Loan Agreement or by the Resolution of the Series 2020 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 Authority or the Bondholders hereunder or under the Resolution or the Series 2020 Resolution.

(Section 31)

Arbitrage; Tax Exemption

Each of the Institution and the Authority covenants that it shall take no action, nor shall it approve the Trustee's taking any action or making any investment or use of the proceeds of the Bonds, which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, and any proposed or final regulations thereunder as are applicable to the Bonds at the time of such action, investment or use. Neither the Institution nor any "related person" (as such term is defined for purposes of Section 148 of the Code) shall purchase Bonds other than for delivery to and cancellation by the Trustee, unless the Trustee shall receive an opinion of Bond Counsel to the effect that the purchase by the Institution or by a related person of Bonds will not cause interest on the Bonds to be included in the gross income of the owners of such Bonds for purposes of federal income taxation.

The Institution covenants that it will not take any action or fail to take any action which would cause any representation or warranty of the Institution contained in the Tax Certificate then to be untrue and shall comply with all covenants and agreements of the Institution contained in the Tax Certificate, in each case to the extent required by and otherwise in compliance with such Tax Certificate, unless, in the opinion of Bond Counsel, taking or failing to take such action or failing to comply with its obligations under such Tax Certificate would not adversely effect the exclusion of interest on the Bonds from gross income for federal tax purposes.

The Authority has undertaken full responsibility for performing rebate calculations that may be required from time to time with respect to the Bonds. Upon request, the Institution covenants that it will provide such information not in Authority's possession as the Authority deems necessary to calculate the yield on the Bonds and to comply with the arbitrage and rebate requirements of the Code, and any other information as may be necessary to prepare the rebate calculation to the Authority or an entity which the Authority has designated no less than once a year measured from the date of issuance of the Bonds. The Institution shall be obligated to pay the costs in connection therewith in accordance with the Loan Agreement. The Authority shall retain in its possession, so long as required by the Code, copies of all documents, reports and computations made by it in connection with the calculation of excess earnings and the rebate of all or a portion thereof to the Department of the Treasury of the United States of America, which shall be subject at all reasonable times to the inspection of the Institution and its

agents and representatives, any of whom may make copies thereof. Upon written request from the Institution, the Authority shall as soon as practicable provide the Institution with a copy of such documents, reports and computations.

(Section 32)

Limitation on Authority Rights

As long as no Event of Default has occurred and is continuing, and no event has occurred that, with the giving of notice or lapse of time, or both, would constitute an Event of Default, the Authority will not, without the prior written consent of the Institution, (i) change the dates on which an Option Bond is to be tendered for purchase or the period during which a Variable Interest Rate Bond is to bear interest at a particular rate, (ii) convert a Variable Interest Rate Bond to bear interest at a fixed rate to its maturity, (iii) seek the removal or resignation of a Remarketing Agent or appoint a successor Remarketing Agent, (iv) amend or modify the dates on or Redemption Price at which a Variable Interest Rate Bond after its conversion to bear interest at a fixed rate to the maturity date thereof may be redeemed at the election or direction of the Authority in accordance with Section 4.02 of the Resolution or (v) remarket at a price other than par any Option Bond tendered or deemed to have been tendered for purchase. The Institution may, at any time no Event of Default, or an event that, with the giving of notice or lapse of time, or both, would constitute an Event of Default, has occurred and is continuing, request the Authority to take such action as may be required by the Resolution, the Series 2020 Resolution or the Bond Series Certificate(s) to change the dates on which Option Bonds are to be tendered for purchase or the period during which Variable Interest Rate Bonds shall bear interest at a particular rate or to convert Variable Interest Rate Bonds to bear interest at a fixed rate to their maturity.

(Section 33)

Certificate as to Representations and Warranties

The obligations of the Authority under the Loan Agreement and the delivery of the Bonds are conditioned upon the receipt by the Authority at or prior to delivery of the Bonds of a certificate of an Authorized Officer of the Institution acceptable to the Authority to the effect that the representations and warranties contained in the Loan Agreement are true and correct and in full force and effect on and as of the date of delivery of the Bonds as if made on the date of delivery of the Bonds.

(Section 36)

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, the 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 hereafter become bound to pledge, assign or grant to the Authority pursuant to the Loan Agreement.

(Section 39)

Amendments to Loan Agreement

The Loan Agreement may be amended only in accordance with Section 7.11 of the Resolution and the Bond Series Certificate and each amendment shall be made by an instrument in writing signed by the Institution and the Authority, an executed counterpart of which shall be filed with the Trustee.

(Section 40)

Termination

The Loan Agreement shall remain in full force and effect until no Bonds are Outstanding and until all other payments, expenses and fees payable under the Loan Agreement by the Institution shall have been made or

Appendix C

provision made for the payment thereof; **provided, however**, that the liabilities and the obligations of the Institution to provide reimbursement for or indemnification against expenses, costs or liabilities made or incurred pursuant to provisions of the Loan Agreement in connection with taxes and assessments or indemnity by the institution or relating to the prompt payment of arbitrage rebate shall nevertheless survive any such termination. Upon such termination, the Authority shall promptly deliver such documents as may be reasonably requested by the Institution to evidence such termination and the discharge of the Institution's duties under the Loan Agreement, including the release or surrender of any security interests granted by the Institution to the Authority pursuant to the Loan Agreement.

(Section 42)

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS

Appendix D

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SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS

The following is a brief summary of certain provisions of the Resolution and the Series 2020 Resolution (collectively, the “Resolutions”). This summary does not purport to be complete and reference is made to the Resolutions for full and complete statements of such and all provisions. The headings below are not part of the Resolutions but have been added for ease of reference only. Defined terms used herein shall have the meanings ascribed to them in Appendix A or in the body of this Official Statement.

Resolution and Bonds Constitute a Contract

It is the intent of the Resolution to authorize the issuance by the Authority, from time to time, of its Fordham University Revenue Bonds in one or more Series, each such Series to be authorized by a separate Series Resolution and, inter alia, to be separately secured from each other Series of Bonds. Each such Series of Bonds shall be separate and apart from any other Series of Bonds authorized by a different Series Resolution and the Holders of Bonds of such Series shall not be entitled to the rights and benefits conferred upon the Holders of Bonds of any other Series of Bonds by the respective Series Resolution authorizing such Series of Bonds. With respect to each Series of Bonds, in consideration of the purchase and acceptance of any and all of the Bonds of a Series 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 and such Series Resolution shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Holders from time to time of the Bonds of a Series, and the pledge and assignment made in the Resolution and the covenants and agreements set forth to be performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the Holders of any and all of the Bonds of such Series, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any Bonds of such Series over any other Bonds of such Series except as expressly provided in the Resolution or permitted by the Resolution or by a Series Resolution.

(Section 1.03)

Assignment of Certain Rights and Remedies to the Trustee

With respect to each Series of Bonds, as security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Outstanding Bonds of such Series and for the performance of each other obligation of the Authority under the Resolution and under a Series Resolution, the Authority may, and upon the happening of an Event of Default under the Resolution, shall, grant, pledge and assign to the Trustee all of the Authority’s estate, right, title, interest and claim in, to and under the applicable Loan Agreement or the applicable Mortgage, together with all rights, powers, security interests, privileges, options and other benefits of the Authority under such Loan Agreement or Mortgage, 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 Authority under such Loan Agreement or Mortgage, and the right to make all waivers and agreements in the name and on behalf of the Authority, as Trustee for the benefit of the Holders of a Series of Bonds, and to perform all other necessary and appropriate acts under such Loan Agreement or Mortgage, including but not limited to the right to declare the indebtedness under such Loan Agreement immediately due and payable and to foreclose, sell or otherwise realize upon the applicable Pledged Revenues or the Mortgage, subject to the following conditions, that (i) the Holders of such Bonds, if any, shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions thereof to be performed by the Authority and (ii) unless and until the Trustee is assigned the applicable Loan Agreement and Mortgage, the Trustee shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions contained in such Loan Agreement and Mortgage to be performed by the Authority (except to the extent of actions undertaken by the Trustee in the course of its performance of any such covenant or provision), (iii) with respect to a Mortgage granted by the Institution to the Authority in connection with a Series of Bonds, any grant, pledge and assignment to the Trustee of the Authority’s estate, right, title, interest and claim, in, to and under such Mortgage shall secure only the payment of the principal and Redemption Price of and interest on the Outstanding Bonds of such Series. Until such election is made, the Authority shall remain liable to observe and perform all the conditions and covenants, in the applicable Loan Agreement and Mortgage provided to be observed and performed by it. Upon any such grant, pledge or assignment contemplated by the Resolution, the Authority may retain the right to (i) the payment of any fees, costs and expenses of the Authority payable pursuant to the applicable Loan Agreement,

Appendix D

(ii) the indemnities provided thereby and payments made pursuant to such indemnities and (iii) the exercise of any right or remedy available under the applicable Loan Agreement or any applicable Mortgage for the enforcement of the obligations of the Institution to which the Authority has retained such right.

