

NEW ISSUE – BOOK-ENTRY ONLY


\$250,000,000
**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
NEW YORK UNIVERSITY REVENUE BONDS**
\$212,695,000**Series 2021A (Tax-Exempt)****\$37,305,000****Series 2021B (Federally Taxable)****Dated: Date of Delivery****Due: July 1, as shown on the inside cover**

Payment and Security: The New York University Revenue Bonds, Series 2021A (Tax-Exempt) (the "Series 2021A Bonds") and the New York University Revenue Bonds, Series 2021B (Federally Taxable) (the "Series 2021B Bonds" and, together with the Series 2021A Bonds, the "Series 2021 Bonds") are special limited obligations of the Dormitory Authority of the State of New York (the "Authority" or "DASNY") payable solely from and secured by a pledge of (i) certain payments to be made under the Loan Agreement, dated as of May 28, 2008, between New York University (the University) and DASNY (the "Loan Agreement"), as the same is proposed to be amended and restated by the Proposed Loan Agreement Amendments (as defined and described herein), and (ii) all funds and accounts (except the Arbitrage Rebate Fund or any fund or account established for the payment of the Purchase Price or Redemption Price of Bonds tendered for purchase or redemption) established under DASNY's New York University Revenue Bond Resolution, adopted May 28, 2008 (the "Resolution"), which is proposed to be amended and supplemented by the Proposed Resolution Amendments (as defined and described herein), a Series Resolution authorizing the issuance of the Series 2021A Bonds (the "Series 2021A Resolution") and a Series Resolution authorizing the issuance of the Series 2021B Bonds (the "Series 2021B Resolution" and, together with the Series 2021A Resolution, the "Series 2021 Resolutions"), each adopted on June 23, 2021. **All purchasers of the Series 2021 Bonds will be bound by the consent of the Representative (as defined herein) of the Underwriters to the Proposed Loan Agreement Amendments and the Proposed Resolution Amendments described herein, and by their purchase of the Series 2021 Bonds and acceptance of the delivery thereof, will be deemed to have consented to the Proposed Loan Agreement Amendments and the Proposed Resolution Amendments. See "PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS – Proposed Amendments to the Loan Agreement and Resolution" herein.**

The Loan Agreement is a general, unsecured obligation of the University and requires the University to pay, in addition to the fees and expenses of DASNY and the Trustee (as defined below), amounts sufficient to pay, when due, the principal, Sinking Fund Installments, if any, Purchase Price and Redemption Price of and interest on all Bonds issued under the Resolution, including the Series 2021 Bonds.

The Series 2021 Bonds will not be a debt of the State of New York (the "State") nor will the State be liable thereon. DASNY has no taxing power.

Description: The Series 2021 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof and will bear interest at the rates and will pay interest and mature at the times and in the respective principal amounts shown on the inside cover hereof.

The Series 2021 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 2021 Bonds will be made in Book-Entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2021 Bonds, payments of the principal and Redemption Price of and interest on such Series 2021 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 2021 BONDS - Book-Entry Only System" herein.

The Bank of New York Mellon, New York, New York, is the Trustee (the "Trustee") and Paying Agent for the Series 2021 Bonds.

Redemption: *The Series 2021 Bonds are subject to redemption and purchase in lieu of optional redemption prior to maturity as more fully described herein.*

Tax Matters: In the opinion of Hawkins Delafield & Wood LLP, Co-Bond Counsel to DASNY, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2021A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2021A Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. Hawkins Delafield & Wood LLP also is of the opinion that interest on the Series 2021B Bonds is included in gross income for federal income tax purposes pursuant to the Code. In addition, in the opinion of Hawkins Delafield & Wood LLP, under existing statutes, interest on the Series 2021 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "PART 10 – TAX MATTERS" herein regarding certain other considerations.

The Series 2021 Bonds are offered when, as, and if issued and received by the Underwriters. The offer of the Series 2021 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 DASNY's Co-Bond Counsel, Hawkins Delafield & Wood LLP, New York, New York, and McGlashan Law Firm, P.C., New York, New York, and to certain other conditions. Certain legal matters will be passed upon for the University by its General Counsel, Aisha Oliver-Staley, Esq., and by its special counsel, Ropes & Gray LLP, New York, New York. Certain legal matters will be passed upon for the Underwriters by their counsel, Katten Muchin Rosenman LLP, New York, New York. DASNY expects to deliver the Series 2021 Bonds in definitive form in New York, New York, on or about July 29, 2021.

BoFA Securities**Barclays****J.P. Morgan****RBC Capital Markets****Ramirez & Co., Inc.**

\$250,000,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
NEW YORK UNIVERSITY REVENUE BONDS
SERIES 2021

\$212,695,000
SERIES 2021A (TAX-EXEMPT)

Interest Payment Dates: Each January 1 and July 1, commencing January 1, 2022

\$113,715,000 Serial Bonds

Due July 1	Amount	Interest Rate	Yield	CUSIP Number¹	Due July 1	Amount	Interest Rate	Yield	CUSIP Number¹
2028	\$ 10,000	5.000%	0.660%	65000BCW6	2035	\$ 6,175,000	5.000%	1.130% ²	65000BDD7
2029	765,000	5.000	0.750	65000BCX4	2036	6,485,000	5.000	1.160 ²	65000BDE5
2030	820,000	5.000	0.840	65000BCY2	2037	6,805,000	4.000	1.360 ²	65000BDF2
2031	3,260,000	5.000	0.880	65000BCZ9	2038	7,080,000	4.000	1.390 ²	65000BDG0
2032	5,335,000	5.000	0.950 ²	65000BDA3	2039	7,360,000	4.000	1.410 ²	65000BDH8
2033	5,600,000	5.000	1.060 ²	65000BDB1	2040	28,495,000	4.000	1.420 ²	65000BDJ4
2034	5,880,000	5.000	1.100 ²	65000BDC9	2041	29,645,000	3.000	1.720 ²	65000BDK1

\$44,420,000 4.000% Term Bond Due July 1, 2046, Yield 1.570%² CUSIP Number¹ 65000BDL9

\$44,560,000 5.000% Term Bond Due July 1, 2051, Yield 1.500%² CUSIP Number¹ 65000BDM7

\$10,000,000 2.250% Term Bond Due July 1, 2051, Yield 2.230%² CUSIP Number¹ 65000BDN5

\$37,305,000
SERIES 2021B (FEDERALLY TAXABLE)

Interest Payment Dates: Each January 1 and July 1, commencing January 1, 2022

\$37,305,000 Serial Bonds

Due July 1	Amount	Interest Rate	Price	CUSIP Number¹	Due July 1	Amount	Interest Rate	Price	CUSIP Number¹
2022	\$2,845,000	0.250%	100	65000BDP0	2027	\$4,755,000	1.430%	100	65000BDU9
2023	735,000	0.400	100	65000BDQ8	2028	4,810,000	1.630	100	65000BDV7
2024	4,620,000	0.670	100	65000BDR6	2029	4,130,000	1.820	100	65000BDW5
2025	4,655,000	0.930	100	65000BDS4	2030	4,190,000	1.920	100	65000BDX3
2026	4,695,000	1.180	100	65000BDT2	2031	1,870,000	2.020	100	65000BDY1

¹ CUSIP is a registered trademark of the American Bankers Association (“ABA”). CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of S&P Global Inc. 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 2021 Bonds. DASNY is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2021 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2021 Bonds.

² Priced at stated yield to the July 1, 2031 optional redemption date at a redemption price of 100%.

No dealer, broker, salesperson or other person has been authorized by DASNY, the University or the Underwriters to give any information or to make any representations with respect to the Series 2021 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 Underwriters.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor will there be a sale of the Series 2021 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information contained herein under the heading "DASNY" has been supplied by DASNY. All other information in this Official Statement has been supplied by the University and other sources that the Underwriters believe are reliable. Neither DASNY nor the Underwriters guarantee the accuracy or completeness of such information, and such information is not to be construed as a representation of DASNY or the Underwriters. DASNY does not warrant the accuracy of the statements contained herein relating to the University nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of security for the Series 2021 Bonds or (3) the value or investment quality of the Series 2021 Bonds.

The Underwriters provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The Trustee provided the following sentence for inclusion in this Official Statement. The Trustee has no responsibility for the form and content of this Official Statement and has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom.

The University reviewed the parts of this Official Statement describing the University, the Estimated Sources and Uses of Funds, the Plan of Finance and Refunding and "APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto. It is a condition to the sale and the delivery of the Series 2021 Bonds that the University certifies that, as of each such date, 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 representations 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 2021 Resolutions and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2021 Resolutions and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2021 Resolutions 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 DASNY or the University have remained unchanged after the date of this Official Statement.

References to website addresses presented in this Official Statement are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such website addresses and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE UNIVERSITY AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT AFFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE SERIES 2021 BONDS HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAVE THE RESOLUTION OR THE SERIES 2021 RESOLUTIONS BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED. THE SERIES 2021 BONDS ARE BEING OFFERED IN RELIANCE ON CERTAIN EXEMPTIONS FROM REGISTRATION OR QUALIFICATION CONTAINED IN SUCH ACTS.

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

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

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

OFFICIAL STATEMENT RELATING TO
\$250,000,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
NEW YORK UNIVERSITY REVENUE BONDS

consisting of

\$212,695,000	\$37,305,000
Series 2021A (Tax-Exempt)	Series 2021B (Federally Taxable)

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 (the “Authority” or “DASNY”) and New York University (the “University” or “NYU”), in connection with the offering by DASNY of (i) \$212,695,000 aggregate principal amount of its New York University Revenue Bonds, Series 2021A (Tax-Exempt) (the “Series 2021A Bonds”) and (ii) \$37,305,000 aggregate principal amount of its New York University Revenue Bonds, Series 2021B (Federally Taxable) (the “Series 2021B Bonds” and, together with the Series 2021A Bonds, the “Series 2021 Bonds”).

The following is a brief description of certain information concerning the Series 2021 Bonds, DASNY and the University. A more complete description of such information and additional information that may affect decisions to invest in the Series 2021 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 - CERTAIN DEFINITIONS” attached hereto.

Purpose of the Issue

The Series 2021A Bonds are being issued (i) to refund certain indebtedness of the University incurred to current refund \$50,000,000 in principal of DASNY’s New York University Revenue Bonds, Series 2016A (the “Refunded Series 2016A Bonds”), and (ii) to finance or refinance a portion of the costs of the Series 2021 Project (hereinafter defined). The Series 2021B Bonds are being issued (i) to finance or refinance a portion of the costs of the Series 2021 Project and (ii) to pay certain Costs of Issuance of the Series 2021 Bonds. See “PART 4 - ESTIMATED SOURCES AND USES OF FUNDS” and “PART 5 – PLAN OF FINANCE AND REFUNDING” herein.

Authorization of Issuance

The Series 2021 Bonds will be issued pursuant to DASNY’s New York University Revenue Bond Resolution, adopted May 28, 2008 (the “Resolution”), as the same is proposed to be amended and supplemented by the Proposed Resolution Amendments (as defined and described herein), a Series Resolution authorizing the issuance of the Series 2021A Bonds (the “Series 2021A Resolution”) and a Series Resolution authorizing the issuance of the Series 2021B Bonds (the “Series 2021B Resolution” and, together with the Series 2021A Resolution, the “Series 2021

Resolutions”), each adopted on June 23, 2021, and the Act. See “PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS - Proposed Amendments to the Loan Agreement and Resolution” herein. In addition to the Series 2021 Bonds, the Resolution authorizes the issuance of other Series of Bonds (collectively, the “Bonds”) to pay other Costs of one or more projects, to pay the Costs of Issuance of such Series of Bonds and to refund all or a portion of Outstanding Bonds or other notes or bonds of DASNY issued on behalf of the University. The Bonds permitted to be issued under the Resolution include Capital Appreciation Bonds, Deferred Income Bonds, Option Bonds and Variable Interest Rate Bonds. All Bonds issued under the Resolution rank on a parity with each other and are secured equally and ratably with each other. 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 2021 Bonds. See “PART 6 - THE UNIVERSITY - FINANCIAL STATEMENT INFORMATION – Investments - Outstanding Long-Term Debt and Other Obligations” herein.

The Series 2021 Bonds

The Series 2021 Bonds will be dated their date of delivery and will bear interest from such date (payable January 1, 2022 and on each January 1 and July 1 thereafter) at the rates and will mature at the times and in the principal amounts set forth on the inside cover page of this Official Statement. See “PART 3 - THE SERIES 2021 BONDS - Description of the Series 2021 Bonds” herein.

Payment of the Series 2021 Bonds

The Series 2021 Bonds and all other Bonds which have been and may be issued under the Resolution 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, dated as of May 28, 2008, between the University and DASNY (the “Loan Agreement”), as the same is proposed to be amended and restated by the Proposed Loan Agreement Amendments (as defined and described herein). See “PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS - Proposed Amendments to the Loan Agreement and Resolution” herein. The Revenues are pledged and assigned to The Bank of New York Mellon, New York, New York, as trustee (the “Trustee”). See “PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS - Payment of the Series 2021 Bonds” herein.

Security for the Series 2021 Bonds

The Series 2021 Bonds are secured equally and ratably with all other Bonds which have been and may be issued under the Resolution by the pledge and assignment to the Trustee of the Revenues, the proceeds of the Bonds and, except as otherwise provided in the Resolution, all funds and accounts established under the Resolution (with the exception of the Arbitrage Rebate Fund or any fund or account established for the payment of the purchase price or Redemption Price of Option Bonds tendered for purchase or redemption). See “PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS - Security for the Series 2021 Bonds,” “- Proposed Amendments to the Loan Agreement and Resolution,” and “PART 6 - THE UNIVERSITY - FINANCIAL STATEMENT INFORMATION - Investments - Outstanding Long-Term Debt and Other Obligations” herein.

The Loan Agreement is a general, unsecured obligation of the University. No security interest in any revenues or assets of the University has been granted by the University to DASNY under the Loan Agreement. However, the University has granted security interests in certain revenues and assets of the University to secure certain of the University’s outstanding indebtedness other than the Bonds. In addition, the Loan Agreement does not preclude the University from incurring indebtedness secured by a lien and pledge of revenues of the University without granting to DASNY any security interest in any revenues to secure the University’s obligations under the Loan Agreement. See “PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS - Security for the Series 2021 Bonds,” “- Proposed Amendments to the Loan Agreement and Resolution” and “PART 6 - THE UNIVERSITY - FINANCIAL STATEMENT INFORMATION - Investments - Outstanding Long-Term Debt and Other Obligations” herein.

The University

The University is a private, co-educational, non-sectarian, not-for-profit institution of higher education chartered by the Regents of the University of the State of New York and is an organization described in Section 501(c)(3) of

the Code. The University's principal facilities are located in New York, New York. See "PART 6 - THE UNIVERSITY" herein and "APPENDIX B – NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto.

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, governmental and not-for-profit corporations. See "PART 7 - DASNY" herein.

PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2021 BONDS

Set forth below is a narrative description of certain contractual provisions relating to the source of payment of and security for the Series 2021 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 and the Series 2021 Resolutions. Copies of the Loan Agreement, the Resolution and the Series 2021 Resolutions are on file with DASNY and the Trustee. See also "APPENDIX C - SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND PROPOSED AMENDMENTS" and "APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS" attached hereto for a more complete statement of the rights, duties and obligations of the parties thereto.

Payment of the Series 2021 Bonds

The Series 2021 Bonds and all other Bonds which have been and may be issued under the Resolution will be special obligations of DASNY. The principal, Sinking Fund Installments, if any, Purchase Price and Redemption Price of and interest on the Series 2021 Bonds and all other Bonds issued under the Resolution are payable solely from the Revenues, which consist of payments to be made by the University pursuant to the Loan Agreement on account of the principal, Sinking Fund Installments, if any, Purchase Price and Redemption Price of and interest on the Bonds. The Revenues and the right to receive them have been pledged to the Trustee for the benefit of the Bondholders.

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, of and interest on Outstanding Bonds. Payments made by the University in respect of interest on fixed rate Outstanding Bonds are to be made on the fifth Business Day immediately preceding a July 1 and January 1 interest payment date and, in the case of payments in connection with Variable Interest Rate Bonds, three days prior to an interest payment date, in each case in an amount equal to the interest coming due on the next succeeding interest payment date. Payments by the University in respect of principal and Sinking Fund Installments are to be made on the fifth Business Day preceding the date on which such principal becomes due or the date on which a Sinking Fund Installment becomes due.

Pursuant to the Loan Agreement, 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 Outstanding Bonds, including the Series 2021 Bonds.

Security for the Series 2021 Bonds

The Series 2021 Bonds are secured equally with all other Bonds issued under the Resolution by the pledge of the Revenues, the proceeds of the Bonds and, except as otherwise provided in the Resolution, all funds and accounts established by the Resolution and any Series Resolution, other than the Arbitrage Rebate Fund and any fund established for the payment of the Purchase Price or Redemption Price of Bonds tendered for purchase or redemption.

The Series 2021 Bonds will not be a debt of the State of New York (the "State") nor will the State be liable thereon. DASNY has no taxing power. Neither the State nor DASNY has any responsibility to make payments with respect to the Series 2021 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 under the Resolution and pledged therefor.

The Loan Agreement and the obligation of the University to make payments under the Loan Agreement are general, unsecured obligations of the University. The obligations of the University to make payments or cause the same to be made under the Loan Agreement are absolute and unconditional and the amount, manner and time of making such payments are not to be decreased, abated, postponed or delayed for any cause or by reason of the happening or non-happening of any event, irrespective of any defense or any right of set-off, recoupment or counterclaim which the University may otherwise have against DASNY, the Trustee or any Bondholder for any cause whatsoever.

No security interest in any revenues or assets of the University has been granted by the University to DASNY under the Loan Agreement. However, the University has granted security interests in certain revenues and assets of the University to secure certain of the University's outstanding indebtedness other than the Bonds. See "PART 6 - THE UNIVERSITY - FINANCIAL STATEMENT INFORMATION - Investments - Outstanding Long-Term Debt and Other Obligations" herein for a description of such indebtedness of the University secured by certain pledged revenues. In the event of a default under any debt instrument secured by such pledged revenues, the holder or trustee under such debt instrument (including DASNY as the holder of such other debt) will have the right to collect a portion or all of such pledged revenues, and apply the revenues so collected to the payment of amounts due under such debt instrument. Any revenues so collected and applied will not be available for satisfying any of the University's obligations under the Loan Agreement.

Proposed Amendments to the Loan Agreement and Resolution

The Loan Agreement is proposed to be amended and restated in order to effect certain proposed amendments (the "Proposed Loan Agreement Amendments") and a First Supplemental Resolution containing certain proposed amendments to the Resolution (the "Proposed Resolution Amendments") was adopted by DASNY on February 5, 2020. The Proposed Loan Agreement Amendments include (a) the removal of the covenants of the University to engage a Management Consultant upon the occurrence of certain rating downgrades or a withdrawal of ratings by one or more rating agencies, and to annually furnish a report of an insurance consultant; (b) revisions to the process by which the University requisitions bond proceeds, and (c) other clarifications and corrections. The Proposed Resolution Amendments include (a) removal of provisions for optional newspaper publication of certain notices and the 30-day waiting period for amendments to become effective; (b) clarification of the University's role with respect to redemptions and the selection of bonds to be redeemed, and authorizing the semiannual release of excess revenues on deposit with the Trustee. For a discussion of the Proposed Amendments and the conditions to their becoming effective, see "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND PROPOSED AMENDMENTS" and "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS" attached hereto.

The Resolution provides that the consent of the Holders of a majority in principal amount of Outstanding Bonds under the Resolution is required for the Proposed Loan Agreement Amendments and the Proposed Resolution Amendments (collectively, the "Proposed Amendments") to become effective. The Resolution further provides that purchasers of the Bonds, whether purchasing as underwriters, for resale or otherwise, upon such purchase may consent to amendments, changes, modifications or waivers of the Loan Agreement and/or the Resolution with the same effect as a consent given by the Holder of such Bonds.

Simultaneously with the issuance of the Series 2021 Bonds, BofA Securities, Inc., as representative of the Underwriters (the "Representative"), will consent to the Proposed Amendments on behalf of the Holders of the Series 2021 Bonds. All purchasers of the Series 2021 Bonds will be bound by the consent of the Representative, and, by their purchase of the Series 2021 Bonds and acceptance of the delivery thereof, will be deemed to have consented to the Proposed Amendments. After giving effect to the issuance of the Series 2021 Bonds (and thereby obtaining the consents of the purchasers of the Series 2021 Bonds as described above), there will be approximately \$4,275,920,000 in aggregate principal amount of Bonds Outstanding under the Resolution, and the consents of the holders of approximately \$662,890,000, or 15.5%, in aggregate principal amount of such Bonds Outstanding shall have been obtained with respect to the Proposed Amendments. As such, at the time of issuance of the Series 2021 Bonds, the Proposed Amendments will not become effective and will become effective only at such time, if any, as the consents of the Holders of a majority in principal amount of then Outstanding Bonds have been obtained in accordance with the Resolution.

Events of Default and Acceleration

The following are events of default under the Resolution: (i) a default by DASNY in the payment of the principal, Sinking Fund Installment, Purchase Price or Redemption Price of or interest on any Bond; (ii) a default by DASNY in the due and punctual performance of any covenants, conditions, agreements or provisions contained in the Bonds or in the Resolution 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); (iii) with respect to the Bonds of a Series, a default by DASNY in the due and punctual performance of any covenant or agreement contained in the Series Resolution authorizing the issuance of such Series of Bonds to comply with the provisions of the Code applicable to such Bonds necessary to maintain the exclusion of interest on such Bonds from gross income for purposes of federal income taxation; or (iv) 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 has 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, upon the written request of Holders of not less than 25% in principal amount of the Outstanding Bonds by written notice to DASNY, is to declare the principal of and interest on all the Outstanding Bonds to be due and payable. At the expiration of 30 days from the giving of such notice, such principal and interest will become due and payable. The Trustee shall, with the written consent of the Holders of not less than 25% in principal amount of Bonds not yet due by their terms and then Outstanding, annul such declaration and its consequences under the terms and conditions specified in the Resolution with respect to such annulment.

Notwithstanding any other provision of the Resolution to the contrary, upon DASNY's failure to observe, or refusal to comply with, the covenant described in clause (iii) of the first paragraph under this subheading, upon the direction of the Holders of not less than 25% in principal amount of the Outstanding Bonds of the Series affected thereby, the Trustee is to exercise the rights and remedies provided to the Holders of the Bonds under the Resolution. However, the Resolution provides that in no event may the Trustee, whether or not it is acting at the direction of the Holders of 25% or more in principal amount of the Outstanding Bonds of the Series affected thereby, declare the principal of a Series of Bonds, and the interest accrued thereon, to be due and payable immediately as a result of DASNY's failure or refusal to observe or comply with such covenant.

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 each Provider and 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. However, except in the case of default in the payment of principal, Sinking Fund Installment or Redemption Price of or interest on any of the 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 Bonds.

Issuance of Additional Bonds

In addition to the Outstanding Bonds and the Series 2021 Bonds, the Resolution authorizes the issuance of other Series of Bonds to finance one or more projects and for other specified purposes, including to refund Outstanding Bonds or other notes or bonds of DASNY issued on behalf of the University. The Bonds which may be issued include Capital Appreciation Bonds, Deferred Income Bonds, Option Bonds and Variable Interest Rate Bonds. All Bonds issued under the Resolution will rank on a parity with each other and will be secured equally and ratably with each other. There is no limit on the amount of additional Bonds that may be issued under the Resolution. Additional Bonds may be issued at any time on or after the scheduled delivery date of the Series 2021 Bonds.

General

The Series 2021 Bonds will not be a debt of the State and the State will not be liable on the Series 2021 Bonds. DASNY has no taxing power. See "PART 7 - DASNY" herein.

PART 3 - THE SERIES 2021 BONDS

Set forth below is a narrative description of certain provisions relating to the Series 2021 Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Resolution, the Series 2021 Resolutions 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 PROPOSED AMENDMENTS" and "APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS" attached hereto for a more complete description of certain provisions of the Series 2021 Bonds.

Description of the Series 2021 Bonds

The Series 2021 Bonds will be issued pursuant to the Resolution and the applicable Series 2021 Resolution, will be dated their date of delivery, will bear interest from such date (payable January 1, 2022 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.

The Series 2021 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof (the "Authorized Denominations"). The Series 2021 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. Purchasers of beneficial interests in the Series 2021 Bonds will be made in book-entry form, without certificates. If at any time the Book-Entry Only System is discontinued for the Series 2021 Bonds, the Series 2021 Bonds will be exchangeable for other fully registered Series 2021 Bonds in any other Authorized Denominations of the same Series, maturity and interest rate, if applicable, 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 "— Book-Entry Only System" herein and "APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS" attached hereto.

Interest on the Series 2021 Bonds will accrue based upon a 360-day year of twelve 30-day months.

Interest on the Series 2021 Bonds of a Series will be payable by check or draft mailed to the registered owners or, at the option of the registered owner of at least \$1,000,000 of Series 2021 Bonds of such Series, 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 Business Days prior to the Record Date. If the Series 2021 Bonds are not registered in the name of DTC or its nominee, Cede & Co., the principal, Redemption Price or Make-Whole Redemption Price of such Bonds will be payable at the principal corporate trust office of The Bank of New York Mellon, New York, New York, the Trustee and Paying Agent. The principal, Redemption Price or Make-Whole Redemption Price and purchase price of and interest on the Series 2021 Bonds is payable in lawful money of the United States of America.

Redemption Provisions

The Series 2021 Bonds are subject to optional and mandatory redemption as described below.

Optional Redemption

Series 2021A Bonds

The Series 2021A Bonds maturing on or before July 1, 2031 are not subject to optional redemption prior to maturity. The Series 2021A Bonds maturing after July 1, 2031, are subject to redemption prior to maturity, at the election of DASNY (to be exercised at the direction of the University), on or after July 1, 2031, in any order, in whole or in part at any time, at a Redemption Price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption.

Series 2021B Bonds

The Series 2021B Bonds will be subject to redemption prior to maturity on any Business Day, in any order at the option of DASNY (to be exercised at the direction of the University), as a whole or in part at the Make-Whole Redemption Price described below.

The “Make-Whole Redemption Price” is the greater of (i) 100% of the principal amount of the Series 2021B Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2021B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Series 2021B Bonds are to be redeemed, discounted to the date on which such Series 2021B Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined below) plus 15 basis points, plus, in each case, accrued and unpaid interest on the Series 2021B Bonds to be redeemed on the redemption date.

The Trustee may retain, at the expense of the University, an independent accounting firm or financial advisor to determine the Make-Whole Redemption Price and perform all actions and make all calculations required to determine the Make-Whole Redemption Price. The Trustee, DASNY and the University may conclusively rely on such accounting firm’s or financial advisor’s calculations in connection with, and determination of, the Make-Whole Redemption Price, and none of the Trustee, DASNY or the University will have any liability for their reliance.