Any grant, pledge or assignment made pursuant to these provisions of the Resolution shall be made by instruments in form and substance reasonably satisfactory to the Trustee executed and delivered by the Authority within thirty (30) days after written notice of the Authority's election to make such grant, pledge or assignment.

If an Event of Default under the Resolution has been cured and is no longer continuing, the Trustee, as soon as practicable after the written request of the Authority, shall re-grant and re-assign to the Authority, and release from any pledge made by the Authority pursuant to the Resolution as summarized herein, all of the Authority's estate, right, title, interest and claim in, to and under the Loan Agreement and the Mortgage, together with all rights, powers, security interests, privileges, options and other benefits of the Authority thereunder, theretofore granted, pledged or assigned to the Trustee pursuant to the Resolution. The Trustee shall execute such instruments as the Authority may reasonably require to effect or evidence such re-grant, re-assignment or release.

(Section 1.04)

Authorization and Issuance of Bonds

Additional Obligations

The Authority 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 Authority, so long as such bonds, notes or other obligations are not, or such other indebtedness is not, except as provided in the Resolution, entitled to a charge, lien or right prior or equal to the charge or lien created by the Resolution and pursuant to a Series Resolution, or prior or equal to the rights of the Authority and Holders of Bonds of a Series.

(Section 2.05)

Redemption of Bonds

Authorization of Redemption

Bonds of a Series subject to redemption prior to maturity pursuant to the Resolution or to a Series Resolution or a Bond Series Certificate 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 Bond Series Certificate.

(Section 4.01)

Redemption at the Election or Direction of the Authority

In the case of any redemption of Bonds of a Series other than as summarized in the following paragraph, the Authority shall give to the Trustee and each applicable Facility Provider written notice of its election or direction to redeem, of the Series and of the principal amounts of the Bonds of each maturity of such Series and Sub-Series to be redeemed. The Series, Sub-Series, maturities and principal amounts thereof to be redeemed at the election or direction of the Authority shall be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in the Resolution or in the Series Resolution authorizing such Series or the applicable Bond Series Certificate. Such notice shall be given to the Trustee and each applicable Facility Provider 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 with respect to Bonds to be redeemed pursuant to provisions of the Resolution summarized herein unless prior to the date such notice is to be given the Authority shall have paid or caused to be paid to the Trustee an amount which, in addition to other amounts available therefor held by the

Trustee, is 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 of such Series to be so redeemed.

(Section 4.02)

Redemption Other Than at Authority's Election or Direction

Whenever by the terms of the Resolution the Trustee is required to redeem Bonds of a Series through the application of mandatory Sinking Fund Installments, the Trustee shall select the Bonds of such Series, Sub-Series and maturities to be redeemed in the manner summarized in the following paragraph, give the notice of redemption and pay out of moneys available therefor the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, to the appropriate Paying Agents in accordance with the terms of the Resolution.

(Section 4.03)

Selection of Bonds to Be Redeemed

Unless otherwise provided in the Series Resolution authorizing the issuance of a Series of Bonds or the Bond Series Certificate relating to such Bonds, in the event of redemption of less than all of the Outstanding Bonds of like Series, Sub-Series, maturity and tenor, the Trustee shall assign to each Outstanding Bond of the Series, Sub-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 such 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 provisions of the Resolution summarized herein) which end in the same digit or in the same two digits. In 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.

For purposes of the Resolution as summarized herein, the lowest denomination in which a Capital Appreciation Bond is authorized to be issued shall be the lowest Accreted Value authorized to be due at maturity on such Bonds and the lowest denomination in which a Deferred Income Bond is authorized to be issued shall be the lowest Appreciated Value on the Interest Commencement Date authorized for such Bonds.

(Section 4.04)

Notice of Redemption

Whenever Bonds of a Series are to be redeemed, the Trustee shall give notice of the redemption of such Bonds in the name of the Authority which notice shall specify: (i) the Bonds to be redeemed which shall be identified by the designation of the Bonds given 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) of each such Bond, the principal amount thereof to be redeemed; (vi) the date of publication, if any, of the notice of redemption; (vii) that 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; (viii) 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 (ix) if the Authority's obligation to

Appendix D

redeem the Bonds is subject to one or more conditions, a statement to that effect that describes the conditions to such redemption.

Any notice of redemption, other than a notice for special or extraordinary redemption provided for in a Series Resolution or Bond Series Certificate, may state that the redemption is conditioned upon receipt by the Trustee, on or prior to the redemption date, of moneys sufficient to pay the Redemption Price of the Bonds to be redeemed, and that if such moneys are not received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed.

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. Such notice shall be given by mailing a copy of such notice not less than thirty (30) 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 Bond Series Certificate relating thereto, but in no event less than fifteen (15) days prior to the redemption date. Such notice shall be sent by first class mail, postage prepaid, to the registered owners of the Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than ten (10) Business Days prior to the date such notice is given. Upon giving such notice the Trustee shall promptly certify to the Authority 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 of a Series to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of such Bonds. If directed in writing by an Authorized Officer of the Authority, the Trustee shall also give such notice by publication thereof once in an Authorized Newspaper, such publication to be not less than thirty (30) 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 Bond Series Certificate relating thereto, but in no event less than fifteen (15) days prior to the redemption date; **provided, however**, that such publication shall not be a condition precedent to such redemption, and failure to so publish any such notice or a defect in such notice or in the publication thereof shall not affect the validity of the proceedings for the redemption of the Bonds.

In addition, unless otherwise provided for in a Series Resolution with respect to a Series of Bonds, the Trustee shall (i) if any of the Bonds to be redeemed are Book Entry Bonds, mail a copy of the notice of redemption to the Depository for such Book Entry Bonds not less than thirty-five (35) days prior to the redemption date, but, if notice of redemption is to be published as aforesaid, in no event later than five (5) Business Days prior to the date of publication, and (ii) mail a copy of the notice of redemption to Kenny Information Systems Notification Service and to Standard & Poor's Called Bond Record, in each case at the most recent address therefor. Such copies shall be sent by certified mail, return receipt requested, but mailing such copies shall not be a condition precedent to such redemption and failure to so mail or of a person to which such copies were mailed to receive such copy shall not affect the validity of the proceedings for the redemption of the Bonds.

(Section 4.05)

Payment of Redeemed Bonds

Notice having been given by mail in the manner provided in the Resolution, the Bonds of a Series 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, Sub-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 Bond is surrendered to the Trustee, directed in writing the Trustee to wire such Redemption Price. If there shall be drawn for redemption less than all of the principal amount of a registered Bond of a Series, the

Authority 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 such registered Bond so surrendered, Bonds of like Series, Sub-Series, maturity and tenor in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all Bonds of a Series or portions thereof of any like Series, Sub-Series, maturity and tenor to be redeemed, together with interest accrued and unpaid thereon to the redemption date, shall be held by the Trustee and Paying Agents so as to be available therefor on such date and if notice of redemption shall have been mailed as aforesaid, then, from and after the redemption date, interest on such 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 such moneys 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 4.06)

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 Authority, the Trustee, and each applicable Facility Provider, the Trustee shall select the particular Bonds of such Series and maturity to be so purchased in the same manner as provided in 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 Bond Series Certificate 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 Authority. All such purchases may be subject to conditions 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 Bond Series Certificate 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 4.07)

Pledge of Revenues; Funds and Accounts; Revenues and Application Thereof

Pledge of Revenues

The proceeds from the sale of a Series of Bonds, the applicable Revenues, the Authority's security interest in the applicable Pledged Revenues and, except as otherwise provided in the Resolution, all funds and accounts established by the Resolution, other than the Arbitrage Rebate Fund, are pursuant to the Resolution, subject to the adoption of a Series Resolution, pledged and assigned by the Resolution to the Trustee as security for the payment of the principal and Redemption Price of and interest on such Series of Bonds, all in accordance with the provisions of the Resolution and thereof. The pledge made by the Resolution shall relate only to the Bonds of a Series authorized by such Series Resolution and no other Series of Bonds and such pledge shall not secure any such other Series of Bonds. The pledge made by the Resolution is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of a Series of Bonds, the applicable Revenues, the Authority's security interest in the applicable Pledged Revenues and all funds and accounts established by the Resolution and by a Series Resolution which are pledged by the Resolution 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 Authority irrespective of whether such

Appendix D

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 Authority payable solely from and secured by a pledge of the proceeds from the sale of such Series of Bonds, the applicable Revenues, the Authority's security interest in the applicable Pledged Revenues and the funds and accounts established by the Resolution and pursuant to a Series Resolution and which are pledged by the Resolution as provided in the Resolution, which pledge shall constitute a first lien thereon, subject only to the applicable Prior Pledges.

(Section 5.01)

Establishment of Funds and Accounts

Unless otherwise provided by a Series Resolution, the following funds are authorized to be established and shall be held and maintained for each Series of Bonds by the Trustee separate and apart from any other funds established and maintained pursuant to any other Series Resolution:

Construction Fund;

Debt Service Fund; and

Arbitrage Rebate Fund.

Accounts and subaccounts within each of the foregoing funds may from time to time be established in accordance with a Series Resolution, a Bond Series Certificate or upon the direction of the Authority. All moneys at any time deposited in any fund, account or subaccount created and pledged by the Resolution or by a Series Resolution or required thereby to be created shall be held in trust for the benefit of the Holders of Bonds of a Series, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided in the Resolution, unless otherwise provided in the applicable Series Resolution; provided, however, that 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 Bond Series Certificate 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 or Redemption Price of such Option Bonds; provided further, that any Debt Service Reserve Fund established by or pursuant to a Series Resolution, the amounts held therein and amounts derived from any Reserve Fund Facility related thereto, shall not be held in trust for the benefit of the Holders of Bonds other than the Bonds of the Series secured thereby as provided in such Series Resolution and are pledged solely thereto and no Holder of the Bonds of any other Series shall have any right or interest therein.

(Section 5.02)

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 the amount required to be deposited therein pursuant to the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series. In addition, the Authority shall pay over to the Trustee and the Trustee shall deposit in the Construction Fund any moneys paid to the Authority pursuant to provisions of the Resolution summarized under the heading **"Deposit of Certain Moneys in the Construction Fund"** below. The Trustee shall also deposit in the Construction Fund all amounts paid to it by the Institution which by the terms of the Loan Agreement are required to be deposited therein.

(a) Except as otherwise provided in the Resolution and in any applicable Series Resolution or Bond Series Certificate, moneys deposited in the Construction Fund shall be used only to pay the Costs of Issuance and the Costs of the Project with respect to such Series of Bonds. For purposes of internal accounting, the Construction Fund may contain one or more further subaccounts, as the Authority or the Trustee may deem proper.

(b) 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 Authority stating the names of the payees, the purpose of each payment in terms sufficient for identification, and the respective amounts of each such payment. Payments for Costs of each 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 Authority, substantiated by a certificate filed with the Authority in accordance with a Loan Agreement naming the Project in connection with which payment is to be made and describing in reasonable detail the purpose for which moneys were used and the amount thereof, and further stating that such purpose constitutes a necessary part of the Costs of such Project, except that payments to pay interest on Bonds of a Series shall be made by the Trustee upon receipt of, and in accordance with, the direction of an Authorized Officer of the Authority directing the Trustee to transfer such amount from the Construction Fund to the Debt Service Fund.

(c) Any proceeds of insurance, condemnation or eminent domain awards received by the Trustee, the Authority or the Institution with respect to a Project shall be deposited in the Construction Fund and, if necessary, such fund may be re-established for such purpose.

(d) A Project shall be deemed to be complete upon delivery to the Authority and the Trustee of a certificate signed by an Authorized Officer of the Institution, which certificate shall be delivered as soon as practicable after the date of completion of such Project, or upon delivery to the Institution and the Trustee of a certificate signed by an Authorized Officer of the Authority which certificate may be delivered at any time after completion of such Project. Each such certificate shall state that such Project has been completed substantially in accordance with the plans and specifications, if any, applicable to such Project and that such Project is ready for occupancy or use, and, in the case of a certificate of an Authorized Officer of the Institution, shall specify the date of completion.

Upon receipt by the Trustee of a certificate relating to the completion of a Project, the moneys, if any, then remaining in the Construction Fund relating to such Project, after making provision in accordance with the direction of an Authorized Officer of the Authority for the payment of any Costs of Issuance and Costs of the Project in connection with such Project which are 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 Authority, to the Arbitrage Rebate Fund, the amount set forth in such direction;

Second: To the Debt Service Reserve Fund, if any, such amount as shall be necessary to make the amount on deposit in such fund equal to the applicable Debt Service Reserve Fund Requirement, if any; and

Third: To the Debt Service Fund, to be applied in accordance with the Resolution, any balance remaining.

(Section 5.04)

Deposit of Revenues and Allocation Thereof

The Revenues and any other moneys, which, by any of the provisions of a Loan Agreement, are required to be paid to the Trustee, shall upon receipt thereof be deposited or paid by the Trustee as follows and in the following order of priority:

First: To the Debt Service Fund (i) in the case of Revenues received during the period from the beginning of each Bond Year until December 31 thereof, the amount, if any, necessary to make the amount in the Debt Service Fund equal to (a) the interest on Outstanding Bonds of a Series payable on or prior to the next succeeding January 1, including the interest estimated by the Authority to be payable on any Variable Interest Rate Bond of a Series on and prior to the next succeeding January 1, assuming that such Variable Interest Rate Bond will bear interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds then bear interest, plus one percent (1%) per annum, (b) the Sinking Fund Installments

Appendix D

of Outstanding Option Bonds of a Series and Variable Interest Rate Bonds of a Series payable on or prior to the next succeeding January 1 and (c) the purchase price or Redemption Price of Outstanding Bonds theretofore contracted to be purchased or called for redemption pursuant to the provisions of the Resolution summarized under the heading section entitled “**Debt Service Fund**” in this Appendix D, plus accrued interest thereon to the date of purchase or redemption; and (ii) in the case of Revenues received thereafter and until the end of such Bond Year, the amount, if any, necessary to make the amount in the Debt Service Fund equal to (a) the interest on and the principal and Sinking Fund Installments of Outstanding Bonds of a Series payable on and prior to the next succeeding July 1, including the interest estimated by the Authority to be payable on any Variable Interest Rate Bond on and prior to the next succeeding July 1, assuming that such Variable Interest Rate Bond will bear interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds then bear interest, plus one percent (1%) per annum and (b) the purchase price or Redemption Price of Outstanding Bonds of a Series theretofore contracted to be purchased or called for redemption pursuant to the provisions of the Resolution summarized under the heading section entitled “**Debt Service Fund**” in this Appendix D, plus accrued interest thereon to the date of purchase or redemption;

Second: To reimburse each Facility Provider for Provider Payments which are then unpaid the respective Provider Payments and to replenish each Debt Service Reserve Fund to its respective Debt Service Reserve Fund Requirement, pro rata, in proportion to the amount the respective Provider Payments then unpaid to each Facility Provider and the amount of the deficiency in each Debt Service Reserve Fund bears to the aggregate amount of Provider Payments then unpaid and deficiencies in the respective Debt Service Reserve Funds;

Third: Upon the direction of an Authorized Officer of the Authority, to the Arbitrage Rebate Fund the amount set forth in such direction;

Fourth: To the Authority, unless otherwise paid, such amounts as are payable to the Authority relating to such Series for: (i) any expenditures of the Authority for fees and expenses of auditing, and fees and expenses of the Trustee and Paying Agents, all as required hereby, (ii) all other expenditures reasonably and necessarily incurred by the Authority in connection with the financing of a Project, including expenses incurred by the Authority to compel full and punctual performance of all the provisions of the Loan Agreement or any Mortgage in accordance with the terms thereof, and (iii) any fees of the Authority; but only upon receipt by the Trustee of a certificate signed by an Authorized Officer of the Authority, stating in reasonable detail the amounts payable to the Authority pursuant to this paragraph Fourth.