The “Treasury Rate” is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Series 2021B Bonds to be redeemed. However, if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Mandatory Redemption

Series 2021A Bonds

The Series 2021A Bonds maturing on July 1, 2046 are also subject to redemption, in part, on each July 1 of the years and in the respective principal amounts set forth below, at a Redemption Price equal to 100% of the principal amount thereof to be redeemed from mandatory Sinking Fund Installments, plus accrued interest to the date of redemption, which are required to be made in amounts sufficient to redeem on July 1 of each year the principal amount of the Series 2021A Bonds specified for each of the years shown below:

Series 2021A Bonds Maturing on July 1, 2046

<u>Year</u>	<u>Principal Amount</u>
2042	\$8,200,000
2043	8,530,000
2044	8,870,000
2045	9,225,000
2046 [†]	9,595,000

[†]Final maturity.

The Series 2021A Bonds maturing on July 1, 2051 (5.000% coupon), are also subject to redemption, in part, on each July 1 of the years and in the respective principal amounts set forth below, at a Redemption Price equal to 100% of the principal amount thereof to be redeemed from mandatory Sinking Fund Installments, plus accrued interest to the date of redemption, which are required to be made in amounts sufficient to redeem on July 1 of each year the principal amount of the Series 2021A Bonds specified for each of the years shown below:

Series 2021A Bonds
Maturing on July 1, 2051 (5.000% coupon)

<u>Year</u>	<u>Principal Amount</u>
2047	\$7,980,000
2048	8,425,000
2049	8,890,000
2050	9,375,000
2051 [†]	9,890,000

[†]Final maturity.

The Series 2021A Bonds maturing on July 1, 2051 (2.250% coupon), are also subject to redemption, in part, on each July 1 of the years and in the respective principal amounts set forth below, at a Redemption Price equal to 100% of the principal amount thereof to be redeemed from mandatory Sinking Fund Installments, plus accrued interest to the date of redemption, which are required to be made in amounts sufficient to redeem on July 1 of each year the principal amount of the Series 2021A Bonds specified for each of the years shown below:

Series 2021A Bonds
Maturing on July 1, 2051 (2.250% coupon)

<u>Year</u>	<u>Principal Amount</u>
2047	\$2,000,000
2048	2,000,000
2049	2,000,000
2050	2,000,000
2051 [†]	2,000,000

[†]Final maturity.

There will be credited against and in satisfaction of all or a portion of a Sinking Fund Installment payable on any date, the principal amount of Series 2021A Bonds entitled to such Sinking Fund Installment (A) purchased with money in the Debt Service Fund pursuant to the Resolution, (B) redeemed pursuant to an optional redemption, (C) purchased by the University or DASNY and delivered to the Trustee for cancellation or (D) deemed to have been paid in accordance with the Resolution. Series 2021A Bonds purchased with money in the Debt Service Fund will be applied against and in fulfillment of the Sinking Fund Installment of the Series 2021A Bonds so purchased payable on the next succeeding July 1. Series 2021A Bonds redeemed pursuant to an optional redemption, purchased by DASNY or the University (other than from amounts on deposit in the Debt Service Fund) and delivered to the Trustee for cancellation or deemed to have been paid in accordance with the Resolution will be applied in satisfaction, in whole or in part, of one or more Sinking Fund Installments as DASNY may direct in its discretion. To the extent DASNY's obligation to make Sinking Fund Installments in a particular year is so satisfied, the likelihood of redemption through mandatory Sinking Fund Installments of a Bondholder's Series 2021A Bonds of the maturity entitled to such Sinking Fund Installment will be reduced for such year.

Selection of Series 2021 Bonds to be Redeemed

In the case of redemptions of less than all of the Series 2021 Bonds of a Series other than through mandatory Sinking Fund Installments, DASNY will select the maturities and, if applicable, the interest rates, of such Series 2021 Bonds to be redeemed.

The Series 2021A Bonds of each maturity to be redeemed in part will be selected by the Trustee, by lot, using such method of selection as the Trustee considers proper in its discretion. The Series 2021B Bonds of each maturity to be redeemed in part will be redeemed pro rata within such maturities.

If the Series 2021B Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2021B Bonds, if less than all of the Series 2021B Bonds of a maturity are called for redemption, the particular Series 2021B Bonds of such maturity or portions thereof to be redeemed will be selected on a pro rata pass-through distribution of principal basis in accordance with the DTC procedures.

It is intended that redemption allocations made by DTC be made on a pro rata pass-through distribution of principal basis as described above. However, none of DASNY, the University or the Underwriters of the Series 2021B Bonds can provide any assurance that DTC, DTC's direct and indirect participants or any other intermediary will allocate the redemption of the Series 2021B Bonds on such basis. If the DTC operational arrangements do not allow for the redemption of the Series 2021B Bonds on a pro rata pass-through distribution of principal basis as discussed above, then the Series 2021B Bonds will be selected for redemption, in accordance with the DTC procedures, by lot.

If the Series 2021B Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the Series 2021B Bonds will be allocated among the registered owners of the Series 2021B Bonds of such maturity, as nearly as practicable, taking into consideration the 2021B Authorized Denominations of the Series 2021B Bonds, on a pro rata basis.

Notice of Redemption and its Effect

Notice of the redemption of the Series 2021 Bonds will be given by the Trustee in the name of DASNY to the registered owners of the Series 2021 Bonds to be redeemed by first-class mail, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date, but the failure of any registered owners to receive notice mailed in accordance with the Resolution will not affect the validity of the proceedings for the redemption of the Series 2021 Bonds. Any such notice may contain conditions to DASNY's obligation to redeem the Series 2021 Bonds. See "APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS" attached hereto.

DASNY's obligation to optionally redeem a Series 2021 Bond may be conditioned upon the availability of sufficient money to pay the Redemption Price for all of the Series 2021 Bonds to be redeemed on the redemption date. If sufficient money is available on the redemption date to pay the Redemption Price and if notice has been mailed and the conditions, if any, to such redemption have been satisfied, then interest on the Series 2021 Bonds called for redemption will cease to accrue from and after the redemption date and such Series 2021 Bonds will no longer be considered to be Outstanding under the Resolution.

Purchase in Lieu of Optional Redemption

The Series 2021 Bonds are also subject to purchase prior to maturity, at the election of DASNY upon direction from the University, at the time that such Series 2021 Bonds are subject to optional redemption, in any order, in whole or in part at any time, at a purchase price (the "Purchase Price") equal to (i) in the case of the Series 2021A Bonds, 100% of the principal amount of the Series 2021A Bonds to be purchased and (ii) in the case of the Series 2021B Bonds, the Make-Whole Redemption Price, plus, in each case, accrued interest to the date of purchase (the "Purchase Date").

Notice of Purchase and its Effect

Notice of purchase of the Series 2021 Bonds will be given in the name of DASNY to the registered owners of the Series 2021 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 2021 Bonds to be purchased are required to be tendered on the Purchase Date to the Trustee. Series 2021 Bonds to be purchased that are not so tendered will be deemed to have been properly tendered for purchase. Such purchase will not operate to extinguish the indebtedness

of DASNY evidenced thereby or modify the terms of the Series 2021 Bonds and such Series 2021 Bonds need not be cancelled, but will remain Outstanding under the Resolution and continue to bear interest.

DASNY's obligation to purchase a Series 2021 Bond may be conditioned upon the availability of sufficient money to pay the Purchase Price for all of the Series 2021 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 2021 Bonds to be purchased, the former registered owners of such Series 2021 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 2021 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 2021 Bonds in accordance with their respective terms.

If not all of the Outstanding Series 2021 Bonds of a Series, maturity and, if applicable, interest rate, are to be purchased, the Series 2021 Bonds of such Series, maturity and interest rate to be purchased will be selected in the same manner as Series 2021 Bonds of a Series, maturity and interest rate to be optionally redeemed in part are to be selected.

For a more complete description of the redemption and other provisions relating to the Series 2021 Bonds, see "APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS" attached hereto. Also, see "—Book-Entry Only System" below for a description of the notices of redemption to be given to Beneficial Owners of the Series 2021 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 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2021 Bond certificate will be issued for each Series, maturity and, if applicable, interest rate, of the Series 2021 Bonds, totaling in the aggregate the principal amount of the Series 2021 Bonds, and will be deposited with DTC.

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

Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of a Series 2021 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 2021 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 2021 Bonds, except in the event that use of the book-entry system for such Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 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 the Series 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Series 2021 Bonds within a particular maturity of the Series 2021 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021 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 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2021 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 and 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 Trustee or DASNY, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of 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.

DTC may discontinue providing its services as securities depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to DASNY or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, the Series 2021 Bond certificates are required to be printed and delivered.

DASNY may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Series 2021 Bond certificates will be printed and delivered to DTC.

The information herein concerning DTC and DTC's book-entry-only 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 Participant or Indirect Participant acquires an interest in the Series 2021 Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, and may desire to make arrangements with such Direct Participant or Indirect Participant to have all notices of redemption or other communications to DTC, which may affect such persons, to be forwarded in writing by such Direct Participant or Indirect Participant and to have notification made of all interest payments. NONE OF DASNY, THE TRUSTEE, THE UNDERWRITERS OR THE UNIVERSITY WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT OR INDIRECT PARTICIPANT OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2021 BONDS.

So long as Cede & Co. is the registered owner of the Series 2021 Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2021 Bonds (other than under "PART 10 - TAX MATTERS" herein) mean Cede & Co., as aforesaid, and do not mean the Beneficial Owners of the Series 2021 Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference will only relate 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 2021 Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

DASNY, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2021 Bonds if DASNY determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2021 Bonds, or (ii) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by DASNY or restricted registration is no longer in effect, Series 2021 Bond certificates will be delivered as described in the Resolution.

NONE OF DASNY, THE UNIVERSITY, THE UNDERWRITERS OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT, (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2021 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 OR PURCHASE IN LIEU OF REDEMPTION OF THE SERIES 2021 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 2021 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2021 BONDS; OR (VI) ANY OTHER MATTER.

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Principal and Interest Requirements

The following table sets forth the amounts, after giving effect to the issuance of the Series 2021A Bonds and the Series 2021B Bonds, required to be paid by the University during each twelve month period ending August 31 of the years shown for the payment of debt service on the outstanding indebtedness of the University, the principal of and interest on the Series 2021A Bonds, the Series 2021B Bonds and the total debt service on all indebtedness of the University (exclusive of debt service on the University's lines of credit, mortgages and capital leases). For a discussion of the University's outstanding indebtedness and additional borrowing plans, see "PART 6 - THE UNIVERSITY - FINANCIAL STATEMENT INFORMATION - Investments - Outstanding Long-Term Debt and Other Obligations" and "- Additional Borrowing Plans" herein.

12-Month Period Ending August 31,	Series 2021A Bonds			Series 2021B Bonds			Debt Service On Outstanding Indebtedness	Total Debt Service ⁽¹⁾
	Principal Payments	Interest Payments	Total	Principal Payments	Interest Payments	Total		
2022	-	\$8,138,842	\$8,138,842	\$2,845,000	\$442,193	\$3,287,193	\$314,692,574	\$326,118,609
2023	-	8,825,250	8,825,250	735,000	472,374	1,207,374	314,701,654	324,734,278
2024	-	8,825,250	8,825,250	4,620,000	469,434	5,089,434	314,685,973	328,600,657
2025	-	8,825,250	8,825,250	4,655,000	438,480	5,093,480	314,682,751	328,601,481
2026	-	8,825,250	8,825,250	4,695,000	395,189	5,090,189	318,427,072	332,342,510
2027	-	8,825,250	8,825,250	4,755,000	339,788	5,094,788	317,908,809	331,828,846
2028	\$10,000	8,825,250	8,835,250	4,810,000	271,791	5,081,791	299,577,854	313,494,895
2029	765,000	8,824,750	9,589,750	4,130,000	193,388	4,323,388	298,306,477	312,219,615
2030	820,000	8,786,500	9,606,500	4,190,000	118,222	4,308,222	298,376,904	312,291,626
2031	3,260,000	8,745,500	12,005,500	1,870,000	37,774	1,907,774	298,398,764	312,312,038
2032	5,335,000	8,582,500	13,917,500	-	-	-	294,266,463	308,183,963
2033	5,600,000	8,315,750	13,915,750	-	-	-	289,681,209	303,596,959
2034	5,880,000	8,035,750	13,915,750	-	-	-	289,678,645	303,594,395
2035	6,175,000	7,741,750	13,916,750	-	-	-	285,409,845	299,326,595
2036	6,485,000	7,433,000	13,918,000	-	-	-	285,406,048	299,324,048
2037	6,805,000	7,108,750	13,913,750	-	-	-	285,213,057	299,126,807
2038	7,080,000	6,836,550	13,916,550	-	-	-	276,219,307	290,135,857
2039	7,360,000	6,553,350	13,913,350	-	-	-	263,396,414	277,309,764
2040	28,495,000	6,258,950	34,753,950	-	-	-	201,935,205	236,689,155
2041	29,645,000	5,119,150	34,764,150	-	-	-	193,641,483	228,405,633
2042	8,200,000	4,229,800	12,429,800	-	-	-	213,019,797	225,449,597
2043	8,530,000	3,901,800	12,431,800	-	-	-	205,597,116	218,028,916
2044	8,870,000	3,560,600	12,430,600	-	-	-	197,170,829	209,601,429
2045	9,225,000	3,205,800	12,430,800	-	-	-	197,162,708	209,593,508
2046	9,595,000	2,836,800	12,431,800	-	-	-	182,340,034	194,771,834
2047	9,980,000	2,453,000	12,433,000	-	-	-	132,023,589	144,456,589
2048	10,425,000	2,009,000	12,434,000	-	-	-	120,610,815	133,044,815
2049	10,890,000	1,542,750	12,432,750	-	-	-	54,559,316	66,992,066
2050	11,375,000	1,053,250	12,428,250	-	-	-	-	12,428,250
2051	11,890,000	539,500	12,429,500	-	-	-	-	12,429,500

⁽¹⁾ Amounts may not total due to rounding.

PART 4 - ESTIMATED SOURCES AND USES OF FUNDS

Estimated sources and uses of funds are as follows:

Sources of Funds	<u>Series 2021A Bonds</u>	<u>Series 2021B Bonds</u>	<u>Total</u>
Principal Amount	\$212,695,000.00	\$37,305,000.00	\$250,000,000.00
Plus: Original Issue Premium	<u>52,230,719.55</u>	<u>-</u>	<u>52,230,719.55</u>
Total Sources of Funds	<u>\$264,925,719.55</u>	<u>\$37,305,000.00</u>	<u>\$302,230,719.55</u>
Uses of Funds			
Deposit to the Construction Fund	\$264,925,208.53 ⁽¹⁾	\$35,936,134.31	\$300,861,342.84
Debt Service Fund	511.02	-	511.02
Costs of Issuance	-	1,293,425.73 ⁽²⁾	1,293,425.73
Underwriters' Discount	<u>-</u>	<u>75,439.96</u>	<u>75,439.96</u>
Total Uses of Funds	<u>\$264,925,719.55</u>	<u>\$37,305,000.00</u>	<u>\$302,230,719.55</u>

⁽¹⁾ Includes repayment of a line of credit in the amount of \$50,000,000.00, the proceeds of which were used by the University to current refund the Refunded Series 2016A Bonds.

⁽²⁾ Includes cost of issuance in the amount of \$580,580.04 related to the Series 2021A Bonds and an Underwriters' fee in the amount of \$619,588.41 related to the Series 2021A Bonds, which will be paid from the proceeds of the Series 2021B Bonds to the Underwriters. See "PART 15 – UNDERWRITING."

PART 5 – PLAN OF FINANCE AND REFUNDING

Refunding Plan

A portion of the proceeds from the sale of the Series 2021A Bonds are expected to be used to refund one of the University's lines of credit, the proceeds of which were used by the University to current refund the Refunded Series 2016A Bonds.

Plan of Finance – The Series 2021 Project

Additionally, a portion of the proceeds from the sale of the Series 2021 Bonds are expected to be used to finance or refinance costs incurred in connection with the acquisition, construction, reconstruction, renovation, equipping, repair, purchase or provision of the project described below (collectively, the "Series 2021 Project"). The Series 2021 Project consists of the direct payment of, or the repayment of one or more lines of credit the proceeds of which were applied to the payment of, a portion of the costs of: (A) projects located at the University's Washington Square location, including: (i) construction and equipping of a new mixed used (e.g., academic, athletic, residential and administrative) building at 181 Mercer Street; (ii) improvements to a cogeneration plant and infrastructure elements related to delivery and service sites, including, without limitation, 251 Mercer Street; (iii) upgrades to infrastructure and renovations for academic use at 404 Lafayette Street and 708 Broadway; (iv) renovations and equipping of space for use by the Chemical Biology Department at the Silver Complex located at 23-29 Washington Place, 24-26 Waverly Place, 25 West 4th Street, and the Silver Building, located at 100 Washington Square East, including upgrading building systems, refurbishing office space, and relocating laboratories and classrooms to the Waverly Building (24 Waverly Place); (B) projects located at the University's Brooklyn geographic location, including, without limitation, 5 MetroTech Center, 6 MetroTech Center and 307 Bridge Street and renovation and equipping of a building located at 370 Jay Street; (C) projects at the Grossman School of Medicine, including: (i) renovation and equipping of a Virology Center for research and administrative uses at the Skirball Institute located at 540-562 First Avenue; (ii) installation of fire compliance equipment at the Smilow Research Center located at 522 First Avenue; (iii) renovation of Vilcek Hall located at 334 E 26th Street for ADA compliant upgrades; (D) various renovations, upgrades, expansions and improvements and deferred maintenance of other facilities of the University located in New York, New York.

PART 6 – THE UNIVERSITY

GENERAL INFORMATION

Introduction

The University is a private, not-for-profit institution of higher education and is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The University was founded in 1831 by a group of private citizens and is recognized nationally and internationally as a leader in scholarship and education.

NYU is one of the largest private institutions of higher education in the United States. It has almost 6,000 full-time faculty – including recipients of Nobel Prizes, Abel Prizes, National Medals of Science, Technology, the Arts and the Humanities, Pulitzer Prizes and other top honors – and approximately 30,000 undergraduate and 25,000 graduate and professional students. It includes 20 schools, colleges, institutes and programs in eight major locations in the greater New York City area: the Washington Square campus in Greenwich Village; the Institute of Fine Arts at 1 East 78th Street near the Metropolitan Museum of Art; the School of Professional Studies at the Midtown Center at 11 West 42nd Street and the Woolworth Building located at 15 Barclay Street (as well as at Washington Square); the Rory Meyers College of Nursing and the College of Dentistry on First Avenue between East 24th and 26th Streets; the Robert I. Grossman School of Medicine (“Grossman School of Medicine”) on First Avenue between East 30th and 34th Streets; the Institute for the Study of the Ancient World at 15 East 84th Street; the downtown Brooklyn area, where the Tandon School of Engineering and the Center for Urban Science and Progress (CUSP) are located; and the Long Island School of Medicine in Mineola, Long Island.

NYU is distinguished by its significant global network – an integrated system that permits faculty and students to move among NYU sites throughout the world in pursuit of their scholarly interests and education. Each of these sites is staffed and managed by NYU. In addition to the University’s historic campus in New York’s Greenwich Village neighborhood, its growing presence in downtown Brooklyn, its “Health Corridor” along First Avenue, and its Long Island School of Medicine in Mineola, Long Island, the network includes a comprehensive, degree-granting, liberal arts and science university in Abu Dhabi (“NYU Abu Dhabi”); a comprehensive, degree-granting liberal arts and science campus in Shanghai (“NYU Shanghai”); and eleven other global academic sites on six continents where students may study away for a semester or more. The University’s global network was recognized in 2011 with the Senator Paul Simon Award for Campus Internationalization by NAFSA: Association of International Educators (the former National Association of Foreign Student affairs). NYU was ranked in 2020 as a top 30 global university by *US News and World Report* and the *Times Higher Education*.

As a private university, NYU is governed by a board of trustees. It derives its operating funds from tuition, room and board charges, budgeted distributions from its endowment, grants from private foundations and government, gifts from friends, alumni, corporations, and other private philanthropic sources and revenue from patient care through faculty group practices.

The University is committed to a policy of equal treatment in every aspect of its relations with faculty, students and staff members, without regard to age, citizenship status, color, disability, marital or parental status, national origin, race, ethnicity, religion, sex or sexual orientation, gender and/or gender identity or veteran or military status.

The University is a member of the Association of American Universities and is accredited by the Middle States Commission on Higher Education. Graduate and professional accrediting agencies recognize its degrees in all categories.

Governance

The University is governed by a self-perpetuating board of trustees (the “Board”) which is responsible for directing the affairs of the University. There are currently 50 Voting Trustees, 17 Life Trustees (non-voting), and six Trustee Associates (non-voting). The following is a list of the members of the Board:

Officers of the Board

<u>Name</u>	<u>Board Position</u>	<u>Affiliation</u>
William R. Berkley	Chair	Executive Chairman W. R. Berkley Corporation
Martin Lipton	Chair Emeritus	Partner Wachtell, Lipton, Rosen & Katz
Phyllis Putter Barasch	Vice Chair	Retired
Laurence D. Fink	Vice Chair	Chairman & Chief Executive Officer BlackRock, Inc.
Chandrika Tandon	Vice Chair	Chairman Tandon Capital Associates
Anthony Welters	Vice Chair	Executive Chairman BlackIvy Group, LLC
Leonard A. Wilf	Vice Chair	President Garden Homes, Inc.
Kenneth G. Langone*	Honorary Vice Chair	Chairman & Chief Executive Officer Invemed Associates, LLC
Thomas S. Murphy*	Honorary Vice Chair	Retired Chairman and Chief Executive Officer Capital Cities/ABC, Inc.
Constance Silver*	Honorary Vice Chair	Art Director Victory Ventures, Inc.
Larry A. Silverstein	Honorary Vice Chair	Chairman Silverstein Properties, Inc.
Shelby White*	Honorary Vice Chair	Trustee The Leon Levy Foundation

* Non-voting Life Trustee.

Other Voting Trustees

Ronald D. Abramson

Shareholder
Buchanan Ingersoll & Rooney, PC

Rima Al Mokarrab

Executive Director, Strategic Affairs
Executive Affairs Authority of
Abu Dhabi

Khaldoon Khalifa Al Mubarak

Chairman
Executive Affairs Authority of
Abu Dhabi
& Managing Director and Group CEO
Mubadala Investment Company

Taffi Ayodele

Co-Founder and Chief Fit Officer
Thando Holdings, LLC

Maria Bartiromo

Anchor and Global Markets Editor
Fox Business Network

Marc H. Bell

Chairman and Chief Executive Officer
Terran Orbital

Andrea C. Bonomi

Founder and Chairman
Investindustrial

Casey Box

Executive Director
Land is Life

Sharon Chang

Managing Trustee
TTSL Charitable Foundation
& Founder, Yoxi

Evan R. Chesler

Chairman
Cravath, Swaine & Moore LLP

Steven M. Cohen

Chair
Empire State Development

Stuyvesant Comfort

Founder
Conversion Venture Capital

Jinsong Ding

Chairman
Shanghai HiTime Real Estate Group

Fiona Druckenmiller

Small Business Owner
FD Gallery

Gale Drukier

Joel S. Ehrenkranz

Senior Partner
Ehrenkranz Partners L.P.

Lun Feng

Chairman
YuFeng (F&E) Capital

Luiz Fraga

Co-Founder and Co-CIO of Private
Equity
Gavea Investimentos

Jeffrey S. Gould

President
Portable, Inc.

Lisa Yoo Hahn

Partner
Asia Alpha Private Equity

Andrew D. Hamilton

President
New York University

Beverly Hyman, Ph.D.

President
Beverly Hyman, Ph.D. and
Associates

Boris Jordan

President & CEO
The Sputnik Group

David A. Katz

Partner
Wachtell, Lipton, Rosen & Katz

Andre J.L. Koo

Chairman
Chailease Group

Joseph Landy

Special Limited Partner
Warburg Pincus LLC

Mark Leslie

Managing Director
Leslie Ventures

Amanda Lipitz

Director/Producer
Amanda Lipitz Productions

Kelly Kennedy Mack

President
Corcoran Sunshine Marketing Group

Howard Meyers

Chairman
Quexco Incorporated

Constance J. Milstein

Principal and Co-Founder
Ogden CAP Properties, LLC

David C. Oxman

Senior Counsel
Davis Polk & Wardwell

John Paulson

President
Paulson & Co., Inc.

Dasha Rettew

President
Reservoir Advisors, Inc.

Catherine B. Reynolds

Chairman & CEO
Catherine B. Reynolds Foundation

Brett B. Rochkind

Managing Partner
BRK Capital

Lisa Silverstein

Vice Chairman
Silverstein Properties, Inc.

Joseph S. Steinberg

Chairman
Jefferies Financial Group Inc.

Adam Taki

President
Actlien Holding Inc.

David A. Tanner

Managing Director
Three Mile Capital

Sascia Yuan

Director
Credit Suisse

Charles Zegar

Founding Partner
Bloomberg, L.P.

Other Non-Voting Life Trustees

Diane Belfer
Philanthropist

Arthur L. Carter
President
Utilities & Industries Corporation

Maurice R. Greenberg
Chairman & Chief Executive Officer
C.V. Starr and Co., Inc.

Henry Kaufman
President
Henry Kaufman & Company, Inc.

Helen L. Kimmel

Richard Jay Kogan
President
The KOGAN Group, LLC

Herbert M. Paul
Managing Partner
Herbert Paul, P.C.

E. John Rosenwald, Jr.*
Vice Chairman
JP Morgan Chase & Co.

William C. Rudin
CEO and Co-Chairman
Rudin Management Company, Inc.

Joel E. Smilow
Co-Founder and Chairman Emeritus
Dinex Group

Judy Steinhardt

Michael H. Steinhardt
Managing Member
Steinhardt Management, Inc.

William D. Zabel
Partner
Schulte Roth & Zabel LLP

Non-Voting Trustee Associates

Bruce Berger
Treasurer
SCORE NYC

Leonard Boxer
Chairman, Real Estate Department
Stroock & Stroock & Lavan LLP

Jane Eisner Bram
Psychotherapist

Betty Weinberg Ellerin
Senior Counsel
Alston & Bird LLP

Marvin Leffler
President Emeritus and Trustee
Town Hall Foundation

Jeffrey H. Lynford
CEO
Educational Housing Services, Inc.

* J.P. Morgan Securities LLC is serving as an underwriter of the Series 2021 Bonds, and Mr. Rosenwald is affiliated with JP Morgan Chase & Co, an affiliate of J.P. Morgan Securities LLC.