The Trustee shall, promptly after making the above required payments, notify the Authority and the Institution of any balance of Revenues remaining on the immediately succeeding July 1. After making the above required payments, the balance, if any, of the Revenues then remaining shall, upon the direction of an Authorized Officer of the Authority, be paid by the Trustee to the Construction Fund or the Debt Service Fund, or paid to the Institution, in the respective amounts set forth in such direction, free and clear of any pledge, lien, encumbrance or security interest created by the Resolution.

(Section 5.05)

Debt Service Fund

(a) The Trustee shall on or before the Business Day preceding each interest payment date pay to itself and any other Paying Agent out of the Debt Service Fund:

(i) the interest due and payable on all Outstanding Bonds of a Series on such interest payment date;

(ii) the principal amount due and payable on all Outstanding Bonds of a Series on such interest payment date; and

(iii) the Sinking Fund Installments, if any, due and payable on all Outstanding Bonds of a Series on such interest payment date.

The amounts paid out pursuant to the provisions of the Resolution summarized herein shall be irrevocably pledged to and applied to such payments.

(b) Notwithstanding the provisions of the Resolution summarized in paragraph (a) above, the Authority may, at any time subsequent to the first day of July 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 moneys on deposit in the Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds of a Series to be redeemed from such Sinking Fund Installment. Any Term Bond so purchased and any Term Bond purchased by the Institution and delivered to the Trustee in accordance with a Loan Agreement shall be canceled upon receipt thereof by the Trustee and evidence of such cancellation shall be given to the Authority. 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.

(c) Moneys in the Debt Service Fund in excess of the amount required to pay the principal and Sinking Fund Installments of Outstanding Bonds of a Series payable on and prior to the next succeeding July 1, the interest on Outstanding Bonds of a Series payable on and prior to the earlier of the next succeeding January 1 or July 1, assuming that a Variable Interest Rate Bond will bear interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds then bear interest, plus one percent (1%) per annum, and the purchase price or Redemption Price of Outstanding Bonds of a Series theretofore contracted to be purchased or called for redemption, plus accrued interest thereon to the date of purchase or redemption, shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority to the purchase of Outstanding Bonds of a Series at purchase prices not exceeding the Redemption Price applicable on the next interest payment date on which such Bonds are redeemable, plus accrued and unpaid interest to such date, at such times, at such purchase prices and in such manner as an Authorized Officer of the Authority shall direct. If sixty (60) days prior to the end of a Bond Year an excess, calculated as aforesaid, exists in the Debt Service Fund, such moneys shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority given pursuant to the Resolution to the redemption of Bonds of a Series as provided in the redemption provisions of the Resolution, at the Redemption Prices specified in the Series Resolution authorizing the issuance of the Bonds to be redeemed or the Bond Series Certificate relating to such Bonds.

(Section 5.06)

Arbitrage Rebate Fund

The Trustee shall deposit to the Arbitrage Rebate Fund any moneys 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 Authority, moneys 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.

Moneys on deposit in the Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority to make payments to the Department of the Treasury of the United States of America at such times and in such amounts as the Authority shall determine to be required by the Code to be rebated to the Department of the Treasury of the United States of America. Moneys which an Authorized Officer of the Authority determines to be 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 such Authorized Officer.

The Authority shall periodically determine 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 a Series of Bonds and 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 Arbitrage Rebate Fund such amount as the Authority shall have determined to be necessary in order to enable it to comply with its obligation to rebate moneys to the Department of the Treasury of the United States of America

Appendix D

with respect to such Series of Bonds and (ii) if and to the extent required by the Code, pay out of the 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 5.07)

Application of Moneys in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Resolution, if at any time (i) the amounts held in the Debt Service Fund and the Debt Service Reserve Fund, if applicable, are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of a 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, (ii) the amounts held in the Debt Service Reserve Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of the Series secured thereby and the interest accrued and unpaid and to accrue on such Bonds to the next date on which such Bonds may be redeemed or (iii) in either case, to make provision pursuant to the defeasance provisions of the Resolution for the payment of such Outstanding Bonds at the maturity or redemption dates thereof, the Trustee shall so notify the Authority and the Institution. Upon receipt of such notice, the Authority may (i) direct the Trustee to redeem all such Outstanding Bonds of a Series, whereupon the Trustee shall proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds by the Resolution and by a Series Resolution as provided in the redemption provisions of the Resolution, or (ii) give the Trustee irrevocable instructions in accordance with the defeasance provisions of the Resolution and make provision for the payment of such Outstanding Bonds at the maturity or redemption dates thereof in accordance with such instruction.

(Section 5.08)

Transfer of Investments

Whenever moneys in any fund or account established under the Resolution or under a Series Resolution are 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 moneys, 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 5.09)

Security for Deposits and Investment of Funds

Security for Deposits

All money held under the Resolution by the Trustee shall be continuously and fully secured, for the benefit of the Authority and the Holders of a Series of Bonds, by direct obligations of the United States of America or obligations the principal of and interest on which are guaranteed by the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; **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 or any Paying Agent to give security for the deposit of any money with them pursuant to the debt service fund provisions or the defeasance provisions of the Resolution and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on a Series of 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.

(Section 6.01)

Investment of Funds and Accounts

(a) 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 Authority given or confirmed in writing, signed by an Authorized Officer of the Authority (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 Authority reasonably believes such money will be required for the purposes of the Resolution.

(b) In lieu of the investments of money in obligations summarized in paragraph (a) above, the Trustee shall, to the extent permitted by law, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority, invest money in the Construction 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 Authority 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 Authority, and (z) the Permitted Collateral shall be free and clear of claims of any other person.

(c) 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.

(d) 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.

(e) Notwithstanding anything to the contrary in the Resolution, the Authority, 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 in provisions of the Resolution summarized herein. Except as otherwise 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 Authority 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 provisions summarized in paragraphs (a), (b) and (c) above. 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.

(f) No part of the proceeds of a Series of Bonds or any other funds of the Authority shall be used directly or indirectly to acquire any securities or investments the acquisition of which would cause any Bond of a Series to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

(Section 6.02)

Particular Covenants

Payment of Principal and Interest

The Authority 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 date and at the places and in the manner provided in such Bonds according to the true intent and meaning thereof.

(Section 7.01)

Appendix D

Further Assurance

The Authority, 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 Series Resolution created or made or intended to be created or made, or which the Authority may hereafter become bound to pledge or assign.

(Section 7.04)

Accounts and Audits

The Authority shall keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Authority, shall be subject to the inspection of the Institution, the Trustee 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 Authority, to each Facility Provider and to the Institution. Such report shall include at least: a statement of all funds (including investments thereof) held by such Trustee and the Authority 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 Authority's 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 7.05)

Creation of Liens

Except as permitted by the Resolution or by a Series Resolution the Authority shall not create, cause to be created or suffer or permit the creation of any lien or charge prior or equal to that of the Bonds of a Series on the proceeds from the sale of such Bonds, the Revenues pledged for such Series of Bonds, the Pledged Revenues or the funds and accounts established by the Resolution or by a Series Resolution which are pledged by the Resolution; **provided, however**, that nothing contained in the Resolution shall prevent the Authority from (i) issuing bonds, notes or other obligations under another and separate resolution or otherwise incur indebtedness so long as the charge or lien created by such resolution is not prior or equal to the charge or lien created by the Resolution, and (ii) incurring obligations with respect to a Credit Facility or a Liquidity Facility which are secured by a lien upon and pledge of the applicable Revenues and the Authority's security interest in the applicable Pledged Revenues of equal priority with the lien created and the pledge made by the Resolution and by the applicable Series Resolution.

(Section 7.06)

Enforcement of Duties and Obligations of the Institution

The Authority shall take all legally available action to cause the Institution to perform fully all duties and acts and comply fully with the covenants of the Institution required by the Loan Agreement in the manner and at the times provided in the Loan Agreement; **provided, however**, that the Authority may (i) delay or defer enforcement of one or more provisions of such Loan Agreement (other than provisions requiring the payment of moneys or the delivery of securities to the Trustee for deposit to any fund or account established under the Resolution) if the Authority determines such delay or deferment will not materially adversely affect the interests of the Holders of the Bonds of a Series and (ii) at any time prior to the occurrence of an Event of Default under the Resolution, annul any declaration that the indebtedness under such Loan Agreement is immediately due and payable and, if prior to the entry of a final judgment or decree in any action or proceeding instituted on account of an "Event of Default" under such Loan Agreement, discontinue such action or proceeding if the Institution shall have cured each "Event of Default" under such Loan Agreement.

(Section 7.07)

Deposit of Certain Moneys in the Construction Fund

In addition to the proceeds of a Series of Bonds to be deposited in the Construction Fund, any moneys paid to the Authority for the acquisition, construction, reconstruction, renovation or equipment of a Project, including the proceeds of an insurance or condemnation award to be so applied, shall be deposited in the Construction Fund.

(Section 7.08)

Offices for Payment and Registration of Bonds

The Authority shall at all times maintain an office or agency in the State where Bonds of a Series may be presented for payment. The Authority may, pursuant to a Supplemental Resolution or a Series Resolution or pursuant to a resolution adopted in accordance with the Resolution, designate an additional Paying Agent or Paying Agents where Bonds of a Series authorized thereby or referred to therein may be presented for payment. The Authority shall at all times maintain an office or agency in the State where Bonds of a Series may be presented for 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 such Bonds. The provisions of the Resolution summarized in this paragraph shall be subject to the provisions of the Resolution relating to place and medium of payment.

(Section 7.09)

Amendment of Loan Agreement

A Loan Agreement may not be amended, changed, modified, altered or terminated nor may any provision thereof be waived if any such amendment, change, modification, alteration, termination or waiver would adversely affect the interest of the Holders of Outstanding Bonds of the applicable Series in any material respect unless consented to in writing by the Holders of at least a majority in aggregate principal amount of the Bonds of such Series then Outstanding; provided, however, that no such amendment, change, modification, alteration, or termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds of a Series the consent of the Holders of which is a requirement for any such amendment, change, modification, alteration or termination, or decrease the amount of any payment required to be made by the Institution under the Loan Agreement that is to be deposited with the Trustee or extend the time of payment thereof. Any consent given pursuant to the paragraph summarized herein by the Holders of Bonds shall, except as otherwise provided in the paragraph summarized herein, be given in the same manner required by the portion of the Resolution addressing amendments of the Resolution.

A Loan Agreement may be amended, changed, modified or altered (i) to make changes necessary or appropriate in connection with the acquisition, construction, reconstruction, rehabilitation and improvement, or otherwise providing, furnishing and equipping of any facilities constituting a part of any Project or to otherwise amend the Project or (ii) with the 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. Except as otherwise provided in the paragraph summarized herein, the Loan Agreement may be amended, changed, modified or altered without the consent of the Holders of Outstanding Bonds or the Trustee. Prior to execution by the Authority of any amendment, a copy thereof certified by an Authorized Officer of the Authority shall be filed with the Trustee.

For the purposes of the paragraph summarized herein, the purchasers of Bonds of a Series, 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 paragraph summarized herein 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 or Remarketing Agent or 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.

In addition, the Holder of an Outstanding Auction Rate Bond of a Series shall be deemed to have consented to an amendment, change, modification, alteration or termination permitted by this Section if (i) the Trustee has

Appendix D

mailed notice of such proposed amendment to the Holder of such Bonds in the same manner required by the portion of the Resolution addressing amendments of the Resolution for an amendment to the Resolution, (ii) on the first Auction Date for such Bond occurring at least twenty (20) days after the date on which the aforementioned notice is given by the Trustee the interest rate determined on such date is the Winning Bid Rate and (iii) there is delivered to the Authority and the Trustee an opinion of Bond Counsel to the effect that such amendment shall not adversely affect the validity of such Auction Rate Bond or any exemption from federal income tax to which the interest on such Auction Rate Bond would otherwise be entitled. The following terms shall have the respective meanings: “Auction Rate Bond” means a Variable Interest Rate Bond of a Series that is not an Option Bond, and that bears interest at rates determined by periodic auctions in accordance with procedures therefore established by the Series Resolution authorizing such Bond or the Bond Series Certificate related thereto; “Auction Date” means, with respect to particular any Auction Rate Bond, the date on which an auction is held or required to be held for such Bond in accordance with the procedures established therefore; and “Winning Bid Rate” when used with respect to an auction held for any particular Auction Rate Bond, shall have the meaning given to such term in the Series Resolution authorizing such Auction Rate Bond or the Bond Series Certificate related thereto, or, if not otherwise defined, means the lowest rate specified in any purchase bid submitted in such auction, which, if selected, would cause the aggregate principal amount of Auction Bonds offered to be sold in such auction to be subject to purchase bids at rates no greater than the rate specified in such purchase bid.

For the purposes of the paragraph summarized herein, a Series of Bonds 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. 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 Authority and all Holders of Bonds of such Series.

For all purposes of the paragraph summarized herein, the Trustee shall be entitled to rely upon an opinion of counsel, which counsel shall be 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 of a Series then Outstanding in any material respect.

(Section 7.11)

Notice as to Event of Default under Loan Agreement

The Authority shall notify the Trustee in writing that an “Event of Default” under the Loan Agreement, as such term is defined in the Loan Agreement, has occurred and is continuing, which notice shall be given as soon as practicable after the Authority has obtained actual knowledge thereof.

(Section 7.12)

Issuance of Obligations under Previous Resolutions

The Authority so long as Bonds are Outstanding shall not issue additional bonds or notes pursuant to its “Fordham University Insured Revenue Bond Resolution,” adopted September 25, 2002 or its “Fordham University Insured Revenue Bond Resolution,” adopted March 24, 2004.

(Section 7.13)

Series Resolutions and Supplemental Resolutions

Modification and Amendment without Consent

Notwithstanding any other provisions of the Resolution, the Authority may adopt at any time or from time to time Series Resolutions or Supplemental Resolutions for any one or more of the following purposes, and any such Series Resolution or Supplemental Resolution 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 Authority:

(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 Authority for the purpose of further securing the payment of the Bonds of a Series, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Resolution;

(c) To prescribe further limitations and restrictions upon the issuance of Bonds of a Series and the incurring of indebtedness by the Authority 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 Authority 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 Authority contained in the Resolution;

(e) To confirm, as further assurance, any pledge under the Resolution or under a Series Resolution, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Resolution, or any Series Resolution, of the Revenues, or any pledge of any other moneys, 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 a 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 of such Series 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 of a Series in any material respect.

(Section 9.01)

Supplemental Resolutions Effective With Consent

The provisions of the Resolution or 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 Holders of a Series of Bonds 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 an Authorized Officer of the Authority. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution upon its becoming effective.

(Section 9.02)

General Provisions Relating to Series Resolutions and Supplemental Resolutions

The 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 Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of the Resolution summarized under the heading “**Further Assurance**” above or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere provided or permitted in the Resolution to be delivered to the Trustee or any Paying Agent.

Appendix D

A copy of every Series Resolution and Supplemental Resolution adopted by the Authority, 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 by the Resolution and is valid and binding upon the Authority and enforceable in accordance with its terms. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution and each applicable Facility Provider upon its becoming effective.

The Trustee is authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the provisions of 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 or of any Paying Agent or of a Facility Provider shall become effective without the written consent of the Trustee, Paying Agent or Facility Provider affected thereby.

(Section 9.03)

Amendments of Resolution

Powers of Amendment

Any modification or amendment of the Resolution or of any Series Resolution that modifies or amends the rights and obligations of the Authority and of the Holders of a Series of Bonds under the Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in the Resolution and summarized in the following paragraph, (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding of such Series 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 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 of a Series 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 of a Series the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of the provisions of the Resolution 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 a 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 Authority and all Holders of Bonds of such Series. The Trustee may receive an opinion of counsel, including an opinion of Bond Counsel, as conclusive evidence as to whether the Bonds of any particular Series or maturity would be so affected by any such modification or amendment of the Resolution. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution upon its becoming effective.