Administration

The President of the University is appointed by the Board and, as chief executive officer, is principally responsible for administration of the University. The key officers of the University are nominated by the President and appointed by the Board; other principal executives are appointed by the President. The key officers of the University are listed below:

Key Officers of the University

<u>Name</u>	<u>Position</u>
Andrew D. Hamilton , B.Sc., M.Sc., Ph.D.	President and Chancellor
Katherine E. Fleming , B.A., M.A., Ph.D.	Provost
Aisha Oliver-Staley , B.Sc., J.D.	General Counsel and Secretary
Martin S. Dorph , B.S., M.B.A., J.D.	Executive Vice President
Stephanie Pianka , B.A., M.B.A.	Chief Financial Officer
Robert Grossman , B.S., M.D.	Executive Vice President for NYU Langone Health

Andrew D. Hamilton, B.Sc., M.Sc., Ph.D.

Andrew D. Hamilton became the 16th President of the University in January 2016. He served as the Vice Chancellor of Oxford University, the university's senior officer, after an academic career that took him from Princeton University to the University of Pittsburgh, and then to Yale University, where he was named Provost. Throughout his time in academic leadership positions, he has maintained his scholarly work, including an active research laboratory, and continues to do so at NYU. A distinguished chemist and a Fellow of the Royal Society, Dr. Hamilton's scholarly work lies at the intersection of organic and biologic chemistry. He received his Ph.D. from Cambridge University, his master's degree from the University of British Columbia and his undergraduate degree from Exeter University.

Katherine E. Fleming, B.A., M.A., Ph.D.

Katherine E. Fleming became Provost of the University in September 2016. Dr. Fleming joined the NYU faculty in 1998. As NYU's Deputy Provost (since 2013) and Vice Chancellor (Europe) (since 2007), she worked closely with the deans, directors, and schools on academic planning and also provided oversight of the Provost's Global Research Initiatives program, which she created in 2011. A historian, she is the Alexander S. Onassis Professor of Hellenic Culture and Civilization in the Faculty of Arts and Science, and served for many years as the Associate Director and then Director of the Remarque Institute. Outside of NYU, Dr. Fleming is an associate member of the History Department of the *École Normale Supérieure*, Paris, and served as the president of the Board of the University of Piraeus, Greece. She holds a Ph.D. in history from the University of California, Berkeley and an M.A. from the University of Chicago and B.A. from Barnard College, Columbia University in comparative religion.

Aisha Oliver-Staley, B.Sc., J.D.

Aisha Oliver-Staley began as New York University's Senior Vice President, General Counsel and University Secretary in January 2021. Prior to joining NYU, Ms. Oliver-Staley was the Chief Ethics and Compliance Officer & Deputy General Counsel at Georgia Institute of Technology. At Georgia Tech, Ms. Oliver-Staley was responsible for the management and governance of its sixteen affiliated non-profit organizations. Ms. Oliver-Staley also advised on all issues affecting a major research university, including on international projects, compliance and ethics, real estate finance and development, gifts, export compliance, conflicts of interest, investigations, and personnel matters. Prior to Georgia Tech, Ms. Oliver-Staley was an associate at McKenna, Long & Aldridge LLP in Atlanta, where she worked on general corporate matters for both nonprofit and for-profit organizations, including public-private finance transactions. Ms. Oliver-Staley graduated magna cum laude from Morgan State University, where she earned a B.Sc. in business management. She received her J.D. from Howard University School of Law.

Martin S. Dorph, B.S., M.B.A., J.D.

As Executive Vice President, Martin S. Dorph is responsible for the University's administrative and business operations. He provides oversight to the following units, among others: Office of the Senior Vice President for Finance and Planning; Chief Financial Officer; Information Technology; Capital Projects and Facilities; Human Resources; Public Safety; and the University Investment Office. Mr. Dorph served as the University's Chief Financial Officer from 2007 to 2017. Prior to joining NYU, Mr. Dorph was Vice President, Chief Financial Officer and Treasurer of Temple University for eleven years. He also held positions as the Director of Finance and Administration for the Delaware River Port Authority, the Deputy Director of Finance for the City of Philadelphia and in investment banking. Mr. Dorph received his B.S. from Case Western Reserve University and his M.B.A. and J.D. from the University of Pennsylvania.

Stephanie Pianka, B.A., M.B.A.

Stephanie Pianka was appointed Senior Vice President for Finance and Budget and Chief Financial Officer in June 2017. In this role, Ms. Pianka is responsible for all aspects of the University's fiscal strategy and financial operations, as well as campus services. She also provides oversight to the following units, among others: Office of Budget and Financial Planning; Treasury, Financial Operations and Office of the Controller; Internal Audit; and Campus Services. Ms. Pianka joined the University in 2012 and held the office of Vice President, Financial Operations and University Treasurer until her promotion in June 2017. She is an active member of the Treasury Institute for Higher Education, has been a member of Bank of America's Global Transaction Services Client Advisory Board, and represents NYU on the Educational Advisory Board's Business Affairs forum. Prior to joining NYU, Ms. Pianka held a number of finance, management, and operations posts at firms including General Electric, Avaya, and Storage Technology Corp., both in the U.S. and abroad. She received her B.A. in computer science from SUNY-Oswego and her M.B.A. from NYU's Stern School of Business.

Robert Grossman, B.S., M.D.

Robert Grossman was appointed Executive Vice President for NYU Langone Health in June 2017. He is also the Saul J. Farber Dean and Chief Executive Officer of NYU Langone Health since July 2007. NYU Langone Health comprises more than 230 locations throughout the New York area and five inpatient locations. Also part of NYU Langone Health is the Laura and Isaac Perlmutter Cancer Center, a National Cancer Institute-designated cancer center, and NYU Grossman School of Medicine. Dr. Grossman joined NYU Langone Health (formerly known as NYU Medical Center) in 2001 as the Louis Marx Professor of Radiology, chairman of the Department of Radiology, and professor of neurology, neurosurgery, and physiology and neuroscience. In his previous position at the Hospital of the University of Pennsylvania, he was a professor of radiology, neurosurgery, and neurology; chief of neuroradiology; and associate chairman of radiology. Dr. Grossman received his B.S. in biology from Tulane University and his M.D. from the University of Pennsylvania. He completed his internship at Beth Israel Hospital in Boston, two years of a neurosurgery residency at the University of Pennsylvania, a radiology residency at the University of Pennsylvania, and a two-year fellowship in neuroradiology at Massachusetts General Hospital. Dr. Grossman is board certified in radiology and neuroradiology.

Academic Programs

NYU's academic programs encompass arts and media; business; law; education; health and medicine; humanities and social sciences; science, technology, engineering, and math; public administration; the ancient world; and continuing professional studies. With more than 12,000 unique courses offered,¹ the University awards more than 30 different degrees through over 200 undergraduate programs and over 450 graduate and professional programs.

¹ Including over 9,700 courses offered in the New York area in the 2020-21 academic year, over 2,600 offered through NYU's campuses abroad. Over 8,300 of these were offered online this year, over four times NYU's usual online course rate.

NYU's schools, colleges, portal campuses, and institutes include:

Faculty of Arts and Science, including:

- College of Arts and Science
- Graduate School of Arts and Science
- Liberal Studies

School of Law

Grossman School of Medicine

Tandon School of Engineering, including:

- Center for Urban Science and Progress

College of Dentistry

Steinhardt School of Culture, Education, and Human Development

Leonard N. Stern School of Business

Institute of Fine Arts

Rory Meyers College of Nursing

School of Professional Studies

Courant Institute of Mathematical Sciences

Robert F. Wagner Graduate School of Public Service, including:

- Marron Institute for Urban Management

Silver School of Social Work

Tisch School of the Arts

Gallatin School of Individualized Study

Institute for the Study of the Ancient World

NYU Abu Dhabi

School of Global Public Health

NYU Shanghai

Long Island School of Medicine

The flagship of NYU Libraries' ten-library, 6.8 million-volume system is the Elmer Holmes Bobst Library, which receives 2 million visits annually. Other libraries include the Courant Institute of Mathematical Sciences Library, the Stephen Chan Library of the Institute of Fine Arts, the Jack Brause Library at School of Professional Studies Midtown, the Institute for the Study of the Ancient World Library, the Sid and Ruth Lapidus Health Sciences Library, the NYU Law Library, the Bern Dibner Library at the Tandon School of Engineering, the NYU Abu Dhabi Library, and the NYU Shanghai Library. The Libraries' digital and electronic collections provide access to a world of content, with a circulation of 10.5 million e-books and documents in fiscal year 2020.

Campuses and Global Network

New York Campus

The primary location for undergraduate and graduate study is at the Washington Square campus in Greenwich Village, New York, New York. Undergraduate and graduate study is also conducted at other NYU locations in Manhattan, downtown Brooklyn, New York and in Mineola, Long Island. The University's student residence hall system accommodates approximately 12,000 undergraduate and graduate students. University apartment buildings provide housing for approximately 2,900 faculty members, staff and graduate students. The Grossman School of Medicine and the Long Island School of Medicine (collectively, the "Schools of Medicine") house approximately 1,545 faculty members, staff and students near the Schools of Medicine.

The University offers multiple sports and recreational facilities to University students, faculty, staff and alumni. These facilities accommodate a wide range of individual and group sports and recreational activities, in addition to serving as home for the University's intercollegiate teams.

Global Network

The University offers students various study away and global exchange programs. These include “portal” campuses in Abu Dhabi and Shanghai (fully staffed, degree granting campuses where an entire course of study can be completed), in addition to the main campus in New York. In addition to the three portal campuses, the University has global academic centers in Accra, Berlin, Buenos Aires, Florence, London, Madrid, Paris, Prague, Sydney, Tel Aviv and Washington, DC.

In 2007, the University entered into an agreement with the Government of Abu Dhabi to develop a research and degree-granting campus of the University in Abu Dhabi. The campus is operated to the academic excellence standards applicable at the University. The Government of Abu Dhabi provided land, funding and financing for the development, construction and equipping of NYU Abu Dhabi and continues to provide funding for its maintenance and operation. NYU Abu Dhabi’s campus on Saadiyat Island, Abu Dhabi comprises 40 acres of academic, research, administrative, student support and ancillary activity space, as well as student, faculty and staff housing. In total, NYU Abu Dhabi enrolls approximately 1,536 full-time and 89 part-time students, including a new class of approximately 490 students who entered in Fall 2020. The financial statements of NYU Abu Dhabi are consolidated with those of the University in accordance with accounting standards.

In 2011, the University entered into an agreement with the Shanghai Municipal Education Commission, the Pudong New Area government and East China Normal University to create NYU Shanghai, a comprehensive research university with a liberal arts and science undergraduate college at its core. NYU Shanghai is operated through an entity established in the People’s Republic of China, and the University maintains full control over NYU Shanghai’s academics and academic support operations. NYU Shanghai is included in the University’s Consolidated Financial Statements only to the extent that financial aid is provided to NYU Shanghai students originating from the United States, or NYU Shanghai incurs expenses payable by the University, or gifts and tuition are collected by the University on behalf of NYU Shanghai. NYU Shanghai’s primary academic building is located on a 65,000-square-meter campus in the Pudong district of Shanghai that was built with the support of the Pudong New Area government. NYU Shanghai enrolls approximately 1,580 full-time undergraduate students, including a new class of approximately 475 undergraduate students who entered in Fall 2020, and 182 graduate students. The financial support provided to NYU Shanghai has been extended through academic year 2022-2023.

NYU Langone Health

The NYU Grossman School of Medicine, the Long Island School of Medicine and NYU Langone Hospitals constitute the academic medical center known as NYU Langone Health. The University is the sole corporate member of NYU Langone Health System (the “Health System”), a 501(c)(3) tax-exempt entity, which is the sole corporate member of NYU Langone Hospitals. The Health System and NYU Langone Hospitals are separate legal entities, however their financial statements are consolidated with those of the University in accordance with accounting standards. However, neither the Health System nor NYU Langone Hospitals is obligated with respect to any of the University’s indebtedness, and the University has no responsibility or liability for the indebtedness or other obligations of the Health System or NYU Langone Hospitals.

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OPERATING INFORMATION

Student Admissions

The following table sets forth for the most recent five academic years the number of applicants who have applied for first-time freshman admission to undergraduate schools at the University, the number and percent of those applicants accepted, the number of such first-time freshmen enrolled, and the percentage matriculation yield.

UNDERGRADUATE ADMISSION STATISTICS

Academic Year	Applicants	Acceptances	% Accepted	New Enrollment	Matriculation Yield
2020 – 2021	85,594	19,490	22.8%	7,669	39.4%
2019 – 2020	84,178	14,688	17.4%	6,615	45.0%
2018 – 2019	75,251	16,214	21.5%	6,956	42.9%
2017 – 2018	67,628	19,493	28.8%	6,711	34.4%
2016 – 2017	63,802	20,048	31.4%	6,674	33.3%

Note: Academic years shown above reflect data applicable to the Fall semester’s entering freshmen bachelor’s degree candidates and two-year programs’ candidates. Undergraduate admission statistics reflect data for NYU, NYU Abu Dhabi, and NYU Shanghai, including those applicants who are Chinese nationals. NYU Abu Dhabi and NYU Shanghai are not reported in the U.S. Department of Education Integrated Postsecondary Education Data System (“IPEDS”) because IPEDS data excludes any branch campus located in a foreign country.

As of June 2021, NYU has received over 100,000 first-year undergraduate admission applications across all three of our campuses (Abu Dhabi, Shanghai, New York) for the fall 2021 semester, a 20% increase over Fall 2020 applications. This marks an almost threefold increase since 2008, and marks the first time applications have surpassed 100,000.

Student Enrollment

The following table, based on Fall registration data, shows the University’s total enrollment (including NYU Abu Dhabi and NYU Shanghai) for the most recent five academic years.

ENROLLMENT SUMMARY

Academic Year ^{1,2,3,4}	<u>Full-Time (FT)</u>				<u>Part-Time (PT)</u>				Grand Total	FT Equivalent
	Undergrad	Grad & Prof	Non-Degree Candidate	Total FT	Undergrad	Grad & Prof	Non-Degree Candidate	Total PT		
2020 – 2021 ⁵	28,981	18,201	49	47,231	1,675	7,138	4,158	12,971	60,202	51,555
2019 – 2020 ⁵	28,766	19,494	85	48,345	1,146	6,410	5,491	13,047	61,392	52,694
2018 – 2019	28,365	17,415	99	45,879	1,041	7,699	5,894	14,634	60,513	50,757
2017 – 2018	27,719	16,977	110	44,806	1,080	7,729	5,446	14,255	59,061	49,558
2016 – 2017	27,022	16,486	359	43,867	1,255	7,929	5,099	14,283	58,150	48,628

- ^{1.} Enrollment figures include NYU Abu Dhabi and NYU Shanghai.
- ^{2.} Includes Chinese national students.
- ^{3.} Excludes Consortium and Global Exchange students.
- ^{4.} Non-degree students measured as of Fall census. Enrollment is ongoing throughout the year.
- ^{5.} Includes the Long Island School of Medicine.

The following table shows enrollment by school (including NYU Abu Dhabi and NYU Shanghai) for Fall 2020.

ENROLLMENT BY SCHOOL¹

Fall 2020

	<u>Full-Time</u>	<u>Part-Time</u>	<u>Total</u>
Undergraduate			
College of Arts and Science	7,970	343	8,313
Liberal Studies	2,624	56	2,680
Steinhardt School of Culture, Education, and Human Development	2,783	154	2,937
Leonard N. Stern School of Business	2,710	104	2,814
School of Professional Studies	1,026	204	1,230
Tisch School of the Arts	3,368	260	3,628
Gallatin School of Individualized Study	1,452	137	1,589
Silver School of Social Work	130	5	135
College of Dentistry	100	65	165
Rory Meyers College of Nursing	904	41	945
Tandon School of Engineering	2,757	86	2,843
University Programs/Study Abroad Visiting	30	135	165
NYU Abu Dhabi	1,546	79	1,625
NYU Shanghai ²	1,581	6	1,587
Total Undergraduate Students	28,981	1,675	30,656
Graduate (excluding Professional enrollment)			
Graduate School of Arts & Science (Incl. Insts of Fine Arts & Ancient World)	3,323	788	4,111
Steinhardt School of Culture, Education, and Human Development (Incl. Shanghai Joint Program)	2,360	1,333	3,693
Tandon School of Engineering	2,448	1,011	3,459
Leonard N. Stern School of Business (Incl. Shanghai Joint Program)	1,541	1,251	2,792
Robert F. Wagner Graduate School of Public Service	347	505	852
Silver School of Social Work (Incl. Shanghai Joint Program)	894	203	1,097
Tisch School of the Arts (Incl. Shanghai Joint Program)	651	38	689
Gallatin School of Individualized Study	80	55	135
School of Professional Studies	2,109	904	3,013
School of Global Public Health	589	136	725
Rory Meyers College of Nursing	93	622	715
College of Dentistry	170	12	182
School of Law (Incl. Tandon Joint Program)	168	210	378
Grossman School of Medicine	22	8	30
Center for Urban Science and Progress	44	26	70
NYU Abu Dhabi	8	0	8
University Programs/Study Abroad Visiting	0	21	21
Total Graduate Students³	14,839	7,122	21,961
Professional			
School of Law	1,355	16	1,371
Grossman School of Medicine	433	0	433
Long Island School of Medicine	47	0	47
College of Dentistry	1,527	0	1,527
Total Professional Students	3,362	16	3,378
Total Credit	47,182	8,813	55,995
Non-Credit			
College of Dentistry	45	159	204
School of Professional Studies	4	2,527	2,531
College of Arts and Science	0	4	4
Silver School of Social Work	0	122	122
Interdisciplinary	0	166	166
Steinhardt School of Culture, Education, and Human Development	0	451	451
School of Law	0	149	149
Leonard N. Stern School of Business	0	527	527
School of Global Public Health	0	1	1
Tisch School of the Arts	0	15	15
Tandon School of Engineering	0	37	37
Total Non-Credit	49	4,158	4,207
GRAND TOTAL³	47,231	12,971	60,202

1. Excludes Consortium and Global exchange students.

2. NYU Shanghai enrollment figure includes students who are Chinese nationals.

3. Nine students simultaneously pursuing disjoint degree programs that cross graduate schools are counted once in total graduate students.

Degrees Conferred

The following table sets forth the number of degrees granted by the University for the past five academic years for which data are available:

<u>Academic Year</u>	<u>DEGREES CONFERRED^{1,2,3}</u>		<u>Total</u>
	<u>Undergraduate</u>	<u>Graduate & Professional</u>	
2019 – 2020	7,319	11,208	18,527
2018 – 2019	6,763	11,205	17,968
2017 – 2018	7,077	10,292	17,369
2016 – 2017	6,520	10,233	16,753
2015 – 2016	6,127	10,282	16,409

^{1.} Excludes Consortium and Global exchange students.

^{2.} Includes NYU Abu Dhabi and NYU Shanghai, with Chinese national students

^{3.} Global enrollment figures reflect distinct degree count. A student in multiple programs is counted once for each degree the student is pursuing.

Tuition and Fees

As indicated in the following table of charges for selected major divisions by academic years, tuition and fees vary from one school, college or institute of the University to another. In most of the schools, colleges and institutes, there is a flat rate for a full-time program and a per-point rate for courses constituting less than or more than a full program.

<u>Academic Year</u>	<u>TUITION & FEE CHARGES</u>				
	<u>2020 – 2021</u>	<u>2019 – 2020</u>	<u>2018 – 2019</u>	<u>2017 – 2018</u>	<u>2016 – 2017</u>
Undergraduate Tuition and Fees	\$54,880	\$53,308	\$51,828	\$50,464	\$49,062
Undergraduate Tuition and Fees Per Point	1,537 – 1,787	1,493 – 1,749	1,451 – 1,700	1,412 – 1,655	1,373 – 1,608
Stern Undergraduate Tuition and Fees	56,508	53,906	52,408	51,028	49,610
Tisch Undergraduate Tuition and Fees	60,282	58,552	56,924	55,424	53,882
Graduate Tuition and Fees (GSAS) Per Point	1,928	1,856	1,787	1,723	1,664
College of Dentistry ¹	85,288	82,008	78,854	75,820	72,904
School of Law	71,078	68,712	66,204	63,772	63,266
School of Medicine ²	60,088	59,140	58,468	56,764	55,110
Leonard N. Stern School of Business – Graduate Tuition and Fees	81,123	76,860	74,300	73,178	70,600
Average Dormitory Charges	13,953	13,548	13,166	12,814	12,646
Average Board Charges	5,290	5,136	4,990	4,850	4,932

¹Tuition Only, DDS and DMD

²As of 2019 – 2020, includes the Long Island School of Medicine. In Fall 2019, the Schools of Medicine began offering full-tuition scholarship to all current students and future matriculated students in the MD program.

The University is working on long-term strategies to alter the trajectory of college costs at NYU. The Fall 2021 undergraduate tuition and fees increase was set to 2.95%.

Tuition and fee charges, net of financial aid, as a percentage of total operating revenues for the University, excluding the Schools of Medicine, were approximately 61.4% in the fiscal year ended August 31, 2020 and were approximately 55.3% in the fiscal year ended August 31, 2019. Auxiliary enterprise revenues, which include dormitory and board charges, as a percentage of total operating revenues for the University, were approximately 7.8% in fiscal year ended August 31, 2020 and were approximately 12.9% in the fiscal year ended August 31, 2019.

Student Financial Aid

The University's admissions and financial aid programs are designed to enable qualified students to attend the University regardless of their financial circumstances. Undergraduate and graduate students receive financial aid from loans, employment, government and private sources, and University funds. Financial aid provided from the federal and State governments is an important source of funds for students who otherwise might not be able to attend the University because of insufficient financial means. The following table sets forth the sources of financial aid for students at the University (including NYU Abu Dhabi and NYU Shanghai) for the past five academic years for which data is available:

SOURCES OF FINANCIAL AID³
(\$ in thousands, includes NYU Grossman School of Medicine)

Academic Year	# of Students	NYU Grants ¹	NYU Loans	State Aid	Federal Aid ²	External Grants ⁴	External Loans	Total
2019 – 2020	40,291	\$760,074	\$1,091	\$11,872	\$671,505	\$27,061	\$78,055	\$1,549,658
2018 – 2019	33,189	687,109	721	12,730	683,462	18,704	67,578	1,470,304
2017 – 2018	32,612	642,939	3,139	12,849	663,215	18,799	62,719	1,403,660
2016 – 2017	34,359	637,076	3,077	12,966	642,009	47,234	62,244	1,404,606
2015 – 2016	33,187	608,233	2,204	13,595	652,591	42,055	66,550	1,385,228

Note: Totals above may not foot, due to rounding

1. NYU Grants include scholarships, fellowships, resident assistant dollars and stipends.

2. Federal Aid includes grants, student and parent loans and federal College Work-Study Program.

3. Financial aid includes grants for NYU Shanghai students that are not included in the University's consolidated financial statements.

4. As of 2017-2018, NYU no longer tracks external grants to students not already receiving institutional, state or federal aid.

As a part of the federal aid program for the fiscal year ended August 31, 2020, approximately 3,199 students participated in the federal College Work-Study Program, holding part-time employment on and off campus to help meet their costs of education. Income to participating students totaled approximately \$7.75 million for the year ending August 31, 2020.

State Aid to the University

The University benefits from a New York State program under which State aid is allocated to independent post-secondary institutions based on the number of certain academic degrees conferred in the preceding year. Specified dollar amounts are received for each bachelor degree, master degree, and doctoral degree awarded. The University uses these funds to support the student aid budget. Future payments by the State are dependent on the enactment of annual appropriations and the ability of the State to pay the sums appropriated. The following table sets forth the State aid received for the past five New York State fiscal years, which ended on March 31st:

STATE AID

(\$ in millions, includes NYU Grossman School of Medicine)

<u>NY State Fiscal Years</u>	<u>Amount</u>
2020 – 2021	\$4.5
2019 – 2020	4.2
2018 – 2019	4.3
2017 – 2018	4.3
2016 – 2017	4.3

Faculty

The University has full-time tenured or tenure-track faculty, full-time non-tenure track contract faculty, and part-time faculty. The University believes that salaries and fringe benefits are competitive with those offered by comparable institutions both regionally and nationally. The following table sets forth the faculty profile at the University for the five most recent academic years for which data are available:

<u>Fiscal Year</u>	<u>FACULTY PROFILE¹</u>				
	<u>Full-time Faculty²</u>	<u>Part-time Faculty²</u>	<u>Total Faculty</u>	<u>Full-time Equivalent Faculty</u>	<u>Percent of Total Faculty Tenured</u>
2020 – 2021	5,908	4,044	9,952	7,256	16%
2019 – 2020	5,887	4,139	10,026	7,267	15%
2018 – 2019	5,723	4,142	9,865	7,104	16%
2017 – 2018	5,717	4,082	9,799	7,078	16%
2016 – 2017	5,510	4,110	9,620	6,880	16%

¹ Source: IPEDS census data as of November 1st of each reporting year. Excludes NYU Abu Dhabi and NYU Shanghai.

² Salaried employees only. Graduate student employees are excluded.

Labor Relations

The University has collective bargaining agreements with unions representing approximately 8,400 employees (including approximately 6,200 part-time faculty and graduate student employees), and the University considers its relations with its employees to be good. A successor contract with International Union, UAW, AFL-CIO and its Local 2110, UAW covering certain graduate student employees for the term September 1, 2020 - August 31, 2026 was recently ratified by the bargaining unit. A contract with the Office and Professional Employee International Union, Local 153, AFL-CIO, covering certain office and clerical employees of the NYU Tandon School of Engineering was to expire December 31, 2020, and has been extended through July 30, 2021 while the parties are engaged in contract negotiations. A contract with the International Union of Operating Engineers Local 30, covering certain skilled maintenance employees of the NYU Tandon School of Engineering expired on June 30, 2021; the parties are in negotiations on a successor agreement. A contract with 1199, National Health and Human Services Employees Union SEIU, AFL-CIO, covering technical and professional employees, will expire on September 30, 2021. A contract with International Union, UAW, AFL-CIO and its Local 7902, Adjuncts Come Together (ACT/UAW) covering certain adjunct faculty will expire on August 31, 2022. A contract with UCATS Local 3882, New York State United Teachers, AFT, AFL-CIO, covering office, clerical and technical employees will expire on October 31, 2023. A contract with the Local One Security Officers Union covering public safety officers will expire on June 30, 2024. A contract with Local 810, International Brotherhood of Teamsters, covering skilled maintenance employees will expire June 30, 2025. The University and College Union in Great Britain and NYU London have an agreement covering the administrative and academic staff of NYU London.

FINANCIAL STATEMENTS INFORMATION

University Finances

The University's Board reviews and approves the University's budget for each academic year and generally requires the University to have a balanced operating budget. Capital budgets also are prepared annually with the requirement that all capital spending be covered either by working capital and quasi-endowment funds, gifts and pledges, or by approved borrowing sources.

The University's financial statements are prepared in accordance with generally accepted accounting principles, and the University's consolidated audited financial statements as of August 31, 2020 and 2019 are included as "APPENDIX B – NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" to this Official Statement. Because the University has a controlling interest in the Health System, accounting standards require that the financial statements of the University and the Health System, which is the sole corporate member of NYU Langone Hospitals, be presented on a consolidated basis. See "PART 1 - INTRODUCTION - The University" herein and Note 1 in "APPENDIX B – NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto. Supplemental Schedules to the audited Consolidated Financial Statements set forth information about each component consolidated entity, and the information in the Supplemental Schedules in the columns entitled "University" and "NYU Schools of Medicine" represents the financial information with respect to the University. Only the University is obligated to make payments with respect to the Series 2021 Bonds. Neither the Health System nor NYU Langone Hospitals are liable for any obligations of the University, and the University is not liable for any obligations of the Health System or NYU Langone Hospitals.

The following tables summarize the balance sheets and the statement of activities for the University for the past five completed fiscal years. The information in the tables for the fiscal years ended on August 31, 2016, 2017, 2018, 2019 and 2020 was derived from the consolidating information in the columns entitled "University" and "NYU Schools of Medicine" included in the Supplemental Schedules to the audited Consolidated Financial Statements of the University. The information in the Balance Sheet (University) table for the fiscal year ended on August 31, 2020 and 2019 was derived from the consolidating information in the columns entitled "University" and "NYU Schools of Medicine" included in the Supplemental Schedules to the audited Consolidated Financial Statements in "APPENDIX B – NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto. The information in the Statement of Activities (University) table for the fiscal year ended on August 31, 2020 and 2019 is presented by functional classification by the University to facilitate comparison to prior fiscal years. The University's Supplemental Schedules to the audited Consolidated Financial Statements in "APPENDIX B – NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto are presented by natural classifications for expenses for the fiscal year ended on August 31, 2020 and 2019, including the Notes to Financial Statements section, Note 16: Functional Classification of Expenses. The University's audited Consolidated Financial Statements should be read in conjunction with the Supplemental Schedules.

Substantially all University employees are covered by retirement programs. These plans include various defined contribution plans and multi-employer defined benefit plans, and two University-sponsored defined benefit plans. The majority of University employees are covered by defined contribution plans. The University also provides certain health care and life insurance benefits for eligible retired employees. See Note 14 in "APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto.

Balance Sheet (University)
Fiscal years ended August 31
(in thousands – including NYU Schools of
Medicine)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assets					
Cash and cash equivalents	\$1,439,221	\$1,160,049	\$ 1,077,041	\$ 902,441	\$ 838,303
Short-term investments	2,452	4,303	1,870	1,989	1,860
Accounts and loans receivable, net	559,940	497,073	521,370	366,812	365,627
Patient accounts receivable, net	162,155	164,999	129,609	117,874	100,110
Contributions receivable, net	375,855	430,347	377,477	370,063	380,494
Other assets	565,935	496,565	470,272	446,235	174,552
Assets limited as to use – disaster recovery	-	-	-	50,535	42,377
Disaster-related receivable	-	-	-	164,126	212,446
Deposits with trustees	493,628	871,879	463,832	272,803	398,271
Long-term investments	4,610,842	4,251,307	4,251,250	4,104,581	3,615,417
Operating lease right of use asset ²	2,016,393	-	-	-	-
Land, buildings, and equipment, net	7,154,550	6,877,903	6,370,687	5,829,436	5,254,346
Total assets	<u>\$17,380,971</u>	<u>\$14,754,425</u>	<u>\$13,663,408</u>	<u>\$12,626,895</u>	<u>\$11,383,803</u>
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	\$1,082,765	\$1,094,500	\$996,212	\$886,262	\$800,834
Disaster-related accounts payable and accrued expenses	-	-	-	-	5,481
Deferred revenue	868,467	910,720	872,993	836,559	785,930
Operating lease liability ²	2,125,130	-	-	-	-
Deferred revenue – disaster related	-	-	-	50,566	42,377
Debt and other obligations	5,759,815	5,474,162	4,608,211	4,048,653	3,581,466
Federal grants refundable/Funds held for others	370,569	325,122	295,244	269,589	79,470
Accrued benefit obligation	88,371	148,793	67,983	147,823	200,663
Accrued postretirement obligation	659,726	580,680	460,134	486,970	551,495
Asset retirement obligation	225,029	220,881	213,816	208,272	201,870
Total liabilities	<u>\$11,179,872</u>	<u>\$8,754,858</u>	<u>\$7,514,593</u>	<u>\$6,934,694</u>	<u>\$6,249,586</u>
Net Assets: ¹					
Without donor restrictions	\$2,380,969	\$2,377,587	\$2,663,932	\$2,372,621	\$2,069,943
With donor restrictions	3,820,130	3,621,980	3,484,883	3,319,580	3,064,274
Total net assets	<u>\$6,201,099</u>	<u>\$5,999,567</u>	<u>\$6,148,815</u>	<u>\$5,692,201</u>	<u>\$5,134,217</u>
Total Liabilities and Net Assets	<u>\$17,380,971</u>	<u>\$14,754,425</u>	<u>\$13,663,408</u>	<u>\$12,626,895</u>	<u>\$11,383,803</u>

¹ The above information conforms to the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements for Not-for-Profit Entities, which NYU adopted using a retrospective approach in fiscal year 2019. Under ASU 2016-14, the three previously existing classes of net assets (unrestricted, temporarily restricted, and permanently restricted) are now presented as net assets without donor restrictions and net assets with donor restrictions. As such, the presentation for 2017 and 2016 above will not agree to the presentation of the audited financial statements.

² “Effective September 1, 2019, NYU adopted FASB ASU 2016-02, Leases, using the modified retrospective transition method that allows for application of the standard at the adoption date. Under ASU 2016-02, all leases with a term of twelve months of greater were required to be recognized on a discounted basis on the consolidated balance sheet as a right-of-use asset and lease liability.

Statement of Activities (University)¹
Fiscal years ended August 31 (in thousands – including NYU Schools of Medicine)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Changes in net assets without donor restriction					
Operating revenues					
Tuition and fees (net of financial aid awards of \$711,990, \$673,610, \$627,525, \$653,168; and \$613,962)	\$2,108,143	\$2,021,700	\$1,910,475	\$1,753,736	\$1,662,920
Grants and contracts	1,036,201	1,020,774	968,838	873,057	801,756
Patient care	2,539,307	2,392,552	1,844,952	1,578,439	1,387,393
Hospital affiliations	351,095	319,490	314,345	319,377	304,005
Contributions	106,751	118,233	158,863	176,575	151,672
Endowment distribution	173,469	171,819	167,583	160,710	154,190
Return on short term investments	18,942	30,118	16,130	10,133	6,284
Auxiliary enterprises ^{1,2}	282,710	406,114	397,185	465,849	459,281
Program fees and other	497,242	400,790	389,743	318,718	270,162
Disaster recovery reimbursement	-	-	-	39,614	36,217
Net assets released from restrictions	139,299	155,931	108,491	78,524	111,615
Total operating revenues	7,253,159	7,037,521	6,276,605	5,774,732	5,345,495
Operating expenses:					
Instruction and other academic programs	\$1,958,776	\$1,937,308	\$1,772,846	\$1,668,291	\$1,607,035
Research and other sponsored programs	893,257	865,926	871,583	831,379	739,178
Patient care	2,536,114	2,280,241	1,777,449	1,529,673	1,331,980
Hospital affiliations	330,188	310,896	293,963	295,172	292,418
Libraries	96,786	97,639	92,618	93,687	89,495
Student services	155,943	168,604	167,385	157,791	156,520
Institutional services	954,882	968,832	870,082	730,064	617,831
Auxiliary enterprises	505,881	528,590	545,384	530,431	514,668
Disaster-related expenses	-	-	-	26,632	19,356
Total operating expenses	7,431,827	7,158,036	6,391,310	5,863,120	5,368,481
Deficiency of operating revenues over operating expenses	(178,668)	(120,515)	(114,705)	(88,388)	(22,986)
Non-operating activities:					
Investment return	152,759	40,143	114,431	170,021	46,577
Appropriation of endowment distribution	(55,613)	(59,107)	(61,660)	(59,217)	(57,622)
Disaster recovery reimbursement for capital	-	-	-	25,424	78,738
Other	60,007	(14,354)	142,507	32,041	(1,372)
Mission based payment ³	50,000	50,000	50,000	50,000	50,000
Net assets released from restrictions for capital purposes	27,905	25,292	74,753	23,510	9,959
Net assets released from restrictions for hazard mitigation	-	-	-	60,149	71,990
Loss on bond defeasance	-	-	-	(32,186)	-
Pension and postretirement non-service costs	(27,020)	(11,353)	(19,577)	(27,184)	(33,861)
Changes in pension and postretirement benefits obligations	(25,988)	(196,451)	105,341	148,508	(88,499)
Inc/(Dec) in net assets without donor restriction	3,382	(286,345)	291,090	302,678	52,924
Changes in net assets with donor restrictions:					
Contributions	259,052	338,166	285,512	230,264	254,376
Investment return, net	238,157	75,786	200,714	284,080	75,279
Appropriation of endowment distribution	(117,856)	(112,712)	(105,923)	(101,493)	(96,568)
Other	(13,999)	17,080	(31,535)	4,638	(34,631)
Net assets released from restrictions for hazard mitigation	-	-	-	(60,149)	(71,990)
Net assets released from restrictions	(167,204)	(181,223)	(183,244)	(102,034)	(121,574)
Increase in net assets with donor restrictions	198,150	137,097	165,524	255,306	4,892
Change in net assets	\$201,532	\$(149,248)	\$456,614	\$557,984	\$57,816

¹ In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606) which applies to all transactions involving a reciprocal transfer of goods or services to a customer. NYU adopted this standard for fiscal years 2019 and 2018. Fiscal years 2017 and 2016 do not reflect the adoption of ASU 2014-09.

² Net of financial aid awards in 2020, 2019, and 2018 of \$59,119, \$59,928 and \$58,521

³ NYU Langone Hospitals provides mission support payments to the Grossman School of Medicine from year to year to support the Grossman School of Medicine in meeting its financial obligations. NYU Langone Hospitals currently plans to continue such mission support payments but is not obligated to do so.

Contributions

Contributions to the University (which include the net change in present value of collectible pledges receivable) for the fiscal years ended August 31, 2020, 2019, 2018, 2017, and 2016 were reflected in the Statements of Activities (in accordance with Generally Accepted Accounting Principles in the United States of America) as follows:

	Contributions				
	(in thousands – including the NYU Schools of Medicine)				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Without Donor Restrictions	\$106,751	\$118,233	\$158,863	\$176,575	\$151,672
With Donor Restrictions	259,052	338,166	285,512	230,264	254,376
Total	<u>\$365,803</u>	<u>\$456,399</u>	<u>\$444,375</u>	<u>\$406,839</u>	<u>\$406,048</u>

Grants and Contracts

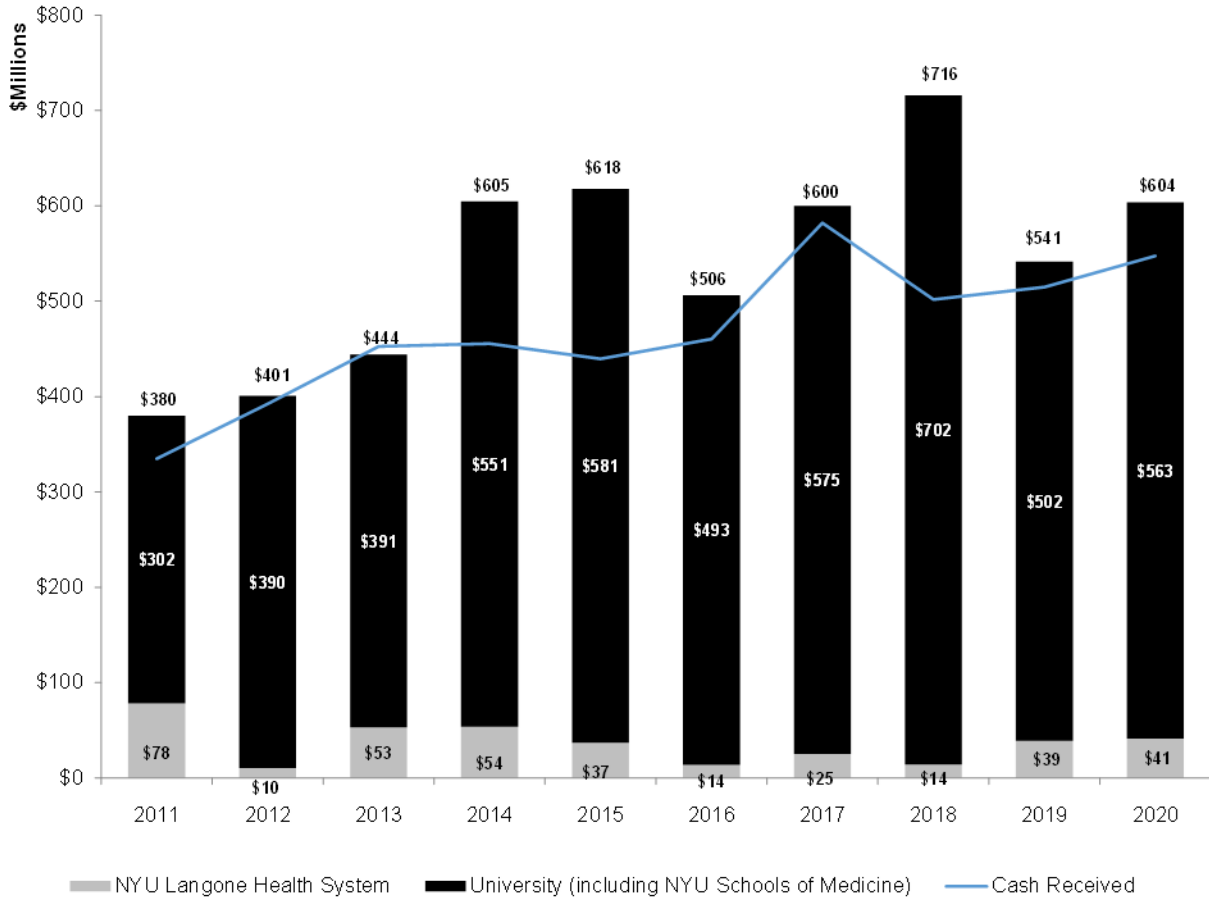
The University has long been a center of research and training programs. Government grants and contracts provide most of the funds for sponsored programs although additional amounts come from industry, foundations and interested individuals. For the fiscal year ended August 31, 2020, approximately \$1,079 million was provided to NYU (including NYU Langone Health) for research and other sponsored programs, including \$586 million (unaudited) from federal, state and city government grants and contracts. See Note 2 in “APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019” attached hereto. In comparison, for the fiscal year ended August 31, 2019, approximately \$1.1 billion was provided to NYU for research and other sponsored programs, including \$569 million (unaudited) from federal, state and city government grants and contracts. \$383 million, \$459 million and \$511 million (unaudited) was provided to NYU from federal, state and city government grants and contracts for fiscal years 2016, 2017, and 2018, respectively. Since the fiscal year ended August 31, 2016, NYU has experienced a 53.30% cumulative increase in federal, state and city/local grants and contracts.

Fundraising and Development (Unaudited)

During fiscal year ended August 31, 2020, the schools and units of NYU (including NYU Langone Health and NYU Shanghai) raised \$604 million in total gifts, which includes payments on conditional promises to give and intentions to give and certain contributions classified as grants and contracts in the Consolidated Financial Statements. The following chart reports contributions in accordance with Council for Advancement and Support of Education (CASE) standards; which may not be comparable to other similarly titled measures for contributions included in the audited financial statements in “APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019” attached hereto (which are reported according to generally accepted accounting principles).

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Cash and Gross Pledges, by Fiscal Year (2011-2020) (\$ in millions)^{1,2} (Unaudited)



¹As of August 31, 2020. Figures above include gross pledges and conditional promises to give.

² The gifts and pledges to the NYU Langone Health System are not available to pay obligations of the University.

Note: Totals may not foot due to rounding.

The chart above references gifts and pledges as of the fiscal year in which the gifts were received. Cumulative write-downs and write-offs for the pledges made between fiscal years ended August 31, 2011 and August 31, 2020 are less than 2% of original gifts and pledges from the same time period.

Impact of COVID-19

As a result of the COVID-19 pandemic, the University has faced and will continue to face budgetary and operational challenges and uncertainties as well as COVID-19 related litigation. In response to the COVID-19 pandemic and governmental restrictions imposed as a result of the pandemic, the University has taken a number of actions to offset the negative financial impacts of the pandemic, including constraints on administrative and academic hiring, a one-year suspension of annual merit increases and other bonus programs, and restrictions on certain discretionary spending, such as professional services, travel and supplies. However, there can be no assurances that COVID-19 or other pandemics will not materially adversely impact the financial condition or operations of the University. For a further discussion of the impact of COVID-19 on the University, see Note 2 “Summary of Significant Accounting Policies” under the heading “Impact of COVID-19 in APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019” attached hereto.

Investment in Plant

The University's physical plant (including the NYU Schools of Medicine) includes approximately 15 million gross square feet. The book value of the University's investment in plant, net of accumulated depreciation, was approximately \$7.2 billion at August 31, 2020. The following is a summary of the University's investment in plant at the end of each of the last five fiscal years:

Property, Plant, and Equipment
As of August 31
(in thousands – net of accumulated depreciation, including NYU Schools of Medicine)

2020	\$7,154,550
2019	6,877,903
2018	6,370,687
2017	5,829,436
2016	5,254,346

Insurance

The University carries all-risk property insurance coverage on its buildings and their contents, excluding land. Such insurance presently provides coverage of \$5.0 billion for any one occurrence and has no co-insurance clause. The primary deductible amount currently is \$250,000 for each occurrence at the Washington Square campus and \$100,000 at the NYU Schools of Medicine and Brooklyn campuses. The University's property insurance policy protects NYU against damages from flood, earthquake and other natural disasters – each incident will be examined individually to determine its applicable deductible amount. Also, the University carries general liability insurance coverage in the amount of \$475 million with a self-insured retention of \$500,000 per claim, which the University's management believes to be sufficient for its operations. The University self-insures its workers compensation risk up to \$500,000 per claim. The NYU Schools of Medicine purchase a large deductible worker's compensation insurance policy with a \$500,000 per claim deductible. The University purchases statutory commercial excess insurance for claims in excess of the \$500,000 self-insured retention. NYU also purchases cyber risk coverage and coverage for the evacuation of faculty, students and affiliates from international locations.

Investments

The University maintains long-term investments (primarily endowment funds invested in a long term pool) and short term investments (primarily working capital).

Long-Term Investments

The following table summarizes the market value of the University's long-term investments broken down by restriction at August 31, 2020:

Long-Term Investments at August 31, 2020
(in thousands – includes Grossman School of Medicine)

	<u>Market Value</u>
With Restriction	\$3,102,273
Without Restriction – Designated for Investment	<u>1,508,569</u>
Total	<u><u>\$4,610,842</u></u>

At August 31, 2020, approximately \$4.578 billion of the long-term investments were endowment funds.

Endowment Funds

Endowment funds comprise gifts to the University that are not wholly expendable on a current basis as well as funds that have been designated and approved by the University as endowment funds or for specific projects. Management of the endowment funds has historically attempted to achieve a return at least equal to inflation plus the University's spending policy rate, while incurring an acceptable level of risk. The University invests its

endowment pool according to an investment policy approved by the Board, which is designed to allow asset growth while providing a predictable flow of return to support operations. This policy permits the University to appropriate for expenditure the total returns on the endowment at approved spending rates (approximately 5% in fiscal year 2016, lowering to 4.5% for 2017, 2018, 2019, and 2020). The policy permits the School of Law to appropriate for a percentage of the 12-quarter average market value at year end (approximately 5.46%, 5.42%, 5.3%, 5.3%, and 5.8% for fiscal years 2016, 2017, 2018, 2019, and 2020 respectively). To preserve the endowment's purchasing power, caps further limit spending as follows: (1) the distribution of endowment investment returns to support operations may not exceed the prior year's distribution by more than 10%, unless the increase was the result of new gifts to the endowment; and (2) if the results of using only the average market value of either the final four quarters alone or the final eight quarters alone would be a decline in the distribution from the prior year's distribution, then the distribution may not exceed the previous year's level.

The asset allocation as of August 31, 2020 is included in the table below.

Summary by Asset Class

(Unaudited)

<u>Type</u>	<u>As of August 31, 2020</u>
Public Equity	52%
Hedge Funds	19
Credit	4
Natural Resources	1
Private Equity	8
Real Estate	5
Fixed Income	8
Cash and other	3
Total	100%

At August 31, 2020 unfunded capital commitments relating to investments were approximately 16.3% of the endowment's market value.

The table below summarizes the market value and total return of the University's endowment funds for each of the last five fiscal years ended August 31:

Changes in Endowment Funds

(in millions – includes NYU Langone Hospitals)

<u>Fiscal Year</u>	<u>Beginning</u>	<u>Gifts &</u>	<u>Chg. in Value of</u>	<u>Spending</u>	<u>Liquidations</u>	<u>Ending</u>
<u>Ending</u>	<u>Market</u>	<u>Additions</u>	<u>Investments</u>	<u>Policy</u>	<u>& Transfers¹</u>	<u>Market</u>
<u>August 31</u>	<u>Value</u>	<u>Value</u>	<u>Value</u>	<u>Value</u>	<u>Value</u>	<u>Value²</u>
2020	\$4,324.8	\$182.7	\$398.0	(\$174.7)	(\$25.2)	\$4,705.6
2019	4,249.5	154.1	104.4	(172.6)	(10.6)	4,324.8
2018	4,101.1	179.8	311.1	(169.2)	(173.3)	4,249.5
2017	3,613.6	231.7	456.6	(162.2)	(38.6)	4,101.1
2016	3,502.6	169.2	122.1	(155.4)	(24.9)	3,613.6

1. Liquidations and Transfers are defined as funds distributed from endowment funds for designated uses.
2. NYU Langone Hospitals' endowment funds are pooled with those of the University for all periods and accounted for approximately \$126.9 million of the Ending Market Value at August 31, 2020. The investments of NYU Langone Hospitals are not available to pay obligations of the University.

Liquidity and Short-Term Investments

The University's short-term investments for the last three fiscal years fluctuated from a low of approximately \$497 million immediately prior to the start of the academic year to a high of approximately \$1.433 billion after tuition was collected. Working capital can be invested in short-term bank deposits, rated money market funds that can be liquidated in one to two days, and highly rated short-term credit products, such as commercial paper, with maturities of up to a year. The University, including the NYU Schools of Medicine, also holds long-term investments in an unrestricted Main Endowment fund that can be liquidated in less than 30 days, in the amount of approximately \$2.287 billion as of August 31, 2020.

The University is party to contractual unsecured loan agreements or lines of credit with three banks. The JPMorgan Chase Bank facility has maximum availability of \$250 million and expires in 2022. The Royal Bank of Canada facility has maximum availability of \$200 million and expires in 2023. The University is currently in discussions with Bank of America, N.A. to renew its existing \$350 million facility prior to its expiration.

As of June 30, 2021, approximately \$94.4 million was outstanding under the Bank of America, N.A. facility. No amounts were outstanding under the JPMorgan Chase Bank facility or the Royal Bank of Canada facility.

Outstanding Long-Term Debt and Other Obligations

At August 31, 2020, the long-term debt of the University (excluding NYU Langone Health System) was \$5.465 billion, excluding outstanding balances on the lines of credit. All of this indebtedness is a general obligation of the University, unsecured except as described below. See Note 12 in "APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto.

At August 31, 2020, the University's outstanding DASNY bonds totaled approximately \$4.525 billion.

The University is obligated to repay to DASNY the loans made to the University from the proceeds of DASNY's bonds. The various agreements between the University and DASNY entered into in connection with the loans obligate the University to make payments in amounts and at times sufficient to make timely payment of the principal of and interest on the DASNY bonds issued to finance the loans. All of the University's outstanding indebtedness (excluding NYU Langone Health System) to DASNY issued prior to the Series 2008 Bonds, outstanding in the aggregate principal amount of \$201.8 million at August 31, 2020, is secured by a pledge of tuition and fees for academic instruction. The Series 2019A, 2018A, Series 2017A, Series 2016A, Series 2015A, Series 2014A, Series 2013A, Series 2012A, Series 2012B, Taxable Series 2020B, Taxable Series 2019B, Taxable Series 2018B, Taxable Series 2017B, Taxable Series 2016B, Taxable Series 2013B, and Taxable Series 2012C Bonds issued by DASNY are unsecured general obligations of the University to DASNY. The Taxable Series 2015, Taxable Series 2010 and Taxable Series 2009 Bonds issued by the University are general obligations of the University.

At August 31, 2020, the University's outstanding long-term indebtedness other than DASNY bonds totaled approximately \$940.2 million (excludes outstanding balances on the lines of credit).

Additional Borrowing Plans

The University expects to complete all capital projects that are currently in progress. The portion of the projects that are being funded with the Series 2021 Bonds are expected to be completed over the next 30 months. The financing of these projects is subject to satisfactory progress on these projects and market conditions. The University continues in the ordinary course to consider additional borrowings in support of its programs, the needs of its students and its other educational and charitable activities.

Future Development Plan

On July 25, 2012, the New York City Council approved the University's Uniform Land Use Review Procedure ("ULURP") application for the development of four new buildings and the removal of three existing buildings on two superblocks owned by NYU at the Washington Square campus. The project is known as the "NYU Core Plan."

In furtherance of the NYU Core Plan, the existing building at 181 Mercer Street on the south superblock was demolished. The University has completed a significant portion of the construction for a new 745,000 square foot mixed-use building to be located at the site with an expected completion in 2022. The steel structure is substantially completed; the mechanical and electrical risers are being installed; and the installation of the façade is reaching the upper floors. The Board has authorized borrowings of more than \$900 million to cover eligible expenditures at 181 Mercer Street, the majority of which has been issued to date. At this time, there are no further specific plans for development under the NYU Core Plan, however, the University may pursue development approved under the NYU Core Plan in the future.

LITIGATION AND CONTINGENT LIABILITIES

Funds expended by the University under government grants and contracts are subject to audit and claims for reimbursement by governmental agencies. The University also is a defendant in various legal actions arising out of the normal course of its operations. Although the outcome of any such claims or actions cannot be currently determined, the University's administration is of the opinion that the eventual liability therefrom, if any, will not have a material effect on the financial position of the University or on its ability to make required debt service payments.

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. As of June 30, 2021, DASNY had approximately \$60.7 billion aggregate principal amount of bonds and notes outstanding.