(Section 10.01)

Consent of Bondholders

The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Resolution summarized in the preceding paragraph to take effect when and as provided in the Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Holders of a Series of Bonds affected thereby for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Authority to such 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 of a Series specified in provisions of the Resolution

summarized in the preceding paragraph and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been mailed as provided in the Resolution as provided below. 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 of a Series 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 of a Series described in the certificate or certificates of the Trustee. Any consent given by the Holder of a Bond of a Series shall be binding upon such Bondholder giving such consent and, anything in the Resolution to the contrary notwithstanding, upon any subsequent Holder of such Bond and of any Bond issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by such Bondholder giving such consent or a subsequent Holder of such Bond by filing with the Trustee, prior to the time when the written statement of the Trustee 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 of a Series shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that the Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive evidence 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 Authority 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 of each Series and will be effective as provided in the Resolution, shall be given to such Bondholders by the Trustee at the direction of the Authority by mailing such notice to such Bondholders and, at the discretion of the Authority, by publishing the same at least once not more than ninety (90) days after the Holders of the required percentages of such Bonds of a Series shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee provided for in the Resolution is filed (but failure to publish such notice shall not prevent such Supplemental Resolution from becoming effective and binding as provided in the Resolution). The Authority shall file with the Trustee proof of the mailing of such notice, and, if the same shall have been published, of the publication thereof. A transcript, consisting of the papers required or permitted by the Resolution to be filed with 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 Authority, the Trustee, each Paying Agent and the Holders of such Series of Bonds upon the filing with the Trustee of proof of the mailing of such notice or at the expiration of thirty (30) days after the filing with the Trustee of the proof of the first publication of such last mentioned notice, if such notice is published, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such thirty (30) day period; **provided, however**, that the Authority, the Trustee and any Paying Agent 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 these provisions of the Resolution, the purchasers of the Bonds of a Series, whether purchasing as underwriters 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 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 or for resale, 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 prepared in connection with the primary offering of the Bonds of such Series.

(Section 10.02)

Modifications by Unanimous Consent

The terms and provisions of the Resolution and the rights and obligations of the Authority and of the Holders of the Bonds of a Series may be modified or amended in any respect upon the adoption and filing with the Trustee by the Authority of a copy of a Supplemental Resolution certified by an Authorized Officer of the Authority

Appendix D

and the Holders of all of the Bonds then Outstanding of a Series, such consent to be given as provided in the Resolution, except that no notice to the Bondholders either by mailing or publication shall be required.

(Section 10.03)

Consent of Facility Provider

Whenever by the terms of the Resolution the consent of any of the Holders of the Bonds of a Series to a modification or amendment of the Resolution made by a Series Resolution or Supplemental Resolution is required, such modification or amendment shall not become effective until the written consent of each applicable Facility Provider has been obtained. No modification or amendment of the Resolution which adversely affects a Facility Provider shall be made without the written consent thereto of the Facility Provider affected thereby. Notice of the adoption of any such Series Resolution or Supplemental Resolution and of the effectiveness of the modification or amendment made thereby shall be given to each applicable Facility Provider by mail at the times and in the manner provided in the Resolution with respect to notices thereof required to be given to the Holders of the Bonds of a Series. Notice thereof shall also be given to each Rating Service as soon as practical after adoption of such Series Resolution or Supplemental Resolution and of the effectiveness thereof.

(Section 10.07)

Defaults and Remedies

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:

(a) With respect to a Series of Bonds, payment of the principal, Sinking Fund Installments or Redemption Price of any such Bond shall not be made by the Authority when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) With respect to a Series of Bonds, payment of an installment of interest on any such Bond shall not be made by the Authority when the same shall become due and payable; or

(c) With respect to a Series of Bonds, the Authority shall default in the due and punctual performance of any covenants contained in the Series Resolution authorizing the issuance thereof to the effect that the Authority shall comply with the provisions of the Code applicable to such Bonds necessary to maintain the exclusion of interest therein from gross income under Section 103 of the Code and shall not take any action which would adversely affect the exclusion of interest on such Bonds from gross income under Section 103 of the Code and, as a result thereof, the interest on the Bonds of such Series shall no longer be excludable from gross income under Section 103 of the Code; or

(d) With respect to a Series of Bonds, the Authority 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 a Series Resolution on the part of the Authority 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 Authority 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 of such Series, or if such default is not capable of being cured within thirty (30) days, if the Authority fails to commence within said thirty (30) days and diligently prosecute the cure thereof; or

(e) With respect to a Series of Bonds, the Authority shall have notified the Trustee that an “Event of Default” as defined in the Loan Agreement, arising out of or resulting from the failure of the Institution to comply with the requirements of the Loan Agreement shall have occurred and is continuing and all sums payable by the Institution under the Loan Agreement shall have been declared to be immediately due and payable, which declaration shall not have been annulled.

(Section 11.02)

Acceleration of Maturity

Upon the happening and continuance of any Event of Default specified in the Resolution, other than an Event of Default specified in provisions of the Resolution summarized in paragraph (c) under the heading “**Events of Default**” above, then and in every such case the Trustee upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of a Series shall, by notice in writing to the Authority, declare the principal of and interest on all of the Outstanding Bonds of such Series to be due and payable. At the expiration of thirty (30) days after notice of such declaration has been given, such principal and interest shall become and be immediately due and payable, anything in the Resolution or in a Series Resolution or in the Bonds of a Series to the contrary notwithstanding. At any time after the principal of the Bonds of a 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 may, with the written consent of the Holders of not less than twenty-five per centum (25%) in principal amount of such Series of Bonds not then due by their terms and then Outstanding, by written notice to the Authority, annul such declaration and its consequences if: (i) moneys shall have accumulated in the Debt Service Fund 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) moneys shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and any Paying Agent; (iii) all other amounts then payable by the Authority under the Resolution and under a 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 such Series Resolution or in such Bonds (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 11.03)

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 a Series, shall proceed (subject to the provisions of the Resolution relating to the compensation of the Trustee or any Paying Agent) to protect and enforce its rights and the rights of the Bondholders under the Resolution or under the applicable 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 in the Resolution or therein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, 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 a 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 Authority for principal or interest or otherwise under any of the provisions of the Resolution or of a Series Resolution or of a Series of Bonds, with interest on overdue payments of the principal of or interest on such 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 a 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 Authority but solely as provided in the Resolution, in a 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 moneys adjudged or decreed to be payable.

(Section 11.04)

Appendix D

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds of a Series 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 such Series 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 by the Resolution 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 to enforce any right under the Resolution except in the manner provided in the Resolution, 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 of a Series 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 11.08)

Defeasance

Defeasance

(a) If the Authority 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 Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged to such Series of Bonds and all other rights granted by the Resolution to such Series of Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Authority, and all moneys or other securities held by it pursuant to the Resolution 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 Authority; second, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each such Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Institution. Such moneys or securities so paid or delivered shall be released from any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(b) Bonds for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit of moneys 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 the Resolution. All Outstanding Bonds of a Series or any maturity within such Series or a portion of a maturity within such 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 provisions of the Resolution summarized in the preceding paragraph (a) if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority 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, (ii) there shall have been deposited with the Trustee either moneys in an amount which

shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which, together with the moneys, 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 of a Series on and prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses, if any, appearing on the registration books, and, if directed by an Authorized Officer of the Authority, by publication, at least twice, at an interval of not less than seven (7) days between publications, in an Authorized Newspaper, a notice to the Holders of such Bonds 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 moneys are 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. The Authority shall give written notice to the Trustee of its selection of the Series and maturity the payment of which is to be made in accordance with the Resolution. The Trustee shall select which Bonds of such Series, Sub-Series and maturity payment of which shall be made in accordance with the Resolution in the manner provided in the Resolution. Neither the Defeasance Securities nor moneys deposited with the Trustee pursuant to the provisions of the Resolution summarized in this paragraph 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 moneys 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 Authority 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 letter or other written report of a firm of independent certified public accountants verifying the accuracy of the arithmetical computations which establish the adequacy of such money and Defeasance Securities for such purpose. Any income or interest earned by, or increment to, the investment of any such moneys so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required hereinabove 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 Authority; second, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(c) For purposes 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, by the deposit of moneys, or Defeasance Securities and moneys, if any, in accordance with provisions of the Resolution summarized in clause (ii) of the second sentence of the preceding paragraph (b), the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such Maximum Interest Rate for any period, the total amount of moneys and Defeasance Securities on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy provisions of the Resolution summarized in clause (ii) of the second sentence of the preceding paragraph (b), the Trustee shall, if requested by the Authority, 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 Authority; second, to each