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

DASNY is a conduit debt issuer. Under existing law, and assuming continuing compliance with tax law, interest on most bonds and notes issued by DASNY has been determined to be excludable from gross income for federal tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended. All DASNY's outstanding bonds and notes, both fixed and variable rate, are special 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 the DASNY 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 Governor appoints a Chair from the members appointed by him or her and the members of DASNY annually choose the following officers, of which the first two must be members of DASNY: Vice-Chair, Secretary, Treasurer, Assistant Secretaries, and Assistant Treasurers.

The current members of DASNY are as follows:

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

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

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.

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

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

JONATHAN H. GARDNER, ESQ., Buffalo.

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

WELLINGTON Z. CHEN, Queens.

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

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.

JANICE McKINNIE, Buffalo.

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

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

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

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

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

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

PAUL G. KOOPMAN is the Vice President of DASNY and assists the President in the administration and operation of DASNY. Mr. Koopman joined DASNY in 1995 managing the Accounts Payable and Banking and Investment Units followed by management positions in the Construction Division including Managing Senior Director of Construction where he was the primary relationship manager for some of DASNY's largest clients and provided oversight of DASNY's construction administration functions. Most recently, Mr. Koopman served as

Managing Director of Executive Initiatives of DASNY where he worked closely with executive staff on policy development, enterprise risk management, and strategic planning. His career in public service began in 1985 with the NYS Division of the Budget, and then continued as Chief Budget Analyst for the New York State Facilities Development Corporation. A graduate of the Rockefeller College of Public Affairs, he holds a Master of Arts degree in Public Administration with a Public Finance concentration, and a Bachelor of Arts degree in Political Science from the State University of New York, University at Albany.

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

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

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

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

CAROLINE V. GRIFFIN is the Chief of Staff of DASNY. She 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 (i) restraining or enjoining the issuance or delivery of the Series 2021 Bonds or (ii) challenging the validity of the Series 2021 Bonds or the proceedings and authority under which DASNY will issue the Series 2021 Bonds.

Other Matters

New York State Public Authorities Control Board

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

Legislation

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

Environmental Quality Review

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

Independent Auditors

The accounting firm of KPMG LLP audited the financial statements of DASNY for the fiscal year ended March 31, 2021. Copies of the most recent audited financial statements are available upon request at the offices of DASNY.

PART 8 - LEGALITY OF THE SERIES 2021 BONDS FOR INVESTMENT AND DEPOSIT

Under State law, the Series 2021 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 2021 Bonds may be deposited with the State Comptroller to secure deposits of State money in banks, trust companies and industrial banks.

PART 9 - NEGOTIABLE INSTRUMENTS

The Series 2021 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 2021 Bonds.

PART 10 - TAX MATTERS

Series 2021A Bonds

General

In the opinion of Hawkins Delafield & Wood LLP, Co-Bond Counsel to DASNY, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2021A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Series 2021A Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. In rendering its opinion, Hawkins Delafield & Wood LLP has relied on certain representations, certifications of fact, and statements of reasonable expectations made by DASNY, the University and others in connection with the Series 2021A Bonds, and Hawkins Delafield & Wood LLP has assumed compliance by DASNY and the University with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2021A Bonds from gross income under Section 103 of the Code. In addition, in rendering its opinion, Hawkins Delafield & Wood LLP has relied on the opinion of the University’s general counsel regarding, among other matters, the current qualifications of the University as an organization described in Section 501(c)(3) of the Code.

In addition, in the opinion of Hawkins Delafield & Wood LLP, under existing statutes, interest on the Series 2021A Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Hawkins Delafield & Wood LLP expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Series 2021A Bonds or the ownership or disposition thereof, except as stated above. Hawkins Delafield & Wood LLP renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Hawkins Delafield & Wood LLP expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Hawkins Delafield & Wood LLP expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state, or local tax matters, including, without limitation, the exclusion from gross income for federal income tax purposes of interest on the Series 2021A Bonds, or the exemption from personal income taxes of interest on the Series 2021A Bonds under state and local tax law.

Reference is made to “APPENDIX E - FORMS OF APPROVING OPINIONS OF CO-BOND COUNSEL” attached hereto for the proposed form of opinion, in substantially final form, expected to be rendered by Hawkins Delafield & Wood LLP in connection with the issuance of the Series 2021A Bonds.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2021A Bonds in order that interest on the Series 2021A Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series 2021A Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Series 2021A Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. DASNY and the University have covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Series 2021A Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Series 2021A Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Series 2021A Bond. Prospective investors, particularly those who may be subject to special rules, are

advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2021A Bonds.

Prospective owners of the Series 2021A Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Series 2021A Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Bond Premium

In general, if an owner acquires a Series 2021A Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Series 2021A Bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that Series 2021A Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, and amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Series 2021A Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series 2021A Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2021A Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series 2021A Bonds under federal or state law or otherwise prevent beneficial owners of the Series 2021A Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Series 2021A Bonds.

Prospective purchasers of the Series 2021A Bonds should consult their own tax advisors regarding the foregoing matters

Series 2021B Bonds

The following discussion is a summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of the Series 2021B Bonds (the “Taxable Bonds”) by original purchasers of the Taxable Bonds who are “U.S. Holders” (as defined below). This summary is based on the Code, Treasury regulations, revenue rulings and court decisions, all as now in effect and all subject to change at any time, possibly with retroactive effect. This summary assumes that the Taxable Bonds will be held as “capital assets” under the Code, and it does not discuss all of the United States federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Taxable Bonds as a position in a “hedge” or “straddle” for United States federal income tax purposes, U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, U.S. Holders who acquire Taxable Bonds in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code. Each prospective purchaser of the Taxable Bonds, including any prospective purchaser of the Taxable Bonds that is not a U.S. Holder, should consult with its own tax advisor concerning the United States federal income tax and other tax consequences to it of the acquisition, ownership and disposition of the Taxable Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Certain taxpayers that are required to prepare certified financial statements and file such financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Taxable Bonds at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below.

As used herein, the term “U.S. Holder” means a beneficial owner of a Taxable Bond that is for United States federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

U.S. Holders—Interest Income

In the opinion of Hawkins Delafield & Wood, LLP, Co-Bond Counsel to DASNY, (i) interest on the Taxable Bonds is not excludable from gross income for United States federal income tax purposes; and (ii) interest on the Taxable Bonds is exempt, under existing statutes, from personal income tax imposed by the State of New York or any political subdivision thereof (including The City of New York).

Original Issue Discount

For United States federal income tax purposes, a Taxable Bond will be treated as issued with original issue discount (“OID”) if the excess of a Taxable Bond’s “stated redemption price at maturity” over its “issue price” equals or exceeds a statutorily determined *de minimis* amount. The “issue price” of each Taxable Bond in a particular issue equals the first price at which a substantial amount of such issue is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The “stated redemption price at maturity” of a Taxable Bond is the sum of all payments provided by such Taxable Bond other than “qualified stated interest” payments. The term “qualified stated interest” generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate. In general, if the excess of a Taxable Bond’s stated redemption price at maturity over its issue price is less than 0.25 percent of the Taxable Bond’s stated redemption price at maturity multiplied by the number of complete years to its maturity (the “*de minimis* amount”), then such excess, if any, constitutes *de minimis* OID, and the Taxable Bond is not treated as being issued with OID and all payments of stated interest (including stated interest that would otherwise be characterized as OID) is treated as qualified stated interest, as described below.

Payments of qualified stated interest on a Taxable Bond are taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received in accordance with the U.S. Holder’s regular method of tax accounting. A U.S. Holder of a Taxable Bond having a maturity of more than one year from its date of issue

generally must include OID in income as ordinary interest as it accrues on a constant-yield method in advance of receipt of the cash payments attributable to such income, regardless of such U.S. Holder's regular method of tax accounting. The amount of OID included in income by the U.S. Holder of a Taxable Bond is the sum of the daily portions of OID with respect to such Taxable Bond for each day during the taxable year (or portion of the taxable year) on which such U.S. Holder held such Taxable Bond. The daily portion of OID on any Taxable Bond is determined by allocating to each day in any "accrual period" a ratable portion of the OID allocable to the accrual period. All accrual periods with respect to a Taxable Bond may be of any length and the accrual periods may vary in length over the term of the Taxable Bond, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the first or final day of an accrual period. The amount of OID allocable to an accrual period is generally equal to the difference between (i) the product of the Taxable Bond's "adjusted issue price" at the beginning of such accrual period and such Taxable Bond's yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period) and (ii) the amount of any qualified stated interest payments allocable to such accrual period. The "adjusted issue price" of a Taxable Bond at the beginning of any accrual period is the issue price of the Taxable Bond plus the amount of accrued OID includable in income for all prior accrual periods minus the amount of any prior payments on the Taxable Bond other than qualified stated interest payments. The amount of OID allocable to an initial short accrual period may be computed using any reasonable method if all other accrual periods other than a final short accrual period are of equal length. The amount of OID allocable to the final accrual period is the difference between (i) the amount payable at the maturity of the Taxable Bond (other than a payment of qualified stated interest) and (ii) the Taxable Bond's adjusted issue price as of the beginning of the final accrual period. Under the OID rules, U.S. Holders generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

A U.S. Holder may elect to include in gross income all interest that accrues on a Taxable Bond using the constant-yield method described above under the heading "Original Issue Discount," with the modifications described below. For purposes of this election, interest includes, among other things, stated interest, OID and *de minimis* OID, as adjusted by any amortizable bond premium described below under the heading "Bond Premium". In applying the constant-yield method to a Taxable Bond with respect to which this election has been made, the issue price of the Taxable Bond will equal its cost to the electing U.S. Holder, the issue date of the Taxable Bond will be the date of its acquisition by the electing U.S. Holder, and no payments on the Taxable Bond will be treated as payments of qualified stated interest. The election will generally apply only to the Taxable Bond with respect to which it is made and may not be revoked without the consent of the Internal Revenue Service. If this election is made with respect to a Taxable Bond with amortizable bond premium, then the electing U.S. Holder will be deemed to have elected to apply amortizable bond premium against interest with respect to all debt instruments with amortizable bond premium (other than debt instruments the interest on which is excludable from gross income) held by the electing U.S. Holder as of the beginning of the taxable year in which the Taxable Bond with respect to which the election is made is acquired or thereafter acquired. The deemed election with respect to amortizable bond premium may not be revoked without the consent of the Internal Revenue Service.

U.S. Holders of any Taxable Bonds issued with OID should consult their own tax advisors with respect to the treatment of OID for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, and disposition of Taxable Bonds.

Bond Premium

In general, if a U.S. Holder acquires a Taxable Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Taxable Bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that Taxable Bond (a "Taxable Premium Bond"). In general, if a U.S. Holder of a Taxable Premium Bond elects to amortize the premium as "amortizable bond premium" over the remaining term of the Taxable Premium Bond, determined based on constant yield principles (in certain cases involving a Taxable Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to such U.S. Holder's basis in the Taxable Premium Bond. Any such election applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired, and is irrevocable without the Internal Revenue Service's consent. A U.S. Holder of a Taxable Premium Bond that so elects to amortize bond

premium does so by offsetting the qualified stated interest allocable to each interest accrual period under the U.S. Holder's regular method of federal tax accounting against the bond premium allocable to that period. If the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is treated as a bond premium deduction under Section 171(a)(1) of the Code, subject to certain limitations. If a Taxable Premium Bond is optionally callable before maturity at a price in excess of its stated redemption price at maturity, special rules may apply with respect to the amortization of bond premium. Under certain circumstances, the U.S. Holder of a Taxable Premium Bond may realize a taxable gain upon disposition of the Taxable Premium Bond even though it is sold or redeemed for an amount less than or equal to the U.S. Holder's original acquisition cost.

U.S. Holders of any Taxable Premium Bonds should consult their own tax advisors with respect to the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, and disposition of Taxable Premium Bonds.

U.S. Holders—Disposition of Taxable Bonds

Except as discussed above, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Taxable Bond, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder's adjusted tax basis in the Taxable Bond. A U.S. Holder's adjusted tax basis in a Taxable Bond generally will equal such U.S. Holder's initial investment in the Taxable Bond, increased by any OID included in the U.S. Holder's income with respect to the Taxable Bond and decreased by the amount of any payments, other than qualified stated interest payments, received and bond premium amortized with respect to such Taxable Bond. Such gain or loss generally will be long-term capital gain or loss if the Taxable Bond was held for more than one year.

U.S. Holders—Defeasance

U.S. Holders of the Taxable Bonds should be aware that, for federal income tax purposes, the deposit of moneys or securities in escrow in such amount and manner as to cause the Taxable Bonds to be deemed to be no longer outstanding under the resolution of the Taxable Bonds (a "defeasance"), could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, for federal income tax purposes, the character and timing of receipt of payments on the Taxable Bonds subsequent to any such defeasance could also be affected. U.S. Holders of the Taxable Bonds are advised to consult with their own tax advisors regarding the consequences of a defeasance for federal income tax purposes, and for state and local tax purposes.

U.S. Holders—Backup Withholding and Information Reporting

In general, information reporting requirements will apply to non-corporate U.S. Holders with respect to payments of principal, payments of interest, and the accrual of OID on a Taxable Bond and the proceeds of the sale of a Taxable Bond before maturity within the United States. Backup withholding at a rate provided for in the Code, will apply to such payments and to payments of OID unless the U.S. Holder (i) is a corporation or other exempt recipient and, when required, demonstrates that fact, or (ii) provides a correct taxpayer identification number, certifies under penalties of perjury, when required, that such U.S. Holder is not subject to backup withholding and has not been notified by the Internal Revenue Service that it has failed to report all interest and dividends required to be shown on its United States federal income tax returns.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Taxable Bonds under state law and could affect the market price or marketability of the Taxable Bonds.

Prospective purchasers of the Taxable Bonds should consult their own tax advisors regarding the foregoing matters.

The proposed form of the opinion of Hawkins, Delafield & Wood LLP, Co-Bond Counsel, relating to the Series 2021B Bonds is set forth in “APPENDIX E - FORMS OF APPROVING OPINIONS OF CO-BOND COUNSEL” attached hereto.

PART 11 - STATE NOT LIABLE ON THE SERIES 2021 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 or bonds are not payable out of any funds other than those of DASNY. The Resolution specifically provides that the Series 2021 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 2021 Bonds by DASNY are subject to the approval of Hawkins Delafield & Wood LLP, New York, New York, and McGlashan Law Firm, P.C., New York, New York, Co-Bond Counsel to DASNY, whose approving opinions will be delivered with the Series 2021 Bonds. The proposed forms of opinions to be delivered by Co-Bond Counsel are set forth in “APPENDIX E - FORMS OF APPROVING OPINIONS OF CO-BOND COUNSEL” attached hereto.

Certain legal matters will be passed upon for the University by its General Counsel, Aisha Oliver-Staley, Esq., and its special counsel, Ropes & Gray LLP, New York, New York. Certain legal matters will be passed upon for the Underwriters by their counsel, Katten Muchin Rosenman LLP, New York, New York.

PART 14 - CERTAIN RELATIONSHIPS

BofA Securities, Inc., one of the Underwriters of the Series 2021 Bonds, is an affiliate of Bank of America, N.A. A portion of the proceeds from the sale of the Series 2021 Bonds is expected to be used to refund one or more of the University’s lines of credit, including the one held with Bank of America, N.A.

PART 15 - UNDERWRITING

The Series 2021 Bonds are being purchased by the Underwriters, for whom BofA Securities Inc. is acting as lead manager. The Underwriters have jointly and severally agreed, subject to certain conditions, to purchase the Series 2021 Bonds from DASNY and to make an initial public offering of Series 2021 Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement. The purchase price for the Series 2021A Bonds shall be \$264,925,719.55 (which reflects the par amount of the Series 2021A Bonds plus original issue premium of \$52,230,719.55). In addition, the Underwriters shall receive a fee of \$619,588.41 in connection with the Series 2021A Bonds, which amount will be paid from the proceeds of the Series 2021B Bonds. The purchase price for the Series 2021B Bonds shall be \$37,229,560.04 (which reflects the par amount of the Series 2021B Bonds less an Underwriters’ discount of \$75,439.96). The Underwriters will be obligated to purchase all such Series 2021 Bonds if any are purchased.

The Series 2021 Bonds may be offered and sold to certain dealers (including the Underwriters) at prices lower than such initial public offering prices, and such initial public offering prices may be changed, from time to time, by the Underwriters.

BofA Securities, Inc., one of the Underwriters of the Series 2021 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2021 Bonds.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Series 2021 Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, if applicable to this transaction, each of CS&Co. and LPL will purchase Series 2021 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2021 Bonds that such firm sells.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the University, for which they may have received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their 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 the University.

PART 16- CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the University will enter into a written agreement (the “Continuing Disclosure Agreement”) for the benefit of the Holders of the Series 2021 Bonds with Digital Assurance Certification LLC (“DAC”), as disclosure dissemination agent, and the Trustee. The proposed form of the Continuing Disclosure Agreement is attached hereto as “APPENDIX F - FORM OF AGREEMENT TO PROVIDE CONTINUING DISCLOSURE.”

The University is subject to continuing disclosure requirements under existing continuing disclosure agreements. In the past five years, the University has not failed to comply, in any material respects, with any continuing disclosure requirements under its existing continuing disclosure agreements.

PART 17 - RATINGS

Moody’s Investors Service, Inc. (“Moody’s”) has assigned a rating of “Aa2” to the Series 2021 Bonds and S&P Global Ratings (“S&P”) has assigned a rating of “AA-” to the Series 2021 Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agencies at the following addresses: Moody’s, 7 World Trade Center at 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 any or both of such rating agencies if, in the judgment of any or both of them, circumstances so warrant. Any such downward revision or withdrawal of such rating or ratings may have an adverse effect on the market price of the Series 2021 Bonds.

PART 18 - MISCELLANEOUS

Reference in this Official Statement to the Act, the Resolution, the Series 2021 Resolutions and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2021 Resolutions and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2021 Resolutions and the Loan Agreement are on file with DASNY and the Trustee.

The agreements of DASNY with the Holders of the Bonds are fully set forth in the Resolution. Neither any advertisement of the Series 2021 Bonds nor this Official Statement is to be construed as a contract with purchasers of the Series 2021 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 regarding the University was supplied by the University. DASNY believes that this information is reliable, but DASNY makes no representations or warranties whatsoever as to the accuracy or completeness of this information. DASNY does not warrant the accuracy of the statements contained herein relating to the University nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of security for the Series 2021 Bonds or (3) the value or investment quality of the Series 2021 Bonds.

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

"APPENDIX A - CERTAIN DEFINITIONS," "APPENDIX C - SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND PROPOSED AMENDMENTS," "APPENDIX D - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS," and "APPENDIX E - FORMS OF APPROVING OPINIONS OF CO-BOND COUNSEL" attached hereto have been prepared by Hawkins Delafield & Wood LLP and McGlashan Law Firm, P.C., Co-Bond Counsel to DASNY.

The financial statements as of August 31, 2020 and 2019 and for the years then ended, included in "APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" of this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report appearing herein.

The University has reviewed the parts of this Official Statement describing the University, the Estimated Sources and Uses of Funds, the Plan of Finance and Refunding and "APPENDIX B - NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019" attached hereto. The University, as a condition to issuance of the Series 2021 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.

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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

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CERTAIN DEFINITIONS

The following are definitions of certain of the terms defined in the Resolution or the 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 Health Care Financing Construction Act, being Title 4-B of Article 8 of the Public Authorities Law of the State.

Additional Bonds means the Bonds, other than the Authorized Bonds, authorized and issued under the Resolution by Series Resolutions, adopted by the Authority on June 23, 2021.

Annual Administrative Fee means the fee payable during each Bond Year for the general administrative and supervisory expenses of the Authority in an amount more particularly described in Schedule A to the Loan Agreement, which is 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 the Bond Series Certificate relating thereto 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, created and established pursuant to the Resolution.

Auction Date shall have the meaning given to such term in the Resolution.

Auction Rate Bond shall have the meaning given to such term in 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 Projects, as more particularly described in Schedule B to the Loan Agreement, which is made a part of the Loan Agreement.

Authorized Bonds means the Dormitory Authority of the State of New York New York University Revenue Bonds, Series 2021A and Dormitory Authority of the State of New York New York University Revenue Bonds, Series 2021B.

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, the Managing Director of Construction, the Managing Director of Policy and Program Development, the Deputy Chief Financial Officer, the Assistant Director, Financial Management, the General Counsel and the Deputy 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 University, when used with reference to any act or document, means the person or persons authorized by a resolution or the by-laws of the University to perform such act or execute such document; and (iii) in the case of the Trustee, the President, a Vice President, an Assistant Vice President, a Corporate Trust Officer, an Authorized Signatory, 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 means any of the bonds of the Authority authorized and issued pursuant to the Resolution and to a Series Resolution.

Bond Counsel means Hawkins Delafield & Wood LLP, or an attorney or other law firm appointed by the Authority, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds.

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

Bond Year means a period of twelve (12) consecutive months beginning July 1 in any calendar year and ending on June 30 of the succeeding calendar year.

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

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

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

Capital Appreciation Bond means any Bond as to which interest 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.

Contract Documents means any general contract or agreement for the construction of a 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 University relating to the construction of a Project, and any amendments to the foregoing.

Construction Fund means the fund so designated, created and established for a Project pursuant to the Resolution.

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

Cost or Costs of the Project means when used in relation to a Project the costs and expenses or the refinancing of costs and expenses determined by the Authority to be necessarily or appropriately incurred in connection with the Project, including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) costs and expenses incurred for labor and materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of the Project, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of the Project, which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, environmental inspections and assessments, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction of the Project, (v) costs and expenses required for the acquisition and installation of equipment or machinery, (vi) all other costs which the University shall be required to pay or cause to be paid for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of the Project, (vii) any sums required to reimburse the University 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 the Project (including interest on money borrowed from parties other than the University), (viii) interest on the Bonds, bonds, notes or other obligations of the Authority issued to finance Costs of the Project that accrued prior to, during and for a reasonable period after completion of the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of the Project, and (ix) fees, expenses and liabilities of the Authority incurred in connection with the Project or pursuant to the Resolution or to the Loan Agreement, a Credit Facility, a Liquidity Facility or a Remarketing Agreement in connection with Option Bonds or Variable Interest Rate Bonds.

Credit Facility means 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 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 contained below in Appendix A.

Debt Service Fund means the fund so designated, created and established pursuant to the Resolution.

Defeasance Security means:

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

provided, however, that (1) such term shall not include any interest in a unit investment trust or mutual fund or (2) any obligation that is subject to redemption prior to maturity other than at the option of the holder thereof.

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 Deferred Income 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.

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 in the second highest rating category for such obligation by at least two Rating Services;
- (ii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing; and
- (iii) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations and whose objective is to maintain a constant share value of one dollar (\$1.00).

Federal Agency Obligation means:

- (i) an obligation issued, or fully insured or guaranteed as to payment by any agency or instrumentality of the United States of America, 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 in the second highest rating category for such obligation by at least two Rating Services;

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

(iii) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations and whose objective is to maintain a constant share value of one dollar (\$1.00).

Governing Body means the University’s board of directors, board of trustees, or other board or group of individuals by, or under the authority of which, corporate powers of the University are exercised.

Government Obligation means:

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

(ii) an obligation fully insured or guaranteed as to payment by the United States of America;

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

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

(v) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations and whose objective is to maintain a constant share value of one dollar (\$1.00).

Governmental Requirements means any present and future laws, rules, orders, ordinances, regulations, statutes, requirements and executive orders applicable to a Project, of the United States, the State and any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of them, now existing or hereafter created, and having or asserting jurisdiction over a Project or any part of either.

Insurance Consultant means a person or firm which is qualified to survey risks and to recommend insurance coverage for university facilities and services and organizations engaged in like operations and which is selected by the University, which may include qualified in house risk management officers employed by the University, unless, with respect to any self-insurance program, the Authority has reasonably determined that the University's balance sheet may be materially adversely affected by such program and has requested in writing that the University engage a person or firm who is not an employee or officer of the University as such Consultant.

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 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 University in connection with the issuance of or which relates to Bonds of one or more Series which provides that during the term of such agreement the Authority or the University is to pay to the counterparty thereto interest accruing at a fixed or variable rate per annum on an amount equal to a principal amount of such Bonds and that such counterparty is to pay to the Authority or the University 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.

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

Liquidity Facility means 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.

Loan Agreement means the Loan Agreement, dated as of May 28, 2008, by and between the Authority and the University in connection with the issuance of Bonds, as the same from time to time shall have been amended, supplemented or otherwise modified as permitted by the Resolution and by the 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.

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

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

Moody's means Moody's Investor Service, Inc. or its successors or assigns.

Official Statement means an official statement, offering memorandum, offering or reoffering circular, or other offering document relating to and in connection with the offering, reoffering, sale and issuance of Bonds.

Option Bond means any Bond which by its terms may be or is required to be tendered by and at the option of the Holder thereof for redemption by the Authority prior to the stated maturity thereof or for 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, means, as of a particular date, all Bonds authenticated and delivered under the Resolution and under any applicable Series Resolution except:

- (i) any Bond canceled by the Trustee at or before such date;
- (ii) any Bond deemed to have been paid in accordance with the Resolution;

(iii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the Resolution; and

(iv) any Option Bond tendered or deemed tendered in accordance with the provisions of the Series Resolution authorizing such Bond or the Bond Series Certificate relating to such Bond on the applicable adjustment or conversion date, if interest thereon shall have been paid through such applicable date and the purchase price thereof shall have been paid or amounts are available for such payment as provided in the Resolution and in the Series Resolution authorizing such Bond or the Bond Series Certificate relating to such Bond.

Paying Agent means, with respect to the Bonds of any Series, 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 the 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 Obligation:

(ii) Federal Agency Obligations described in clause (i) of the definition of Federal Agency Obligation;

(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 Rating Service and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least one Rating Service no lower than in the second highest rating category; or

(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 Rating Service in the highest rating category.

Permitted Investments means any of the following:

(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, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, rated by at least one Rating Services in at least the second highest rating category, and (b) are fully collateralized by Permitted Collateral;

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

(vii) to the extent any of the following constitute permitted investments under the "Investment Policy and Guidelines" of the Authority in effect at the time an investment is made:

(1) commercial paper that (a) matures within two hundred seventy (270) days after its date of issuance, (b) at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, is rated in the highest short term rating category by at least two Rating Services and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least two Rating Service no lower than in the second highest rating category;

(2) an uncollateralized, unsecured certificate of deposit, time deposit or bankers' acceptance that (A) has a maturity of not more than three hundred sixty-five (365) days and (B) is issued by, or are of or with, a bank the short term obligations of which are, at the time an investment in such certificate of deposit, time deposit or bankers' acceptance is made or the same is deposited in any fund or account under the Resolution, rated "A-1" by Standard & Poor's Rating Services and "P-1" by Moody's Investors Service, Inc.; and

(3) shares or an interest in any other mutual fund, partnership or other fund whose objective is to maintain a constant share value of one dollar (\$1.00) and that, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, are rated at least "AAm" or "AAm-G" by Standard & Poor's Rating Services and "Aa1" by Moody's Investors Service, Inc.

Project means a "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 Bonds, as more particularly described in the Resolution, in or pursuant to a Series Resolution or in or pursuant to a Bond Series Certificate.

Provider means the issuer or provider of a Credit Facility or a Liquidity Facility.

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

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

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

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

(iii) a corporation affiliated with or which is a subsidiary of any entity described in (i) or (ii) above or which is affiliated with or a subsidiary of a corporation which controls or wholly owns any such entity, whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one Rating Service no lower than in the second highest rating category, or, in the absence of a rating

on long term debt, whose short term debt is rated by at least one Rating Service no lower than in the highest rating category for such short term debt; *provided, however*, that no short term rating may be utilized to determine whether an entity qualifies as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Service or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds;

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

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

Rating Service means each of Moody's Investors Service, Inc., S&P Global Ratings, and Fitch Ratings, Inc., which in each case has assigned a rating to Outstanding Bonds at the request of the Authority or the University, or their respective successors and assigns.

Record Date means, unless the Series Resolution authorizing Variable Interest Rate Bonds or Option Bonds or the Bond Series Certificate relating thereto provides otherwise with respect to such Variable Rate Bonds or Option Bonds, the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding an interest payment date.

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

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

Related Agreements means each Remarketing Agreement, Interest Rate Exchange Agreement and agreement entered into in connection with a Credit Facility or Liquidity Facility, to which the University is a party.

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 University and the Remarketing Agent, relating to the remarketing of such Bonds.

Resolution means the New York University Revenue Bond Resolution, adopted by the Authority May 28, 2008, as from time to time amended or supplemented by Supplemental Resolutions or Series Resolutions in accordance with the terms and provisions of the Resolution.

Revenues means all payments received or receivable by the Authority that pursuant to the Loan Agreement are required to be paid to the Trustee (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).

Serial Bonds means the Bonds so designated in a Series Resolution or a Bond Series Certificate.

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

Series Resolution means a resolution of the Authority authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to the Resolution.

Sinking Fund Installment means, as of any date of calculation:

(i) when used with respect to any Bonds of a 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 Resolution or 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

(ii) 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.

Standby Purchase Agreement means an agreement by and between the Authority and another person or by and among the Authority, the University and another person, pursuant to which such person is obligated to purchase an Option Bond or a Variable Interest Rate Bond tendered for purchase.

State means the State of New York.

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 the Resolution.

Tax Certificate means a certificate executed by an Authorized Officer of the Authority, including the appendices, schedules and exhibits thereto, in connection with the issuance of the Authorized Bonds that are Tax-Exempt Bonds, if any, in which the Authority makes representations and agreements as to arbitrage compliance with the provisions of Section 141 through 150, inclusive, of the Code, or any similar certificate, agreement or other instrument made, executed and delivered in lieu of said certificate, in each case as the same may be amended or supplemented.

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

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

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

Valuation Date means (i) with respect to any Capital Appreciation Bond, each date set forth in the Series Resolution authorizing such Capital Appreciation Bond or in the Bond Series Certificate relating to such Bond on which a specific Accreted Value is assigned to such Capital Appreciation Bond, and (ii) with respect to any Deferred Income Bond, the date or dates prior to the Interest Commencement Date and the Interest Commencement Date set forth in the Series Resolution authorizing such Bond or in the Bond Series Certificate relating to such Bond on which specific Appreciated Values are assigned to such Deferred Income Bond.

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;

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 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.

Winning Bid Rate shall have the meaning given to such term in Section 7.11 of the Resolution.

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APPENDIX B

NEW YORK UNIVERSITY CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS
ENDED AUGUST 31, 2020 AND 2019

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New York University
Consolidated Financial Statements and
Supplemental Information
August 31, 2020 and 2019

New York University
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August 31, 2020 and 2019

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Report of Independent Auditors

To the Board of Trustees of
New York University

We have audited the accompanying consolidated financial statements of New York University and its subsidiaries ("New York University"), which comprise the consolidated balance sheets as of August 31, 2020 and 2019, and the related consolidated statements of activities and of cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated 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 Company'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of New York University and its subsidiaries as of August 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 2 and 11 to the consolidated financial statements, New York University changed the manner in which it accounts for leases and presents restricted cash within the consolidated statement of cash flows in 2020. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, changes in net assets and cash flows of the individual companies.

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers LLP", is written over a faint, larger version of the PwC logo.

New York, New York
December 11, 2020

New York University
Consolidated Balance Sheets
August 31, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Assets		
Cash and cash equivalents	\$ 3,220,829	\$ 1,953,180
Short-term investments (Note 5)	2,452	4,303
Accounts and loans receivable, net (Note 6)	703,780	714,360
Patient accounts receivable, net (Note 4)	847,254	973,185
Contributions receivable, net (Note 7)	404,050	476,691
Other assets (Note 8)	939,943	963,913
Deposits with trustees (Note 9)	991,664	883,427
Long-term investments (Note 5)	5,485,673	4,988,615
Operating right to use assets (Note 11)	2,585,113	-
Assets held for professional liabilities (Note 13)	788,821	667,606
Land, buildings, and equipment, net (Note 10)	<u>11,870,956</u>	<u>11,523,879</u>
Total assets	<u>\$ 27,840,535</u>	<u>\$ 23,149,159</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 2,403,740	\$ 2,117,907
Deferred revenue	1,011,225	1,068,436
Operating lease liability (Note 11)	2,731,283	-
Professional liabilities (Note 13)	770,741	717,281
Debt and other obligations (Note 12)	9,040,426	7,962,461
Funds held for others (Notes 6 and 8)	429,438	375,709
Accrued benefit obligation (Note 14)	807,856	884,741
Accrued postretirement obligation (Note 14)	770,560	683,797
Asset retirement obligation	<u>277,003</u>	<u>278,860</u>
Total liabilities	<u>18,242,272</u>	<u>14,089,192</u>
Net assets		
Without donor restrictions	5,630,715	5,330,821
With donor restrictions (Note 17)	<u>3,967,548</u>	<u>3,729,146</u>
Total net assets	<u>9,598,263</u>	<u>9,059,967</u>
Total liabilities and net assets	<u>\$ 27,840,535</u>	<u>\$ 23,149,159</u>

The accompanying notes are an integral part of these consolidated financial statements.

New York University
Consolidated Statements of Activities
Years Ended August 31, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Changes in net assets without donor restrictions		
Operating revenues		
Tuition and fees (net of financial aid awards of \$711,990 and \$673,610)	\$ 2,108,565	\$ 2,022,105
Grants and contracts (Note 2)	1,077,825	1,059,018
Patient care (Note 4)	7,248,016	7,754,413
Hospital affiliations (Note 15)	377,169	346,659
Insurance premiums earned	107,149	97,117
Contributions	151,394	124,804
Endowment distribution (Note 5)	174,729	172,632
Return on short-term investments (Note 5)	66,841	36,583
Auxiliary enterprises (net of financial aid awards of \$59,119 and \$59,928)	326,808	455,581
Program fees and other	968,457	489,973
Net assets released from restrictions	<u>160,624</u>	<u>199,616</u>
Total operating revenues	<u>12,767,577</u>	<u>12,758,501</u>
Expenses (Note 16)		
Salaries and fringe	7,391,468	7,266,512
Medical and pharmaceutical costs	1,121,406	1,075,764
Professional services	696,249	688,862
Facilities costs	874,832	864,152
Fees, insurance and taxes	350,658	359,661
Depreciation and amortization	878,064	800,746
Interest	344,438	313,749
Other	<u>947,831</u>	<u>959,554</u>
Total expenses	<u>12,604,946</u>	<u>12,329,000</u>
Excess of operating revenues over expenses	162,631	429,501
Nonoperating activities		
Investment return (Note 5)	204,625	103,650
Appropriation of endowment distribution (Note 5)	(55,762)	(59,149)
Pension and postretirement nonservice costs (Note 14)	(20,373)	1,422
Changes in pension and postretirement obligations (Note 14)	(20,178)	(578,883)
Net assets released from restrictions for capital purposes	34,217	60,931
Other	<u>(5,266)</u>	<u>(41,363)</u>
Increase (decrease) in net assets without donor restrictions	<u>299,894</u>	<u>(83,891)</u>
Changes in net assets with donor restrictions		
Contributions	324,599	379,688
Investment return (Note 5)	240,160	76,502
Appropriation of endowment distribution (Note 5)	(118,967)	(113,483)
Other	(12,549)	17,376
Net assets released from restrictions	<u>(194,841)</u>	<u>(260,547)</u>
Increase in net assets with donor restrictions	<u>238,402</u>	<u>99,536</u>
Increase in net assets	<u>\$ 538,296</u>	<u>\$ 15,645</u>

The accompanying notes are an integral part of these consolidated financial statements.

New York University

Consolidated Statements of Cash Flows

Years Ended August 31, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 538,296	\$ 15,645
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	878,064	800,746
Loss on sale or disposal of land, buildings and equipment	268	17,666
Gain on settlement	-	(62,414)
Loss on extinguishment of debt	8,423	-
Net gain on investments and deposits with trustees	(394,125)	(116,129)
Bad debt expense	20,145	12,102
Pension and postretirement obligation change	20,178	578,883
Contributions received for permanent investment and capital	(135,882)	(131,018)
Proceeds from insurance recovery for capital or FEMA award	(28,893)	(42,843)
Change in operating right to use assets	271,733	-
Changes in operating assets and liabilities		
Decrease in accounts and loans receivable, net	63,009	51,690
Decrease (increase) in patient accounts receivable	125,931	(77,672)
Decrease (increase) in nonendowment and noncapital contributions receivable	65,067	(22,366)
Decrease in other assets	57,314	4,326
Decrease in asset retirement obligation	(17,177)	(5,570)
Increase in accounts payable and accrued expenses	474,590	159,966
Decrease in operating lease liability	(242,433)	-
Increase in professional liabilities	53,460	89,545
(Decrease) increase in deferred revenue	(57,210)	94,781
Decrease in accrued benefit obligation	(54,812)	(17,605)
Increase in accrued postretirement obligation	44,512	13,129
Net cash provided by operating activities	<u>1,690,458</u>	<u>1,362,862</u>
Cash flows from investing activities		
Purchases of investments	(3,246,457)	(2,141,472)
Sales and maturities of investments	2,328,286	1,459,606
Increase in assets held for professional liabilities	(95,384)	(103,919)
Drawdowns of unexpended bond proceeds	383,409	556,656
Additions to land, buildings, and equipment	(912,103)	(1,249,586)
Proceeds from sale of building	2,704	41,527
Proceeds from insurance recovery	1,379	3,761
Net cash used in investing activities	<u>(1,538,166)</u>	<u>(1,433,427)</u>
Cash flows from financing activities		
Contributions received for permanent investment and capital	104,982	131,018
Proceeds from FEMA award for future mitigation	27,514	39,082
Proceeds from short-term borrowings	250,000	57,100
Proceeds from long-term borrowings	1,491,914	964,037
Principal payments on long-term borrowings	(709,238)	(165,937)
Line of credit repayments	(336,519)	(171,400)
Payments of deferred financing costs	(3,759)	(2,675)
(Decrease) increase in funds held for others	(14,890)	49
Net cash provided by financing activities	<u>810,004</u>	<u>851,274</u>
Net increase in cash	962,296	780,709
Cash, cash equivalents and restricted cash		
Beginning of year	2,580,774	1,800,065
End of year	<u>\$ 3,543,070</u>	<u>\$ 2,580,774</u>
Supplemental disclosure of cash flow information		
Interest paid	\$ 347,930	\$ 328,589
Change in noncash acquisitions of land, buildings, and equipment	18,219	(25,243)
Assets acquired under capital leases	-	198,699
Right-of-use assets obtained		
In exchange for new operating lease obligations	256,153	-
In exchange for new finance lease obligations	399,192	-

The accompanying notes are an integral part of these consolidated financial statements.

New York University

Notes to Consolidated Financial Statements

August 31, 2020 and 2019

(in thousands of dollars)

1. Description of New York University

Founded in 1831, New York University (NYU) is a private institution of higher education, research, and patient care located primarily in New York City. NYU is recognized both nationally and internationally as a leader in scholarship and is a member of the distinguished Association of American Universities.

The consolidated reporting entities for NYU consist of the University and NYU Langone Health, which represents the activities of NYU Langone Health System (Health System) and its two medical schools: the NYU Robert I. Grossman School of Medicine (NYUGSoM) and NYU Long Island School of Medicine (collectively the NYU Schools of Medicine).

The University

The University includes twenty colleges and divisions each with its own traditions, programs and faculty. The schools, in order of founding date, are the College of Arts and Science, School of Law, NYUGSoM (reported as a part of NYU Langone Health), College of Dentistry, Graduate School of Arts and Science, Steinhardt School of Culture, Education and Human Development, Leonard N. Stern School of Business, Courant Institute of Mathematical Sciences, School of Professional Studies, Institute of Fine Arts, Robert F. Wagner Graduate School of Public Service, Post-Graduate Medical School, Silver School of Social Work, Tisch School of the Arts, Gallatin School of Individualized Study, Rory Meyers College of Nursing, Institute for the Study of the Ancient World, NYU Abu Dhabi, Tandon School of Engineering (formerly Polytechnic University founded in 1854), and NYU Long Island School of Medicine (reported as part of NYU Langone Health). The University also operates academic program sites and research programs in other parts of the United States and abroad.

In addition to the colleges and divisions, NYU operates NYU Shanghai, which grants NYU degrees as a joint venture with East China Normal University. The New York based activities of NYU Shanghai are reported in the University's consolidated balance sheets and consolidated statements of activities.

NYU Langone Health

The Health System is the sole corporate member of NYU Langone Hospitals, which operates the Kimmel Pavilion and Tisch Hospital, two acute care facilities which together consist of 844 beds, and are major centers for specialized procedures in cardiovascular services, neurosurgery, cancer treatment, reconstructive surgery, transplantation, psychiatric services and rehabilitation. NYU Langone Hospitals also operates NYU Langone Orthopedic Hospital, a 225-bed acute care facility specializing in orthopedic, neurologic, and rheumatologic services; NYU Langone Hospital-Brooklyn, a 450-bed acute care hospital; NYU Langone Hospital-Long Island, a 591-bed acute care facility; and several ambulatory facilities, including the Laura and Isaac Perlmutter Cancer Center, the Ambulatory Care Center, the Center for Musculoskeletal Care and Hassenfeld Children's Center for Cancer and Blood Disorders. NYU Langone Hospitals is also the sole corporate member of Winthrop Clinical Partners, Inc., a not-for-profit entity which invests in joint ventures with medical facilities; Winthrop-University Hospital Services Corp., a real estate holding company, and various faculty, community, and hospital-based physician service organizations.

New York University

Notes to Consolidated Financial Statements

August 31, 2020 and 2019

(in thousands of dollars)

NYU Langone Hospitals is the sole corporate member of CCC550 Insurance, SCC. (CCC550), which provides the Hospitals' professional and general liability insurance, as well as insurance to physicians employed by the NYUGSoM. CCC550 is subject to taxation in accordance with Section 29 of the Exempt Insurance Act in Barbados.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of NYU have, in all material respects, been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements include the accounts of NYU, as well as its separately incorporated affiliates. NYU and, generally, all of its affiliates are exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code.

NYU prepares its consolidated financial statements in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not for Profit Entities*. This standard focuses on the entity as a whole and requires classification of net assets as determined by the existence or absence of restrictions placed on the assets' uses by donors or by provision of law. A description of the net asset classifications follows:

Without Donor Restrictions: net assets of NYU that are used to carry out its missions of education, research and patient care which are not subject to donor restrictions.

With Donor Restrictions: Net assets subject to donor-imposed restrictions that will be met either by the actions of NYU or the passage of time. Items that are included in donor restricted net assets are gifts for which donor-imposed restrictions have not been met in the year of receipt; endowments, annuity, and life income gifts; pledges; investment return on donor restricted endowment funds; and endowments where the principal may be expended upon the passage of a stated period of time. Expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions. In addition, NYU has elected the simultaneous release option for contributions that are also subject to purpose restrictions.

Activities

Revenues and expenses related to conducting programmatic activities and provision of services by NYU are classified as operating in the consolidated statements of activities. Investment return relating to board-designated endowment funds and the related endowment appropriation, as well as pension and postretirement nonservice costs, changes in pension and postretirement obligations, net assets released from restriction for capital purposes, and other activity that is not part of NYU's core activities, are classified as nonoperating in the consolidated statements of activities.

Tuition and Fees

Tuition and fees are derived from degree programs as well as executive and continuing education programs. Tuition and fee revenue is recognized within the fiscal year in which educational services are provided as the performance obligation is satisfied. Tuition and fee receipts received in advance of a semester are recorded as deferred revenue. Financial aid, in the form of scholarships and grants, including amounts funded by the endowment, research funds, and gifts reduces the published price of tuition for students receiving such aid. As such, financial aid is referred to as a tuition

New York University

Notes to Consolidated Financial Statements

August 31, 2020 and 2019

(in thousands of dollars)

discount and represents the difference between the stated charge for tuition and fees and the amount that is billed to the student and/or third parties making payments on behalf of the student. Tuition and fees are reported net of financial aid on the consolidated statements of activities.

Auxiliary Enterprises

Auxiliary enterprises are self-supporting activities that furnish goods or services to students, faculty, staff, or incidentally to the general public, and charge a fee directly related to, although not necessarily equal to, the cost of the goods or services. Auxiliary enterprises include student housing and dining, real estate rental income, and other similar activities. Student housing and dining services are delivered over the academic terms and revenues are recognized ratably as the performance obligation is satisfied. Student housing and dining services are presented net of financial aid on the consolidated statements of activities.

Grants and Contracts

NYU receives funding for sponsored programs from various government agencies, foundations, and corporations. The funding may represent a reciprocal transaction in exchange for an equivalent benefit in return, or it may be a nonreciprocal non-exchange transaction in which the funding provided is for the benefit of NYU, the funding organization's mission, or the public at large.

Revenues from non-exchange transactions may be subject to conditions, in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). NYU's grants and contracts are primarily conditional non-exchange transactions and revenues are recognized when expenses are incurred. Unspent conditional contributions from grants and contracts total \$689,495 and \$602,753 at August 31, 2020 and 2019, respectively. Revenues from unconditional non-exchange transactions are recognized in the period awarded.

In 2020 and 2019, grants and contracts revenue recognized from U.S. governmental sources totaled \$523,845 and \$511,822 respectively. Such sponsored grants and contracts generally provide for the recovery of indirect costs supporting these activities. Indirect costs, included in grant and contract revenues, are recovered at rates established in advance by NYU through negotiations with the U.S. federal government and other private sponsors and totaled \$173,851 and \$163,778, respectively.

In 2014, NYU Langone Health was awarded a \$982,400 multi-year fixed capped public assistance grant from the Federal Emergency Management Agency (FEMA) for both repair and replacement of damages and hazard mitigation projects as a result of Superstorm Sandy. The hazard mitigation project portion of the award was recognized as a contribution with donor restriction (Note 17), with a corresponding FEMA receivable (Note 6). The net assets are released from restriction as the costs are incurred and totaled \$12,179 and \$43,683 for the years ended August 31, 2020 and 2019, respectively.

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period received at their fair value. Contributions receivable are reported at their discounted present value, using an estimated interest rate for the year in which the promise was received and considering market and credit risk as applicable (1.47% in 2020 and 2.25% in 2019). Amortization of the discount is recorded as additional contribution revenue. Allowances are recorded for estimated uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

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Fair Value Measurements

Authoritative guidance of fair value measurements, ASC 820, *Fair Value Measurements*, establishes a hierarchy of valuation methodologies based on the extent to which asset valuations are observable in the marketplace.

The following describes the hierarchy of methodologies used to measure fair value of investments:

Fair value for Level 1 is based on unadjusted quoted prices in actively traded markets that NYU has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets.

Fair value for Level 2 is based on quoted prices for instruments similar to those held by NYU in actively traded markets, quoted prices for identical instruments held by NYU in markets that are not actively traded and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data. Inputs are obtained from various sources including market participants, dealers and brokers.

Fair value for Level 3 is based on valuation techniques used to assess prices that are unobservable as the assets trade infrequently or not at all.

Investments for which fair value is measured at net asset value (NAV) per share as a practical expedient consist primarily of NYU's ownership in alternative investments (principally limited partnership interests in public equity, hedge funds, credit, real assets, private equity, real estate, and other similar funds). The NAV of the securities held by limited partnerships that do not have readily determinable fair values are determined by the general partner and are based on appraisals or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the general partner taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer and subsequent developments concerning the companies to which the securities relate. NYU has performed due diligence on these investments and believes the reported NAV as a practical expedient is an appropriate measure of fair value as of August 31, 2020 and 2019.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while NYU believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly-liquid debt instruments with original maturities of three months or less when purchased. This does not include pooled investments with less than three months to maturity held within the long-term investment portfolio. The carrying amount of cash and cash equivalents approximates fair value due to the short-term maturity of the instruments. NYU maintains its deposits with high credit quality financial institutions, with balances that exceed federal depository insurance limits. Management does not believe the credit risk related to these deposits is significant.

All short-term, highly liquid investments, which would otherwise qualify as cash equivalents that are included in NYU's investment pool within long-term investments, are treated as investments and are

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therefore excluded from cash and cash equivalents in the consolidated statements of cash flows. The following table provides a reconciliation of cash and cash equivalents reported within the consolidated balance sheets to the amounts reported in the consolidated statements of cash flows:

	2020	2019
Cash and cash equivalents	\$ 3,220,829	\$ 1,953,180
Cash in long-term investment pool (Note 5)	140,305	152,054
Cash in deposits with trustees (Note 9)	141,731	11,548
Cash in other long-term investments (Note 5)	3,443	405,293
Cash in assets held for professional liabilities (Note 13)	27,966	44,164
Cash in other assets (Note 8)	8,796	14,535
Cash, cash equivalents and restricted cash	<u>\$ 3,543,070</u>	<u>\$ 2,580,774</u>

Land, Buildings, and Equipment

Land, buildings, and equipment are carried at their acquisition or construction cost. If donated, these assets are recorded at their fair value on the date of the gift. Buildings and equipment are depreciated over their estimated useful lives (buildings and building improvements 10-60 years, equipment 3-10 years) using the straight-line method. Repairs and maintenance expenditures are expensed when incurred.

Collections

The University does not assign a value to collection items. Collection items are generally held for educational purposes and are not disposed of for financial gain or otherwise encumbered in any manner.

Deferred Revenue

Deferred revenue consists of tuition and fees and student housing and dining fees received in advance of the Fall semester as well as funding received for grants and contracts in advance of incurring the qualifying expenses.

Asset Retirement Obligation

NYU recognizes asset retirement obligations on future events, such as the abatement of asbestos and removal of lead-based paint and petroleum bulk storage tanks from buildings. The fair value of the liability for a conditional asset retirement obligation is recognized in the period in which it occurred, provided that it can be reasonably estimated. Corresponding asset retirement costs (net of accumulated depreciation) have been included in land, buildings, and equipment.

Funds Held for Others

Funds held for others consist of NYU's federal grants refundable and deferred compensation plan liabilities (457(b)). Corresponding assets are included within accounts receivable (Note 6) and other assets (Note 8), respectively.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the

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consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts in the 2019 consolidated financial statements have been reclassified to conform to the current year's presentation. These reclassifications have no impact on the net assets or changes in net assets previously reported.

Authoritative Pronouncements Adopted

In May 2014, the FASB issued Accounting Standards update (ASU) 2014-09, *Revenue from Contracts with Customers*. This standard implements a single framework for recognition of all revenue earned from customers. This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating the transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied. Qualitative and quantitative disclosures are required to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. NYU implemented this standard using a full retrospective approach in fiscal year 2019 and concluded there was no opening net asset impact.

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*. Under the new guidance, the existing three categories of net assets are replaced with a simplified model that combines temporarily restricted and permanently restricted net assets into a single category called "net assets with donor restrictions" and renames unrestricted net assets as "net assets without donor restrictions." There are new reporting requirements for expenses and additional disclosures to describe an organization's liquidity. NYU implemented this standard using a retrospective approach in fiscal year 2019.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard provides a framework for evaluating whether grants should be accounted for as exchange transactions or as nonexchange transactions. For nonexchange transactions, the new guidance clarifies whether arrangements are conditional or unconditional. NYU implemented this standard using a modified prospective approach in fiscal year 2019 and concluded there was no opening net asset impact.

In February 2016, the FASB issued ASU 2016-02, *Leases*. Under the new guidance, lessees are required to recognize the following for all leases with a term of twelve months or greater at the commencement date: (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a right-of-use (ROU) asset, representing the lessee's right to use, or control the use of, a specified asset for the lease term. Leases are classified as either operating or finance leases (formerly referred to as capital leases). Recognition, measurement, and presentation of expenses and cash flows arising from a lease are determined by a lease's classification. NYU adopted the new standard on September 1, 2019 using the modified retrospective transition method that allows for application of the standard at the adoption date rather than at the beginning of the earliest comparative period presented in the consolidated financial statements. As permitted under the transition guidance, NYU elected a package of practical expedients which, among other provisions, allowed NYU to carry forward historical lease classifications. Upon adoption, NYU recognized \$2,718,449 of operating lease obligations in the consolidated balance sheet.

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In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 includes guidance on eight specific cash flow issues in an effort to reduce diversity in practice with the presentation or classification of certain transactions within the statements of cash flows. The standard is effective for fiscal years beginning after December 15, 2018. NYU adopted this standard in fiscal year 2020 using a retrospective approach. Adoption did not have an impact on the consolidated statements of cash flows.

In November 2016, the FASB issued 2016-18, *Restricted Cash*, which addresses the presentation, disclosure, and cash flow classification of restricted cash and requires that the statements of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Entities are required to reconcile these amounts on the consolidated balance sheets to the consolidated statements of cash flows and disclose the nature of the restrictions. The standard is effective for fiscal years beginning after December 15, 2018. NYU adopted this standard in fiscal year 2020 using a retrospective approach and included the required reconciliation and disclosures in the Cash and Cash Equivalents section of Note 2.

New Authoritative Pronouncements not yet Adopted

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses: Measurement of Credit Losses on Financial Instruments*. The previous standard delays the recognition of a credit loss on a financial asset until the loss is probable of occurring. The new standard removes the requirement that a credit loss be probable of occurring for it to be recognized, and requires entities to use historical experience, current conditions, and reasonable and supportable forecasts to estimate their future expected credit losses. The standard is required to be applied using the modified retrospective approach with a cumulative-effect adjustment to net assets, if any, upon adoption. This ASU is effective for fiscal years beginning after December 15, 2022. NYU is currently evaluating the impact of the new standard on the consolidated financial statements.