Appendix D

Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(d) Option Bonds shall be deemed to have been paid in accordance with provisions of the Resolution summarized in clause (ii) of the second sentence of the preceding paragraph (b) only if, in addition to satisfying the requirements of clauses (i) and (iii) of such sentence, there shall have been deposited with the Trustee moneys 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 provisions of the Resolution summarized in the preceding paragraph (b), 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 (d). If any portion of the moneys 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 Authority, 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 Authority; second, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(e) Anything in the Resolution to the contrary notwithstanding, any moneys held by the Trustee or a Paying Agent in trust for the payment and discharge of any of the Bonds of a Series or the interest thereon which remain unclaimed for one (1) year after the date when all of the Bonds of such Series have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or Paying Agent at such date, or for one (1) year after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after said date when all of the Bonds of such Series become due and payable, or one (1) year after the date when the principal or Redemption Price of or interest on the Bonds for which said moneys is held was due and payable, shall, at the written request of the Authority, be repaid by the Trustee or Paying Agent to the Authority as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Holders of Bonds shall look only to the Authority for the payment of such Bonds; provided, however, that, before being required to make any such payment to the Authority, the Trustee or Paying Agent may, at the expense of the Authority, cause to be published in an Authorized Newspaper a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after the date of publication of such notice, the balance of such moneys then unclaimed shall be returned to the Authority.

(Section 12.01)

Provider Provisions

Credit Facility Provider as Holder

If provided in or authorized by the Series Resolution authorizing the issuance of a Series of Bonds, the Authority may provide for the rights of a Facility Provider of a Credit Facility in connection with Bonds of such Series, which rights may include that, whenever by the terms of the Resolution the Holders of any percentage in principal amount of Outstanding Bonds may exercise any right or power, consent to any amendment, change, modification or waiver, or request or direct the Trustee to take an action, such Facility Provider may be deemed to be the Holder of such Bonds.

(Section 14.08)

**FORM OF APPROVING OPINIONS
OF CO-BOND COUNSEL**

Appendix E

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FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

To Be Rendered By Each Of
Nixon Peabody LLP and Drohan Lee LLP

[Date of Issuance]

Dormitory Authority of the
State of New York
515 Broadway
Albany, New York 12207

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$145,190,000 aggregate principal amount of Fordham University Revenue Bonds, Series 2020 (the “Series 2020 Bonds”), by the Dormitory Authority of the State of New York (the “Authority”), a body corporate and politic constituting a public benefit corporation of the State of New York, created and existing under and pursuant to the Constitution and statutes of the State of New York, including 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, including, without limitation, by the Healthcare Financing Consolidation Act, being Title 4-B of the Public Authorities Law of the State of New York, as amended to the date hereof (the “Act”). We have also examined such certificates, documents, records and matters of law as we have deemed necessary for the purpose of rendering the opinions hereinafter set forth.

The Series 2020 Bonds are issued under and pursuant to the Act, the Fordham University Revenue Bond Resolution, adopted on March 26, 2008 (the “Resolution”) and the Series 2020 Resolution authorizing the issuance of up to \$170,000,000 of the Authority’s Series 2020 Bonds, adopted December 11, 2019 (the “Series 2020 Resolution”). Said resolutions are herein collectively called the “Resolutions.” Unless otherwise defined herein, capitalized terms used herein have the respective meanings given to them in the Resolutions.

The Series 2020 Bonds are part of an issue of bonds of the Authority (the “Bonds”) which the Authority has established and created under the terms of the Resolution and is authorized to issue from time to time for the purposes authorized by the Act and the Resolution, as then in effect, and without limitation as to amount, except as provided in the Resolutions or as may be limited by law. The Series 2020 Bonds are being issued to (i) pay costs of the project, which consists of the renovation, improvement and expansion of the Rose Hill campus center and (ii) to pay costs of issuance of the Series 2020 Bonds.

The Authority is authorized to issue Bonds, in addition to the Series 2020 Bonds, only upon the terms and conditions set forth in the Resolution and such Bonds, when issued, will with the Series 2020 Bonds be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the Resolution. Except as otherwise provided by in the applicable Series Resolutions, 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 applicable Series Resolution.

The Series 2020 Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 or integral multiples thereof. The Series 2020 Bonds are each numbered consecutively from one upward in order of issuance. The Series 2020 Bonds are dated the date hereof and mature on July 1 and bear interest, payable July 1, 2020 and semiannually thereafter on January 1 and July 1 of the years and at the respective principal amounts and

rates set forth in the Bond Series Certificate. The Series 2020 Bonds are subject to redemption and purchase in lieu of optional redemption prior to maturity as provided in the Resolutions.

The Series 2020 Bonds are being issued to (i) pay costs of the project, which consists of the renovation, improvement and expansion of the Rose Hill campus center and (ii) to pay costs of issuance of the Series 2020 Bonds.

The Authority and the University have entered into a Loan Agreement, dated as of January 29, 2020, (the "Loan Agreement"), by which the University is required to make payments sufficient to pay, when due, the principal and Redemption Price of and interest on the Outstanding Bonds, including the Series 2020 Bonds as well as certain of the Authority's annual administrative expenditures and costs.

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 Series 2020 Bonds thereunder.

2. The Series Resolution has been duly adopted by the Authority in accordance with the provisions of the Resolution and is authorized and permitted by the Resolution. The Resolutions have been duly and lawfully adopted by the Authority, are in full force and effect and are legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms.

3. The Series 2020 Bonds have been duly and validly authorized and issued in accordance with the Constitution and statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Series 2020 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 Authority has the right and lawful authority and power to enter into the Loan Agreement and the Loan Agreement has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms.

5.* The Internal Revenue Code of 1986, as amended (the "Code") sets forth certain requirements that must be met subsequent to the issuance and delivery of the Series 2020 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2020 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2020 Bonds. The Authority has covenanted in the Series Resolution and the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code (the "Tax Certificate") and the University has covenanted in the Loan Agreement and the Tax Certificate to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2020 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the University have made certain representations and certifications in the Tax Certificate. We have also relied on the opinion of counsel to the University as to the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code. We have not independently verified the accuracy of those certifications and representations or that opinion.

Under existing law and assuming compliance with the tax covenants described herein, and the accuracy of the aforementioned representations and certifications, interest on the Series 2020 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

*This opinion given by Nixon Peabody LLP only.

6. Under existing law, interest on the Series 2020 Bonds is exempt, by virtue of the Act, from personal income taxes of the State of New York or any political subdivision thereof.

Except as stated in paragraphs 5 and 6 above, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of the Series 2020 Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Series 2020 Bonds, or the interest thereon, if any action is taken with respect to the Series 2020 Bonds or the proceeds thereof upon the advice or approval of other counsel.

We have examined an executed Series 2020 Bond and, in our opinion, the form of said Bond and its execution are regular and proper.

The opinions contained in paragraphs 2, 3 and 4 above are qualified to the extent that the enforceability of the Resolutions, the Loan Agreement and the Series 2020 Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or as to the availability of any particular remedy.

In connection with the delivery of this opinion, we are not passing upon the authorization, execution and delivery of the Loan Agreement by the University. We have assumed the due authorization, execution and delivery of the Loan Agreement by the University.

Very truly yours,

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FORM OF AGREEMENT TO PROVIDE CONTINUING DISCLOSURE

Appendix F

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FORM OF AGREEMENT TO PROVIDE CONTINUING DISCLOSURE

**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
FORDHAM UNIVERSITY REVENUE BONDS, SERIES 2020**

This **AGREEMENT TO PROVIDE CONTINUING DISCLOSURE** (the “Disclosure Agreement”), dated as of January 29, 2020, is executed and delivered by Fordham University (the “Obligated Person”), The Bank of New York Mellon, as trustee (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) issued by the Dormitory Authority of the State of New York (the “Issuer” or “DASNY”) 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 execution 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 United States Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer, the Obligated Person or anyone on the Issuer’s or 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) of this Disclosure Agreement, 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.

Appendix F

“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” means a (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as 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 shut-down 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 conduit issuer of the Bonds.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the United States Securities Exchange Act of 1934, as amended.

“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.

“Resolution” means DASNY’s bond resolution(s) pursuant to which the Bonds were issued.