Impact of COVID-19

In January 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) to be a pandemic. On March 7, 2020, the Governor of New York declared a state of emergency, and the Mayor of New York City made a similar emergency declaration on March 13, 2020. The pandemic impacted NYU's activities with Executive Orders issued by the Governor of New York State and related federal, state, and city law, regulations, and guidance resulting in the cancelation of elective procedures at NYU Langone Health, the transition to remote learning and closure of student residences at the campuses in New York, Abu Dhabi and Shanghai, and the discontinuance of activities at each of the global academic centers. As of August 31, 2020, NYU Langone Health has re-opened all service lines and patient service revenue has returned to near pre-COVID-19 levels. For Fall 2020, NYU's New York campus offered courses using a hybrid model with sections conducted partly or fully in-person or remote. All of NYU's courses, including those that are in-person, may be attended remotely. Fall 2020 undergraduate enrollment increased 2% from Fall 2019 and graduate and professional enrollment for Fall 2020 decreased 2% from Fall 2019.

Coronavirus Aid, Relief and Economic Security Act

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (CARES Act) was enacted. The CARES Act impacted NYU as follows for the year ended August 31, 2020:

- The Provider Relief Fund (PRF) appropriated \$175 billion to reimburse eligible healthcare providers for expenses attributable to COVID-19 and lost revenues. NYU Langone Health

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received payments totaling \$570,200 which were recognized in program fees and other revenues in the consolidated statements of activities, based on information contained in laws and regulations, as well as interpretations issued by the U.S. Department of Health and Human Services (HHS) governing the funding that was publicly available as of August 31, 2020.

- NYU Langone Health received \$432,800 in advanced payments from the Centers for Medicare and Medicaid Services (CMS) which were reported in accounts payable and accrued expenses on the consolidated balance sheet as of August 31, 2020.
- The Higher Education Emergency Relief Fund (HEERF) appropriated \$14 billion to the Office of Postsecondary Education. The U.S. Department of Education (DOE) awarded HEERF funds based on an institution of higher education's Pell Grant recipients and full-time enrollment. Based on these criteria, DOE awarded \$25,626 to NYU in May 2020. The University recognized \$6,158 in program fees and other revenues in the consolidated statement of activities and \$9,734 in deferred revenue in the consolidated balance sheet as of August 31, 2020. Financial aid awards include \$7,272 of COVID-related emergency grants to students supported by University funds, HEERF funds, and donations for the year ended August 31, 2020. The University disbursed the remaining HEERF funds during the Fall 2020 semester.
- NYU deferred the deposit and payment of \$116,190 related to the employer's share of Social Security taxes which are reported in accounts payable and accrued expenses on the consolidated balance sheet as of August 31, 2020. These deferred payments are due to be paid in two equal installments on December 31, 2021 and December 31, 2022.

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3. Financial Assets and Liquidity Resources

As of August 31, 2020, and 2019, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital costs not financed with debt, were as follows:

	2020	2019
Financial assets:		
Cash and short-term investments	\$ 3,223,281	\$ 1,957,483
Investments available for general purposes	743,208	610,885
Accounts receivable, net	188,011	156,726
Grants and contracts receivable, net	115,562	112,721
Insurance premiums receivable	114,290	90,730
Patient accounts receivable, net	847,254	973,185
Non-endowment pledge payments due within one year	140,741	181,300
Other assets	19,746	44,745
Subsequent year endowment distribution	188,448	174,597
Total financial assets available within one year	<u>5,580,541</u>	<u>4,302,372</u>
Liquidity resources:		
Undrawn bank lines of credit	1,405,600	1,019,081
Funds functioning as endowment available for operations	<u>1,593,729</u>	<u>1,442,772</u>
Total liquidity resources	<u>2,999,329</u>	<u>2,461,853</u>
Total financial assets and liquidity resources available within one year	<u>\$ 8,579,870</u>	<u>\$ 6,764,225</u>

The University's cash flows have seasonal variations during the year attributable to tuition billing cycles and, at times, a concentration of contributions received at calendar year end. The University's Reserve and Liquidity Management Policy provides guidelines for calculating and reporting the global cash position on a daily basis as well as rigorous cash flow forecasting. This approach is adopted to maximize the portion of working capital funds that may remain invested. The Working Capital Fund Investment Policy (the Investment Policy) has a primary objective of aligning the maturity and liquidity profile of the working capital portfolio with NYU's anticipated spending needs, while preserving the principal invested and maximizing return among a subset of approved investment grade products and providers. The Investment Policy establishes concentration limits for both investments and banking institutions. Liquidity resources are available with NYU board of trustees approval.

As part of NYU Langone Health's liquidity management, financial assets are structured to be available as its general expenditures, liabilities and other obligations come due. In addition, NYU Langone Health may invest cash in excess of daily requirements in short-term or liquid investments. In April 2020, the Health System entered into three lines of credit, each totaling \$100 million and each expiring in April 2021 (Note 12). As of August 31, 2020, the Health System has not drawn on these lines of credit and the total available amount of \$300,000 is included in the table above within liquidity resources.

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4. Patient Care Revenue and Receivables

Patient care revenue for NYU, net of contractual adjustments and implicit price concessions for the years ended August 31, 2020 and 2019 is as follows:

	2020	2019
NYU Langone Health gross charges	\$ 36,148,464	\$ 36,139,995
NYU Langone Health contractual adjustments and implicit price concessions	(28,936,898)	(28,440,683)
University patient care	<u>36,450</u>	<u>55,101</u>
Total patient care revenue	<u>\$ 7,248,016</u>	<u>\$ 7,754,413</u>

The University's College of Dentistry provides dental services to patients as part of a student's training. Performance obligations are met and patient care revenue is recognized as services are performed.

NYU Langone Health has agreements with third party payors that provide for payments at amounts different from its established rates (i.e. gross charges). Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem payments.

NYU Langone Health grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. NYU Langone Health bills patients and third-party payers several days after the services are performed and/or the patient is discharged. Patient service revenue is recognized as performance obligations are satisfied over time based on actual charges incurred in relation to total expected charges. Generally, performance obligations over time relate to patients receiving inpatient acute care services or patients receiving services in NYU Langone Health's outpatient and ambulatory care centers. NYU Langone Health measures the performance obligation from admission into the hospital or the commencement of an outpatient or physician service to the point when it is no longer required to provide services to that patient, which is generally the time of discharge or the completion of the outpatient or physician visit.

As substantially all of its performance obligations relate to contracts with a duration of less than one year, NYU Langone Health has elected to apply the optional exemption provided in ASC 606-10-50-14(a) *Revenue from Contracts with Customers* which removes the requirement to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

NYU Langone Health determines the transaction price based on gross charges for services provided, reduced by adjustments provided to third-party payers based on contractual agreements, discounts provided to uninsured patients in accordance with NYU Langone Health's policy, and implicit concessions provided to uninsured patients. For the years ended August 31, 2020, and 2019, NYU Langone Health recorded \$103,211 and \$107,353, respectively, of implicit price concessions as a direct reduction to patient care revenue.

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NYU's patient accounts receivable, after contractual adjustments and implicit price concessions is \$847,254 and \$973,185 at August 31, 2020 and 2019, respectively. NYU Langone Health estimates its implicit price concessions using a quarterly standardized approach to review historical collections based on major payor classification as a practical expedient to account for patient contracts as collective groups rather than individually. Based on historical collection trends, the financial statement effects of using this practical expedient are not materially different from an individual contract approach. In addition, NYU Langone Health assesses the current state of its billing functions in order to identify any known collection or reimbursement issues and assess the impact, if any, on estimates. NYU Langone Health believes that the collectability of its receivables is directly linked to the quality of its billing processes, most notably those related to obtaining the correct information in order to bill effectively for the services it provides. Subsequent changes to the estimate of transaction price are recorded as adjustments to net patient care revenue in the period of the change. Certain patient care revenues received are subject to retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

NYU Langone Health has established estimates, based on information presently available, of amounts due to or from Medicare and non-Medicare payors for adjustments to current and prior year payment rates, based on industry-wide and hospital-specific data. The amounts due to third party payors included in accounts payable and accrued expenses on the consolidated balance sheets is \$146,837 and \$94,317 at August 31, 2020 and 2019, respectively. Additionally, certain payors' payment rates for various years have been appealed by NYU Langone Health. If the appeals are successful, additional income applicable to those years will be realized.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

NYU Langone Hospitals' Medicare cost reports have been audited by the Medicare fiscal intermediary through August 31, 2015; however, final settlements are pending for 2003 and 2004. Prior to their merger into NYU Langone Hospitals' Medicare cost report, NYU Langone Hospital-Brooklyn and NYU Langone Hospital-Long Island filed separate stand-alone Medicare cost reports through December 31, 2015 and July 31, 2019, respectively. NYU Langone Hospital-Brooklyn's Medicare cost reports have been audited by the Medicare fiscal intermediary through December 31, 2015; however, final settlements are pending for the years 2008 to 2013. NYU Langone Hospital-Long Island's Medicare cost reports have been audited by the Medicare fiscal intermediary through August 31, 2017 and there are no final settlements pending.

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The mix of patient care revenue for the years ended August 31, 2020 and 2019 are as follows:

	2020		2019	
	Health System	NYUGSoM	Health System	NYUGSoM
Medicare	17 %	17 %	16 %	18 %
Medicaid	2	1	2	1
Medicare and Medicaid managed care	18	14	17	15
Blue Cross	26	17	26	17
Managed care and other	37	51	39	49
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

The mix of patient accounts receivable, net from patients and third party payors at August 31, 2020 and 2019 are as follows:

	2020		2019	
	Health System	NYUGSoM	Health System	NYUGSoM
Medicare	10 %	13 %	9 %	13 %
Medicaid	2	1	2	1
Medicare and Medicaid managed care	18	13	21	16
Blue Cross	27	18	21	15
Managed care and other	43	55	47	55
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

NYU Langone Health's charity care policy, in accordance with the New York State Department of Health's guidelines, ensures the provision of quality health care to the community served while carefully considering the ability of the patient to pay. The policy has sliding fee schedules for inpatient, ambulatory and emergency services provided to the uninsured and under-insured patients that qualify. Patients are eligible for the charity care fee schedule if they meet certain income tests. Since payment of the difference between NYU Langone Health's standard charges and the charity care fee schedules is not sought, these forgone charges for charity care are not reported as revenue. Total forgone charges for charity care totaled \$102,569 and \$102,918 for the years ended August 31, 2020 and 2019, respectively. This equated to an approximate cost of \$22,103 and \$21,758 for the years ended August 31, 2020 and 2019, respectively, which is based on a ratio of cost to charges.

New York State regulations provide for the distribution of funds from an indigent care pool, which is intended to partially offset the cost of uncompensated care and service provided to uninsured. The funds are distributed to NYU Langone Health based on an uninsured patient methodology. Subsidy payments recognized as revenue amounted to approximately \$43,554 and \$60,944 for the years ended August 31, 2020 and 2019, respectively, and are included in patient care revenue in the consolidated statements of activities. NYU Langone Health paid \$61,545 and \$60,584 into the indigent care pool for the years ended August 31, 2020 and 2019, respectively.

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5. Investments

Asset Classes

NYU invests across a broad range of asset classes, including public equity, fixed income, hedge funds, credit, real assets, private equity, real estate, and cash and other. NYU may invest directly in the securities of these asset classes, or indirectly through interests in funds and limited partnerships. Securities held directly by NYU are valued at their observable market prices. The value of holdings in funds and limited partnerships are in accordance with the valuations provided by their investment managers. Funds and limited partnerships may make investments in securities that are publicly traded, which are generally valued based on observable market prices. Managers of investment funds and limited partnerships value those investments based upon the best information available for a given circumstance and may incorporate assumptions that are the investment manager's best estimates after consideration of a variety of internal and external factors.

Investments held by NYU's investment pool are categorized as follows:

Public Equity

Public equity consists of publicly-traded equity, mutual funds, and other commingled funds (which may include passive index exposure).

Fixed Income

Fixed income includes investments in securities such as U.S. government securities, non-U.S. sovereign bonds, and corporate and asset-backed securities.

Real Assets

Real assets includes public and private investments in real asset funds.

Cash and Other

Cash and other predominantly includes cash and cash equivalents.

Hedge Funds

Hedge funds include investments with managers who invest across different strategies such as long and short equity, multi-strategy, event driven and relative value funds. These managers typically employ some leverage.

Credit

Credit includes public and private investments in strategies including distressed debt and special situations.

Private Equity

Private equity investments include limited partnership investments in funds pursuing strategies in corporate buyouts, growth equity, and venture capital.

Real Estate

Real estate includes public and private investments in real estate funds.

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The following tables summarize the fair value of investments at August 31, 2020 and 2019:

	2020			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Long-term investments-investment pool				
Public equity	\$ 1,140,750	\$ -	\$ -	\$ 1,140,750
Fixed income	-	358,733	-	358,733
Real assets	17,302	-	-	17,302
Cash and other	140,305	-	-	140,305
	<u>1,298,357</u>	<u>358,733</u>	<u>-</u>	<u>1,657,090</u>
Alternative investments measured at NAV as a practical expedient				<u>3,048,508</u>
Subtotal investment pool				<u>4,705,598</u>
Other long-term investments				
Public equity	468,752	2,744	-	471,496
Fixed income	302,201	-	-	302,201
Cash and other	3,443	-	2,935	6,378
Subtotal other long-term investments	<u>774,396</u>	<u>2,744</u>	<u>2,935</u>	<u>780,075</u>
Total long-term investments	<u>\$ 2,072,753</u>	<u>\$ 361,477</u>	<u>\$ 2,935</u>	<u>\$ 5,485,673</u>
Short-term investments				
Cash and other	\$ 2,452	\$ -	\$ -	\$ 2,452
Total short-term investments	<u>\$ 2,452</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,452</u>
2019				
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Long-term investments-investment pool				
Public equity	\$ 925,274	\$ -	\$ -	\$ 925,274
Fixed income	-	368,859	-	368,859
Real assets	18,826	-	-	18,826
Cash and other	152,054	-	-	152,054
	<u>1,096,154</u>	<u>368,859</u>	<u>-</u>	<u>1,465,013</u>
Alternative investments measured at NAV as a practical expedient				<u>2,859,803</u>
Subtotal investment pool				<u>4,324,816</u>
Other long-term investments				
Public equity	204,580	2,720	-	207,300
Fixed income	36,909	11,412	-	48,321
Cash and other	405,293	-	2,885	408,178
Subtotal other long-term investments	<u>646,782</u>	<u>14,132</u>	<u>2,885</u>	<u>663,799</u>
Total long-term investments	<u>\$ 1,742,936</u>	<u>\$ 382,991</u>	<u>\$ 2,885</u>	<u>\$ 4,988,615</u>
Short-term investments				
Cash and other	\$ 4,303	\$ -	\$ -	\$ 4,303
Total short-term investments	<u>\$ 4,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,303</u>

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Level 3 activity was not significant for either of the years ended August 31, 2020 or 2019.

The following tables represent NYU's investments measured at NAV as a practical expedient by asset class and the respective liquidity terms as of August 31, 2020 and 2019:

2020				
Asset category	Redemption Frequency (if currently eligible)		Redemption Notice Period	Fair Value
Redeemable alternative investments				
Public equity	Daily, Weekly, Monthly, Quarterly, Annually		1 to 180 days	\$ 1,336,315
Hedge funds	Monthly, Quarterly, Semi-Annual, Annual, Bi-Annual		15 to 100 days	884,783
Credit	Quarterly		60 days	15,746
				<u>2,236,844</u>
Nonredeemable alternative investments				
	Remaining Life	Time to draw Commitment	Unfunded Commitments	Fair Value
Private equity	Up to 11 years	7-14 days	\$ 449,058	\$ 369,481
Credit	Up to 9 years	7-14 days	129,487	162,105
Real assets	Up to 13 years	7-14 days	30,111	75,843
Real estate	Up to 13 years	7-14 days	159,156	204,235
			<u>\$ 767,812</u>	<u>811,664</u>
Alternative investments measured at NAV as a practical expedient				<u>\$ 3,048,508</u>
2019				
Asset category	Redemption Frequency (if currently eligible)		Redemption Notice Period	Fair Value
Redeemable alternative investments				
Public equity	Daily, Weekly, Monthly, Quarterly, Annually		1 to 180 days	\$ 1,317,886
Hedge funds	Monthly, Quarterly, Semi-Annual, Annual, Bi-Annual		15 to 100 days	805,511
Credit	Quarterly		60 days	16,893
				<u>2,140,290</u>
Nonredeemable alternative investments				
	Remaining Life	Time to draw Commitment	Unfunded Commitments	Fair Value
Private equity	Up to 10 years	7-14 days	\$ 286,430	\$ 295,421
Credit	Up to 9 years	7-14 days	62,410	151,757
Real assets	Up to 14 years	7-14 days	21,700	76,408
Real estate	Up to 12 years	7-14 days	152,540	195,927
			<u>\$ 523,080</u>	<u>719,513</u>
Alternative investments measured at NAV as a practical expedient				<u>\$ 2,859,803</u>

Total investment return for the years ended August 31, 2020 and 2019 is as follows:

	2020	2019
Dividends and interest	\$ 125,436	\$ 112,178
Realized and unrealized gains, net	<u>386,190</u>	<u>104,557</u>
Total investment return, net	<u>\$ 511,626</u>	<u>\$ 216,735</u>
Endowment distribution approved for spending	\$ 174,729	\$ 172,632
Return on short-term investments	66,841	36,583
Investment return without donor restriction, net of spending	148,863	44,501
Investment return with donor restrictions, net of spending	<u>121,193</u>	<u>(36,981)</u>
Total investment return, net	<u>\$ 511,626</u>	<u>\$ 216,735</u>

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NYU maintains an investment pool for its long-term investments which include its endowment and similar funds. The pool is managed to achieve the maximum long-term return given prudent risk parameters. NYU relies on a total return strategy, the objective of which is to achieve a long-term rate of return consisting of a combination of current income and capital appreciation, recognizing that changes in market conditions and interest rates will result in varying strategies in an attempt to optimize results. Investment return (realized and unrealized net gains or losses, interest and dividends) and the appropriation for the approved endowment distribution for board-designated endowment funds are reported as nonoperating activities in the consolidated statements of activities. Investment return and the appropriation for the approved endowment distribution for donor-restricted endowment funds are reported as changes in net assets with donor restrictions in the consolidated statements of activities.

NYU's Board of Trustees has authorized a spending policy designed to allow asset growth while providing a predictable flow of return to support activities. Distributions from the endowment to support activities (approximately 4.5% in 2020 and 2019) are calculated using the prior year distribution adjusted for the change in the New York Metro Area Consumer Price Index (CPI). To preserve the endowment's purchasing power, caps may further limit spending as follows: 1) the distribution of endowment return to support activities may not exceed the prior year's distribution by more than 10%, unless the increase was the result of new gifts to the endowment, and 2) if the results of using only the average market value of either the final four quarters alone or the final eight quarters alone would be a decline in the distribution from the prior year's distribution, then the distribution may not exceed the previous year's level.

6. Accounts and Loans Receivable, Net

Accounts and loans receivable, net of allowances for uncollectable amounts consist of the following at August 31, 2020 and 2019:

	2020	2019
Students and other	\$ 218,858	\$ 198,334
Grants and contracts	126,676	114,792
Student loans	91,262	99,234
FEMA award receivable	32,786	59,724
Housing loans and other loans to employees	67,502	65,206
Insurance premiums and recoveries (Note 13)	<u>220,282</u>	<u>223,410</u>
	757,366	760,700
Allowance for uncollectible amounts	<u>(53,586)</u>	<u>(46,340)</u>
Accounts and loans receivable, net	<u>\$ 703,780</u>	<u>\$ 714,360</u>

A reasonable estimate of the fair value of loans receivable from students under government loan programs could not be made because the notes cannot be sold and can only be assigned to the U.S. government or its designees. The fair value of loans receivable from students under NYU's loan programs approximates carrying value.

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Student loans consist primarily of Federal advances to the University under Perkins and other Federal loan programs which totaled \$53,016 and \$67,905 at August 31, 2020 and 2019, respectively. NYU records a liability on its consolidated balance sheets for these advances within funds held for others.

Housing loans and other loans to employees are secured by an interest in the underlying property or continued employment.

Management regularly assesses the adequacy of the allowance for credit losses by performing ongoing evaluation of the accounts and loans receivable portfolios.

7. Contributions Receivable

Contributions receivable consist of the following at August 31, 2020 and 2019:

	2020	2019
Amounts expected to be collected in		
Less than one year	\$ 226,929	\$ 258,333
One to five years	212,507	249,176
More than five years	65,664	67,246
	<u>505,100</u>	<u>574,755</u>
Discount	(18,879)	(26,715)
Allowance for uncollectible amounts	(82,171)	(71,349)
Contributions receivable, net	<u>\$ 404,050</u>	<u>\$ 476,691</u>

Contributions receivable activity for the years ended August 31, 2020 and 2019 is as follows:

	2020	2019
Contributions receivable, gross, beginning of year	\$ 574,755	\$ 558,526
New pledges received	134,910	243,521
Adjustments and write-offs	(8,845)	(16,723)
Pledge payments received	(195,720)	(210,569)
Contributions receivable, gross, end of year	<u>505,100</u>	<u>574,755</u>
Discount and allowance for uncollectible amounts	(101,050)	(98,064)
Contributions receivable, net, end of year	<u>\$ 404,050</u>	<u>\$ 476,691</u>

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Conditional promises to give consist of the following as of August 31, 2020 and 2019:

	2020	2019
Bequests	\$ 685,411	\$ 592,449
Intentions to give	88,456	152,055
Conditional promises to give	<u>269,285</u>	<u>215,030</u>
Total	\$ 1,043,152	\$ 959,534

Expenses related to fundraising activities are \$55,690 and \$55,622 for the years ended August 31, 2020 and 2019, respectively.

8. Other Assets

Other assets consist of the following at August 31, 2020 and 2019:

	2020	2019
Deferred compensation plan assets held for others	\$ 376,422	\$ 307,804
Prepaid expenses and deferred charges	198,905	247,493
Inventory	167,412	115,979
Intangible assets and goodwill	51,387	84,047
Third-party payor receivables	21,663	46,581
Split-interest agreements	38,131	36,364
Other	<u>86,023</u>	<u>125,645</u>
Other assets	\$ 939,943	\$ 963,913

Deferred compensation plan assets held for others represent employee contributions and investment return for NYU's 457(b) plans. A corresponding obligation is recorded within funds held for others on the consolidated balance sheets.

NYU invests in various retirement plan assets as part of the deferred compensation plans. In addition to the asset classes described in Note 5, investments held by the deferred compensation plans also include:

Variable Annuity

Variable annuity contracts invest in a variety of public equity securities to generate varying rates of return based on the underlying public equities.

Fixed Income Annuity

Fixed income annuities are used to purchase a guaranteed amount of future retirement benefits.

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The following tables summarize the fair value of other assets at August 31, 2020 and 2019:

	2020			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Other financial instruments				
Split-interest agreements	\$ -	\$ -	\$ 38,131	\$ 38,131
Deferred compensation plan held for others				
Variable annuities	\$ 82,142	\$ 49,110	\$ -	\$ 131,252
Fixed income annuity	26,431	7,066	34,987	68,484
Public equity	175,970	716	-	176,686
Total deferred compensation plan assets held for others	\$ 284,543	\$ 56,892	\$ 34,987	\$ 376,422

	2019			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Other financial instruments				
Split-interest agreements	\$ -	\$ -	\$ 36,364	\$ 36,364
Deferred compensation plan held for others				
Variable annuities	\$ 66,535	\$ 43,556	\$ -	\$ 110,091
Fixed income annuity	21,829	2,373	27,334	51,536
Public equity	141,905	4,272	-	146,177
Total deferred compensation plan assets held for others	\$ 230,269	\$ 50,201	\$ 27,334	\$ 307,804

Level 3 activity was not significant for either of the years ended August 31, 2020 or 2019.

9. Deposits with Trustees

Deposits with Trustees consist of unexpended bond proceeds to fund various construction projects held by the trustee, The Dormitory Authority of the State of New York (DASNY), and debt service funds at August 31, 2020 and 2019:

	2020	2019
Construction funds held by DASNY	\$ 970,363	\$ 807,294
Debt service funds	284	54,224
Debt service reserve funds	19,910	20,780
Other	1,107	1,129
	<u>\$ 991,664</u>	<u>\$ 883,427</u>

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The following tables summarize the fair value of deposits with trustees at August 31, 2020 and 2019 according to the asset categories defined in Note 5.

	2020			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Fixed income	\$ 849,933	\$ -	\$ -	\$ 849,933
Cash and other	141,731	-	-	141,731
Total deposits with trustees	<u>\$ 991,664</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 991,664</u>

	2019			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Fixed income	\$ 871,879	\$ -	\$ -	\$ 871,879
Cash and other	11,548	-	-	11,548
Total deposits with trustees	<u>\$ 883,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 883,427</u>

10. Land, Buildings, and Equipment

Land, buildings, and equipment consist of the following at August 31, 2020 and 2019:

	2020	2019
Land	\$ 384,470	\$ 353,757
Buildings and building improvements	13,428,981	12,797,314
Equipment	2,714,783	2,285,922
Finance leases	882,309	688,614
Construction in progress	1,211,399	1,295,886
	<u>18,621,942</u>	<u>17,421,493</u>
Less: Accumulated depreciation	<u>(6,750,986)</u>	<u>(5,897,614)</u>
Land, buildings, and equipment, net	<u>\$ 11,870,956</u>	<u>\$ 11,523,879</u>

Depreciation expense is \$866,754 and \$800,746 for the years ended August 31, 2020 and 2019, respectively.

11. Leases

On September 1, 2019 NYU adopted ASC 842, *Leases* as described in Note 2. NYU leases certain academic spaces, medical offices, administrative offices, and equipment under finance and operating leases. Operating lease ROU assets and operating lease obligations are recognized based on the present value of lease payments over the lease term, where the initial term of the lease exceeds 12 months. NYU uses its incremental borrowing rate to calculate the present value of lease payments because the leases do not have a readily determinable implicit discount rate. As a practical expedient, NYU elected to include both lease and non-lease components in the calculation of the

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operating lease ROU asset and operating lease obligation. Variable lease payments are excluded for purposes of calculating the operating ROU asset and operating lease obligation unless the variable lease payments depend on an index or rate or are in substance fixed payments. Lease payments related to periods subject to renewal options are also excluded for purposes of calculating the operating ROU asset and operating lease obligation unless NYU is reasonably certain to exercise the option to extend the lease.

Lease expense for operating leases continues to be recognized on a straight-line basis over the term of the lease under ASC 842. As of August 31, 2019, prior to the adoption of ASC 842, the deferred rent liability resulting from recording operating lease expense using the straight-line method was recorded on accounts payable and accrued expenses on the consolidated balance sheet. As of August 31 2020, under ASC 842, the deferred rent liability is reported as a reduction to the ROU assets within the consolidated balance sheet.