“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 120 days after the end of each fiscal year of the Obligated Person (or any time thereafter following a Failure to File Event as described in this Section), commencing with the fiscal year ending June 30, 2020, such date and each anniversary thereof, the “Annual Filing Date.” Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide the Annual Report to the MSRB through its Electronic Municipal Market Access (“EMMA”) System for municipal securities disclosures. The Annual Financial Information 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 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 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 Financial Information, Audited Financial Statements, if available, and unaudited financial statements, if Audited Financial Statements are not available in accordance with subsection (d) below and the Certification, or (ii) instruct the Disclosure Dissemination Agent in writing, with a copy to the Trustee, that a Failure to File Event may occur, state the date by which the Annual Financial Information and Audited Financial Statements for such year are expected to be provided, and, at the election of the Obligated Person, instruct the Disclosure Dissemination Agent to send a notice to the MSRB in substantially the form attached as Exhibit B on the Annual Filing Date, 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 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, a Failure to File Event shall have occurred and the Obligated Person hereby 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-1.

(d) If Audited Financial Statements of the Obligated Person are prepared but not available prior to the Annual Filing Date, the Obligated Person shall provide unaudited financial statements for filing prior to the Annual Filing Date in accordance with Section 3(b) hereof and, 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;

Appendix F

- (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 as instructed pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to 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 events affecting the tax status of the securities;
 - 7. Modifications to rights of securities holders, if material;
 - 8. Bond calls, if material;
 - 9. Defeasances;
 - 10. Release, substitution, or sale of property securing repayment of the securities, if material;
 - 11. Ratings changes;
 - 12. Tender offers;
 - 13. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
 - 14. Merger, consolidation, or acquisition of the Obligated Person, if material;
 - 15. Appointment of a successor or additional trustee, or the change of name of a trustee, if material;
 - 16. 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
 - 17. 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.

Appendix F

(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 which shall include operating data and financial information of the type included in the Official Statement for the Bonds in “PART 6 – THE UNIVERSITY” under the headings “OPERATING INFORMATION” and “ANNUAL FINANCIAL STATEMENT INFORMATION” relating to: (1) *student admissions and enrollment*, similar to that set forth in the tables under the table headings “ADMISSIONS STATISTICS FOR FALL,” “TOTAL ENROLLMENT” and “MEAN SAT SCORES ENTERING FIRST-YEAR UNDERGRADUATE STUDENTS;” (2) *tuition and other student charges*, similar to that set forth in the table under the table heading “STUDENT CHARGES;” (3) *financial aid*, similar to that set forth in the table under the table heading “SCHOLARSHIPS AND GRANTS FROM ALL SOURCES BY SOURCE;” (4) *faculty*, similar to that set forth in the table under the table heading “FACULTY PROFILE;” (5) *employee relations*, including material information about union contracts and, unless such information is included in the Audited Financial Statements, retirement plans; (6) *investments*, similar to that set forth under the headings “INVESTMENT VALUES AND RETURNS” and “ANNUAL INVESTMENT RETURNS,” unless such information is included in the Audited Financial Statements; (7) *plant values*, similar to that set forth under the heading “PLANT ASSETS,” unless such information is included in the Audited Financial Statements; and (8) *outstanding long term indebtedness*, similar to that set forth under the heading “Outstanding Indebtedness and Other Obligations,” unless such information is included in the Audited Financial Statements; together with a narrative explanation as may be necessary to avoid misunderstanding regarding the presentation of such Annual Financial Information 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, the Obligated Person shall be in compliance under this Disclosure Agreement if unaudited financial statements, prepared in accordance with GAAP or alternate accounting principles as described in the Official Statement, are included in the Annual Report. In such event, Audited Financial Statements (if any) shall 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 are 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 shall include an explanation, in narrative form, of such modifications.

SECTION 4. Reporting of Notice Events.

Event: (a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice

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 and determinations with respect to the tax status of the securities or other material events affecting the tax status of the securities;
7. Modification to rights of the security holders, if material;
8. Bond calls, if material;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Tender Offers;
13. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(13) of this Section 4: For the purposes of the event described in subsection (a)(13) 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 an 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.

14. 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;
15. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

Appendix F

16. 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
17. 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. Each 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 desired text of the disclosure, the written authorization for the Disclosure Dissemination Agent to disseminate such information, and identify the desired date 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 as prescribed in subsection (a) or 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 Event Disclosure, 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 United States Securities Act of 1933, as amended, and Rule 10b-5 promulgated under the United States Securities Exchange Act of 1934, as amended, 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, contain the written authorization for the Disclosure Dissemination Agent to disseminate such information, if applicable, 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 desired text of the disclosure, contain the written authorization for the Disclosure Dissemination Agent to disseminate such information, if applicable, and identify the desired date 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 neither the Issuer nor 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 to file 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, 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, 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, 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 Disclosure 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 an 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 hereby appoints DAC as exclusive Disclosure Dissemination Agent under this Disclosure 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.

Appendix F

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 Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure 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 Issuer, 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, THE ISSUER AND THE TRUSTEE AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITY 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 LOSSES, EXPENSES AND LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AND THE TRUSTEE'S (AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS') 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 or Trustee Responsibility.

The Obligated Person and the Disclosure Dissemination Agent acknowledge that neither the Issuer nor the Trustee has 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 other than those notices required under Section 4 hereof, and shall have no liability to any person, including any Holder of the Bonds, with respect to any such reports, notices or disclosures other than those notices required under Section 4 hereof. DASNY (as conduit issuer) is not, for purposes of and within the meaning of the Rule, (i) committed by contract or other arrangement to support payment of all, or part of, the obligations on the Bonds, or (ii) a person for whom annual financial information and notices of material events will be provided. The Trustee shall be indemnified and held harmless in connection with this Disclosure Agreement to the same extent provided in the Resolution for matters arising thereunder.

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 Disclosure 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 amend this Disclosure Agreement for any of the following purposes:

(i) 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;

(ii) to add or change a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(iii) to evidence the succession of another person to the Obligated Person or the Trustee and the assumption by any such successor of the covenants of the Obligated Person or the Trustee hereunder;

(iv) to add to the covenants of the Obligated Person or the Disclosure Dissemination Agent for the benefit of the Holders, or to surrender any right or power herein conferred upon the Obligated Person or the Disclosure Dissemination Agent;

(v) for any purpose for which, and subject to the conditions pursuant to which, amendments may be made under the Rule, as amended or modified from time to time, or any formal authoritative interpretations thereof by the Securities and Exchange Commission.

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 (without regard to its conflicts of laws provisions).

Appendix F

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.

[remainder of page left intentionally blank]

The Disclosure Dissemination Agent, the Trustee and the Obligated Person have caused this Disclosure 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: _____

FORDHAM UNIVERSITY,
Obligated Person

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer:	Dormitory Authority of the State of New York
Obligated Person(s):	Fordham University
Name of Bond Issue:	Fordham University Revenue Bonds, Series 2020
Date of Issuance:	January 29, 2020
Date of Official Statement:	January 16, 2020

<u>Maturity</u>	<u>CUSIP No.</u>
July 1, 2039	64990GXW7
July 1, 2040	64990GXX5
July 1, 2046	64990GXY3
July 1, 2050	64990GXZ0

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Dormitory Authority of the State of New York
Obligated Person(s): Fordham University
Name of Bond Issue: Fordham University Revenue Bonds, Series 2020
Date of Issuance: January 29, 2020

CUSIP Numbers:

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 Agreement to Provide Continuing Disclosure, dated as of January 29, 2020, by and among the Obligated Person, The Bank of New York Mellon, as 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:

Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: _____

Description of Notice Events (Check One):

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 events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;"
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Tender offers;"
13. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. _____ "Merger, consolidation, or acquisition of the obligated person, if material;"
15. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
16. _____ "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
17. _____ "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.

I hereby represent that I am authorized by the obligated person or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

**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 Agreement to Provide Continuing Disclosure dated as of January 29, 2020 by and among the Obligated Person, the Trustee and DAC.

Issuer’s and Obligated Person’s Names:

Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

Description of Voluntary Event Disclosure (Check One):

- 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: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

**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 Agreement to Provide Continuing Disclosure dated as of January 29, 2020 by and among the Obligated Person, the Trustee and DAC.

Issuer’s and Obligated Person’s Names:

Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

Description of Voluntary Financial Disclosure (Check One):

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: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