The components of lease expense included in the statements of activities consist of the following for the year ended August 31, 2020:

Lease Cost

Finance lease cost	
Amortization of right-of-use assets	\$ 55,833
Interest on finance lease obligations	32,738
Total finance lease cost	<u>\$ 88,571</u>
Operating lease cost	333,693
Short-term and variable lease costs	60,694
Total operating lease cost included in facilities costs	<u>\$ 394,387</u>
Total lease cost	<u>\$ 482,958</u>

Other Information

Cash paid for amounts included in the measurement of lease obligations	
Operating cash flows for operating leases	\$ 304,482
Operating cash flows for finance leases	23,340
Financing cash flows for finance leases	52,883
Right-of-use assets obtained	
In exchange for new operating lease obligations	\$ 256,153
In exchange for new finance lease obligations	399,192
Weighted-average remaining lease term	
Operating leases	17.8 years
Operating leases excluding ground lease through 2087	11.7 years
Finance leases	26.7 years
Weighted-average discount rate	
Operating leases	2.66%
Finance leases	4.07%

Prior to the adoption of ASC 842, operating lease expense was \$371,076 for the year ended August 31, 2019.

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Aggregate future minimum lease payments under operating leases as of August 31, 2020 are as follows:

2021	\$ 311,616
2022	284,906
2023	267,244
2024	258,110
2025	251,222
Thereafter	<u>2,387,186</u>
Total minimum lease payments	3,760,284
Less: Imputed interest	<u>(1,029,001)</u>
Total operating lease obligation	<u>\$ 2,731,283</u>
Less: Deferred rent liability	<u>(146,170)</u>
Total operating right-to-use asset	<u>\$ 2,585,113</u>

As of August 31, 2019, prior to the adoption of ASC 842, the minimum aggregate lease commitments under noncancelable operating leases were as follows: 2020, \$326,171; 2021, \$306,362; 2022, \$278,787; 2023, \$262,565; 2024, \$253,611 and thereafter, \$2,648,048.

12. Debt and Other Obligations

NYU has various bond issues outstanding, primarily issued through DASNY. The University and NYUGSoM are considered the legally obligated group for certain borrowings presented below as the "Total Obligated Group."

Debt and other obligations consist of the following at August 31, 2020 and 2019:

Issuer	2020				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Dormitory Authority of the State of New York (DASNY)	\$ 3,715,509	\$ 809,663	\$ 4,525,172	\$ 845,900	\$ 5,371,072
New York University	266,981	65,395	332,376	-	332,376
NYU Langone Hospitals	-	-	-	2,039,267	2,039,267
Nassau County Local Economic Assistance Corporation	-	-	-	37,733	37,733
Other obligations	<u>419,685</u>	<u>482,582</u>	<u>902,267</u>	<u>357,711</u>	<u>1,259,978</u>
Debt and other obligations	<u>\$ 4,402,175</u>	<u>\$ 1,357,640</u>	<u>\$ 5,759,815</u>	<u>\$ 3,280,611</u>	<u>\$ 9,040,426</u>

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Issuer	2019				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Dormitory Authority of the State of New York (DASNY)	\$ 3,800,548	\$ 824,741	\$ 4,625,289	\$ 347,060	\$ 4,972,349
New York University	277,251	69,246	346,497	-	346,497
NYU Langone Hospitals	-	-	-	1,491,002	1,491,002
Nassau County Local Economic Assistance Corporation	-	-	-	151,631	151,631
Other obligations	5,966	496,410	502,376	498,606	1,000,982
Debt and other obligations	<u>\$ 4,083,765</u>	<u>\$ 1,390,397</u>	<u>\$ 5,474,162</u>	<u>\$ 2,488,299</u>	<u>\$ 7,962,461</u>

In February 2020, DASNY issued \$424,480 of taxable revenue bonds (Series 2020B) on behalf of the Obligated Group with interest rates ranging from 1.29% to 2.77%. The Series 2020B bonds mature serially from July 2021 through July 2030. The 2020B bonds maturing in July 2035 are payable in annual sinking fund installments from July 2031 to maturity. The 2020B bonds maturing in July 2040 are payable in annual sinking fund installments from July 2036 to maturity. The 2020B bonds maturing in July 2043 are payable in annual sinking fund installments from July 2041 to maturity. The proceeds for the Series 2020B bonds were used to advance refund Series 2012A, 2012B, and 2013A bonds and a portion of Series 2015A.

In February 2020, DASNY issued \$466,305 of revenue bonds (Series 2020A) on behalf of NYU Langone Hospitals with interest rates ranging from 3.00% to 4.00%. The Series 2020A bonds mature serially from July 2048 through July 2053. The series 2020A bonds are payable at various dates through their maturity. The proceeds of the Series 2020A bonds were used to fund construction of and improvements to various Health System facilities.

In February 2020, NYU Langone Hospitals issued \$551,025 of taxable bonds (Series 2020B) with an interest rate of 3.38%. The Series 2020B bonds mature in July 2055 and are payable in full at maturity. A portion of the proceeds of the Series 2020B bonds were used to advance refund a portion of the Nassau County Local Economic Assistance Corporation Series 2012 bonds.

In February 2019, DASNY issued \$603,460 of revenue bonds (Series 2019A) on behalf of the Obligated Group with interest rates ranging from 4.00% to 5.00%. The Series 2019A bonds mature serially from July 2021 through July 2039. The 2019A bonds maturing in July 2042 are payable in annual sinking fund installments from July 2040 to maturity. The 2019A bonds maturing in July 2045 are payable in annual sinking fund installments from July 2043 to maturity. The 2019A bonds maturing in July 2049 are payable in annual sinking fund installments from July 2046 to maturity.

In February 2019, DASNY issued \$176,125 of taxable bonds (Series 2019B-1) on behalf of the Obligated Group with interest rates ranging from 2.76% to 4.29%. The Series 2019B-1 bonds mature serially from July 2021 through July 2024. The Series 2019B-1 bonds maturing in July 2044 are payable in annual sinking fund installments from July 2035 to maturity.

In February 2019, DASNY issued \$83,170 of taxable Green Bonds (Series 2019B-2) on behalf of the Obligated Group with an interest rate of 4.01%. The Series 2019B-2 bonds maturing in July 2049 are payable in annual sinking fund installments from July 2045 to maturity.

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The proceeds from the DASNY Series 2019A, Series 2019B-1 and Series 2019B-2 were used to fund improvements on the Manhattan and Brooklyn campuses and repay certain lines of credit.

The principal amounts outstanding for debt and other obligations consist of the following at August 31 2020 and 2019:

	University	NYU Schools of Medicine	2020 Total Obligated Group	Health System	Consolidated NYU
DASNY					
Series 1998A bonds, with interest rates ranging from 5.75% to 6.00%, maturing serially through July 2020, payable thereafter in annual sinking fund installments to maturity in 2027 (including premium of \$2,044)	\$ 105,209	\$ -	\$ 105,209	\$ -	\$ 105,209
2001 Series 1 bonds, with an interest rate of 5.50%, maturing serially from July 2011, through July 2025, payable thereafter in annual sinking fund installments to maturities in July 2031 and July 2040 (including premiums of \$1,826 and \$2,114)	56,083	46,506	102,589	-	102,589
Series 2012C taxable bonds, with interest rates ranging from 1.93% to 3.62%, maturing serially through July 2027	15,685	-	15,685	-	15,685
Series 2013B taxable bonds, with interest rates ranging from 2.33% to 5.25%, maturing serially through July 2028, payable thereafter in annual sinking fund installments to maturities in July 2033 and July 2043	24,165	-	24,165	-	24,165
Series 2014 bonds, with interest rate ranging from 2.00% to 5.00%, maturing serially through July 2032 and July 2036 (including premium of \$13,044)	-	-	-	110,849	110,849
Series 2014 S2 bonds, with interest rate ranging from 3.75% to 4.95%, maturing serially through July 2034 and July 2035 (including premium of \$7,070)	-	-	-	73,530	73,530
Series 2014A taxable bonds, with an interest rate of 2.59% maturing in July 2034, payable in annual sinking fund installments through July 2034	49,330	-	49,330	-	49,330
Series 2015 bonds, with interest rates ranging from 2.00% to 5.50%, maturing serially through July 2035, payable in annual sinking fund installments from July 2036 to July 2048 (including premium of \$61,356)	647,961	-	647,961	-	647,961
Series 2016A bonds, with interest rates ranging from 2.00% to 5.00%, maturing serially through July 2036 payable thereafter in annual sinking fund installments until July 2043 (including premiums of \$63,513 and \$20,481)	510,168	156,701	666,869	-	666,869
Series 2016B taxable bonds, with interest rates ranging from 1.20% to 5.00%, maturing serially through July 2022 payable thereafter in annual sinking fund installments until July 2046	165,690	30,235	195,925	-	195,925
Series 2016A bonds, with interest rates ranging from 3.53% to 4.77%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2043 (including premium of \$19,535)	-	-	-	146,105	146,105
Series 2017A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2047 (including premium of \$36,511 and \$19,828)	320,421	169,303	489,724	-	489,724
Series 2017B taxable bonds, with interest rates ranging from 1.60% to 4.15%, maturing serially to maturity in July 2032	170,730	50,406	221,136	-	221,136

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	2020				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Series 2018A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$33,553 and \$9,112)	307,968	80,827	388,795	-	388,795
Series 2018B taxable bonds, with interest rates ranging from 2.27% to 4.85%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$6,572 and \$2,722)	146,712	103,692	250,404	-	250,404
Series 2019A bonds, with interest rates ranging from 4.00% to 5.00%, maturing serially through July 2049 payable thereafter in annual sinking fund installments (including premiums of \$81,195 and \$12,282)	608,850	88,087	696,937	-	696,937
Series 2019B-1 taxable bonds, with interest rates ranging from 2.76% to 4.29%, maturing serially through July 2044 payable thereafter in annual sinking fund installments	136,505	39,620	176,125	-	176,125
Series 2019B-2 taxable bonds, with an interest rate of 4.01% payable thereafter in annual sinking fund installments maturing on July 2049	77,925	5,245	83,170	-	83,170
Series 2020A bonds, with interest rates ranging from 3.00% to 4.00% maturing serially through July 2053 (including net premiums of \$53,781)	-	-	-	520,084	520,084
Series 2020B taxable bonds, with interest rates ranging from 1.29% to 2.77%, maturing serially through July 2030 and payable thereafter in annual sinking fund installments to maturity in 2043	384,355	40,125	424,480	-	424,480
Deferred financing costs	(12,248)	(1,084)	(13,332)	(4,668)	(18,000)
Subtotal of DASNY bonds	<u>3,715,509</u>	<u>809,663</u>	<u>4,525,172</u>	<u>845,900</u>	<u>5,371,072</u>
NYU					
Series 2009 taxable bonds, with an interest rate of 5.24%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	12,624	65,861	78,485	-	78,485
Series 2010 taxable bonds, with an interest rate of 4.96%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	19,280	-	19,280	-	19,280
Series 2015 taxable bonds, with interest rates ranging from 1.32% to 4.14%, maturing serially through July 2028, payable in annual sinking fund installments from July 2029 to July 2048	235,990	-	235,990	-	235,990
Deferred financing costs	(913)	(466)	(1,379)	-	(1,379)
Subtotal of NYU bonds	<u>266,981</u>	<u>65,395</u>	<u>332,376</u>	<u>-</u>	<u>332,376</u>
NYU Langone Hospitals					
Series 2012 taxable bonds, with an interest rate of 4.40%, maturing in July 2042 (including discount of \$793)	-	-	-	249,241	249,241
Series 2013 taxable bonds, with an interest rate of 5.75%, maturing in July 2043 (including discount of \$1,147)	-	-	-	348,901	348,901
Series 2014 taxable bonds, with an interest rate of 4.78%, maturing in July 2044 (including discount of \$1,046)	-	-	-	298,996	298,996
Series 2017A taxable bonds, with an interest rate ranging from 4.17% to 4.37%, maturing in August 2047	-	-	-	600,000	600,000
Series 2020B taxable bonds, with a fixed interest rate of 3.38% to maturity in July 2055 (including a discount of \$2,179)	-	-	-	548,846	548,846
Deferred financing costs	-	-	-	(6,717)	(6,717)
Subtotal of NYU Langone Hospitals bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,039,267</u>	<u>2,039,267</u>

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	2020				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Nassau County Local Economic Assistance Corporation					
Series 2012 taxable bonds with varying interest rates of 3.00% to 5.00%, maturing in July 2042	-	-	-	6,365	6,365
Series 2014 taxable bonds, with an interest rate of 2.99%, maturing in July 2036	-	-	-	31,368	31,368
Subtotal of Nassau County Local Economic Assistance Corporation bonds	-	-	-	37,733	37,733
Other obligations					
Mortgage loans	-	41,469	41,469	16,008	57,477
Commercial loans	-	-	-	27,491	27,491
Lines of credit	250,000	44,400	294,400	-	294,400
Finance leases	169,685	396,713	566,398	314,212	880,610
Subtotal of other obligations	419,685	482,582	902,267	357,711	1,259,978
Total amounts outstanding	\$ 4,402,175	\$ 1,357,640	\$ 5,759,815	\$ 3,280,611	\$ 9,040,426

	2019				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
DASNY					
Series 1998A bonds, with interest rates ranging from 5.75% to 6.00%, maturing serially through July 2020, payable thereafter in annual sinking fund installments to maturity in 2027 (including premium of \$2,583)	\$ 117,458	\$ -	\$ 117,458	\$ -	\$ 117,458
2001 Series 1 bonds, with an interest rate of 5.50%, maturing serially from July 2011, through July 2025, payable thereafter in annual sinking fund installments to maturities in July 2031 and July 2040 (including premiums of \$1,979 and \$2,200)	57,711	47,819	105,530	-	105,530
Series 2011A bonds, with interest rates ranging from 2.00% to 6.00%, maturing serially through July 2020, payable thereafter in annual sinking fund installments	-	-	-	4,220	4,220
Series 2012A bonds, with interest rates ranging from 3.00% to 5.00%, maturing serially through July 2032, payable thereafter in annual sinking fund installments to maturities in July 2037 and July 2042 (including net premiums of \$10,941 and \$4,057)	138,158	42,342	180,500	-	180,500
Series 2012B bonds, with interest rates ranging from 4.00% to 5.00%, maturing serially through July 2032, payable thereafter in annual sinking fund installments to maturities in July 2037 and July 2042 (including premium of \$3,613)	58,648	-	58,648	-	58,648
Series 2012C taxable bonds, with interest rates ranging from 1.93% to 3.62%, maturing serially through July 2027	17,720	-	17,720	-	17,720
Series 2013A bonds, with interest rates ranging from 2.00% to 5.00%, maturing serially through July 2033, payable thereafter in annual sinking fund installments to maturities in July 2037 and July 2043 (including net premiums of \$6,433)	120,228	-	120,228	-	120,228
Series 2013B taxable bonds, with interest rates ranging from 2.33% to 5.25%, maturing serially through July 2028, payable thereafter in annual sinking fund installments to maturities in July 2033 and July 2043	25,440	-	25,440	-	25,440
Series 2014 bonds, with interest rate ranging from 2.00% to 5.00%, maturing serially through July 2032 and July 2036 (including premium of \$7,958)	-	-	-	76,909	76,909

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	2019				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Series 2014 S2 bonds, with interest rate ranging from 3.75% to 4.95%, maturing serially through July 2034 and July 2035 (including premium of \$7,514)	-	-	-	114,600	114,600
Series 2014A taxable bonds, with an interest rate of 2.59% maturing in July 2034, payable in annual sinking fund installments through July 2034	52,210	-	52,210	-	52,210
Series 2015 bonds, with interest rates ranging from 2.00% to 5.50%, maturing serially through July 2035, payable in annual sinking fund installments from July 2036 to July 2048 (including premium of \$72,401)	738,706	-	738,706	-	738,706
Series 2016A bonds, with interest rates ranging from 2.00% to 5.00%, maturing serially through July 2036 payable thereafter in annual sinking fund installments until July 2043 (including premiums of \$67,602 and \$21,274)	514,257	157,494	671,751	-	671,751
Series 2016B taxable bonds, with interest rates ranging from 1.20% to 5.00%, maturing serially through July 2022 payable thereafter in annual sinking fund installments until July 2046	179,155	33,770	212,925	-	212,925
Series 2016A bonds, with interest rates ranging from 3.53% to 4.77%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2043 (including premium of \$20,524)	-	-	-	155,094	155,094
Series 2017A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2047 (including premium of \$40,530 and \$20,567)	335,353	172,899	508,252	-	508,252
Series 2017B taxable bonds, with interest rates ranging from 1.60% to 4.15%, maturing serially to maturity in July 2032	174,104	50,406	224,510	-	224,510
Series 2018A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$36,237 and \$9,439)	310,652	82,849	393,501	-	393,501
Series 2018B taxable bonds, with interest rates ranging from 2.27% to 4.85%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$6,843 and \$2,820)	146,983	105,295	252,278	-	252,278
Series 2019A bonds, with interest rates ranging from 4.00% to 5.00%, maturing serially through July 2049 payable thereafter in annual sinking fund installments (including premiums of \$86,292 and \$12,703)	613,947	88,508	702,455	-	702,455
Series 2019B-1 taxable bonds, with interest rates ranging from 2.76% to 4.29%, maturing serially through July 2044 payable thereafter in annual sinking fund installments	136,505	39,620	176,125	-	176,125
Series 2019B-2 taxable bonds, with an interest rate of 4.01% payable thereafter in annual sinking fund installments maturing on July 2049	77,925	5,245	83,170	-	83,170
Deferred financing costs	(14,612)	(1,506)	(16,118)	(3,763)	(19,881)
Subtotal of DASNY bonds	<u>3,800,548</u>	<u>824,741</u>	<u>4,625,289</u>	<u>347,060</u>	<u>4,972,349</u>

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	2019				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
NYU					
Series 2009 taxable bonds, with an interest rate of 5.24%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	13,368	69,742	83,110	-	83,110
Series 2010 taxable bonds, with an interest rate of 4.96%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	20,415	-	20,415	-	20,415
Series 2015 taxable bonds, with interest rates ranging from 1.32% to 4.14%, maturing serially through July 2028, payable in annual sinking fund installments from July 2029 to July 2048	244,465	-	244,465	-	244,465
Deferred financing costs	(997)	(496)	(1,493)	-	(1,493)
Subtotal of NYU bonds	<u>277,251</u>	<u>69,246</u>	<u>346,497</u>	<u>-</u>	<u>346,497</u>
NYU Langone Hospitals					
Series 2012 taxable bonds, with an interest rate of 4.40%, maturing in July 2042 (including discount of \$793)	-	-	-	249,207	249,207
Series 2013 taxable bonds, with an interest rate of 5.75%, maturing in July 2043 (including discount of \$1,147)	-	-	-	348,853	348,853
Series 2014 taxable bonds, with an interest rate of 4.78%, maturing in July 2044 (including discount of \$1,046)	-	-	-	298,954	298,954
Series 2017A taxable bonds, with an interest rate ranging from 4.17% to 4.37%, maturing in August 2047	-	-	-	600,000	600,000
Deferred financing costs	-	-	-	(6,012)	(6,012)
Subtotal of NYU Langone Hospitals bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,491,002</u>	<u>1,491,002</u>
Nassau County Local Economic Assistance Corporation					
Series 2012 taxable bonds with varying interest rates of 3.00% to 5.00%, maturing in July 2042 (including premium of \$7,344)	-	-	-	118,759	118,759
Series 2014 taxable bonds, with an interest rate of 2.99%, maturing in July 2036	-	-	-	32,872	32,872
Subtotal of Nassau County Local Economic Assistance Corporation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,631</u>	<u>151,631</u>
Other obligations					
Mortgage loans	-	42,000	42,000	20,292	62,292
Commercial loans	-	-	-	17,024	17,024
Lines of credit	-	44,400	44,400	336,519	380,919
Capital leases	5,966	410,010	415,976	124,771	540,747
Subtotal of other obligations	<u>5,966</u>	<u>496,410</u>	<u>502,376</u>	<u>498,606</u>	<u>1,000,982</u>
Total amounts outstanding	<u>\$ 4,083,765</u>	<u>\$ 1,390,397</u>	<u>\$ 5,474,162</u>	<u>\$ 2,488,299</u>	<u>\$ 7,962,461</u>

Interest expense on debt and other obligations totaled \$344,438 and \$313,749 for the years ended August 31, 2020 and 2019, respectively. This excludes \$9,478 and \$10,775 of interest capitalized (net of income earned on deposits with bond trustees) for the years ended August 31, 2020 and 2019, respectively, which is included in land, buildings, and equipment, net.

NYU enters into various debt and other loan agreements that are secured by specific revenue streams, collateral and other real property or improvements, in addition to issuing debt supported by a general obligation of the University, any of which may constrain the use of certain assets.

Other agreements include covenants requiring that NYU Langone Hospitals maintains certain financial ratios. At August 31, 2020 and 2019, NYU is compliant with all financial and administrative covenants.

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Obligations with Financial Institutions

At August 31, 2020 and 2019, the Obligated Group has three contractually committed bank credit agreements which total \$800,000 and expire from March 2021 to May 2022. The interest is accrued at rates based on LIBOR. The amounts outstanding under these agreements are \$294,400 and \$44,400 as of August 31, 2020 and 2019, respectively.

At August 31, 2020, the Health System has six unsecured lines of credit which total \$900,000 and expire from April 2021 to May 2022. At August 31, 2019, the Health System had four unsecured lines of credit which totaled \$600,000. The interest is accrued at rates based on LIBOR. There were no amounts outstanding as of August 31, 2020 and \$336,519 as of August 31, 2019.

Future Principal Payments

The aggregate required principal payments on all debt and other obligations, including capital leases, for each of the next five fiscal years, and thereafter to maturity, are as follows:

Year Ending August 31,	Debt and Other Obligations	Finance Leases	Total
2021	\$ 406,697	\$ 60,263	\$ 466,960
2022	161,145	85,112	246,257
2023	160,980	79,576	240,556
2024	164,764	54,436	219,200
2025	205,620	51,916	257,536
Thereafter	6,644,907	1,307,953	7,952,860
	<u>7,744,113</u>	<u>1,639,256</u>	<u>9,383,369</u>
Unamortized premiums and discounts, net	441,785	-	441,785
Unamortized deferred financing costs	(26,082)	-	(26,082)
Less: Imputed interest	-	(758,646)	(758,646)
	<u>\$ 8,159,816</u>	<u>\$ 880,610</u>	<u>\$ 9,040,426</u>

13. Professional Liabilities

NYU Langone Hospitals' professional liabilities are reported on a discounted basis and comprise estimates for known reported losses and loss expenses plus a provision for losses incurred but not reported. Losses are actuarially determined and are based on the loss experience of the insured. In management's opinion, recorded reserves for both self-insured and commercially insured exposures are adequate to cover the ultimate net cost of losses incurred to date; however, the provision is based on estimates and may ultimately be settled for a significantly greater or lesser amount.

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Professional liabilities consist of the following as of August 31, 2020 and 2019:

	2020	2019
CCC550 professional liabilities	\$ 630,843	\$ 545,628
Self-insured liabilities	65,165	67,590
Commercially insured liabilities	<u>74,733</u>	<u>104,063</u>
Professional liabilities	<u>\$ 770,741</u>	<u>\$ 717,281</u>

NYU Langone Hospitals is self-insured for professional and general liabilities on an occurrence basis through CCC550. Beginning July 1, 2017, NYU Langone Hospital-Long Island and certain of its physicians are also self-insured through CCC550. Prior to July 1, 2017, NYU Langone Hospital-Long Island was self-insured for professional liabilities and designated funds in a revocable trust for satisfaction of claims and expenses.

CCC550 provides insurance coverage to certain voluntary attending physicians and other non-employed physicians serving NYUGSoM and NYU Langone Hospitals. The cost of this insurance coverage is the responsibility of such physicians.

Assets held for professional liabilities consist of the following at August 31, 2020 and 2019:

	2020	2019
Assets held by CCC550	\$ 732,975	\$ 609,708
Self-insurance trust	<u>55,846</u>	<u>57,898</u>
Assets held for professional liabilities	<u>\$ 788,821</u>	<u>\$ 667,606</u>

The following tables summarize the fair value of assets held for professional liabilities at August 31, 2020 and 2019 according to the asset categories defined in Note 5:

	2020			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Fixed income	\$ 55,846	\$ 705,009	\$ -	\$ 760,855
Cash and other	27,966	-	-	27,966
Total assets held for professional liabilities	<u>\$ 83,812</u>	<u>\$ 705,009</u>	<u>\$ -</u>	<u>\$ 788,821</u>

	2019			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Public equity	\$ 41,287	\$ -	\$ -	\$ 41,287
Fixed income	11,254	570,901	-	582,155
Cash and other	44,164	-	-	44,164
Total assets held for professional liabilities	<u>\$ 96,705</u>	<u>\$ 570,901</u>	<u>\$ -</u>	<u>\$ 667,606</u>

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Commercially insured liabilities primarily relate to policies purchased by NYU Langone Hospital-Brooklyn and NYU Langone Hospital-Long Island (for certain of its physicians) covering periods prior to October 1, 2015 and July 1, 2017, respectively. NYU Langone Hospitals recorded a corresponding insurance recovery receivable for claims covered by these policies within accounts and loans receivable, net on the consolidated balance sheets (Note 6). The commercial insurance included policies purchased from Medical Liability Mutual Insurance Company (MLMIC).

In October 2018, NYU Langone Hospitals received cash of \$102,421 for demutualization payouts to policy holders resulting from the sale MLMIC to National Indemnity Company, as subsidiary of Berkshire Hathaway, which was recorded within program fees and other in the consolidated statements of activities for the year ended August 31, 2019.

14. Pension Plans and Other Postretirement Benefits

Pension Plans

Substantially all NYU employees are covered by retirement plans including various defined contribution plans, multi-employer defined benefit plans, and three NYU-sponsored benefit plans.

Defined Contribution Plans

Contributions to the defined contribution plans are based on rates required by union contracts or other contractual arrangements. Contributions of \$259,985 and \$242,177 in 2020 and 2019, respectively, are reported as expenses in the consolidated statements of activities. There is no obligation on the consolidated balance sheets for these plans.

Multi-Employer Defined Benefit Plans

Contributions to the multi-employer defined benefit plans are based on rates required by union contracts and other contractual arrangements. Contributions of \$196,708 and \$203,087 in 2020 and 2019, respectively, are reported as expenses in the consolidated statements of activities. There is no obligation on the consolidated balance sheets for these plans.

Defined Benefit Plans

Contributions to the three defined benefit plans are intended to provide benefits attributed to service to date, as well as for those expected to be earned in the future. Contributions are made in amounts sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974 as amended under the Pension Protection Act of 2006 (ERISA), plus such additional amounts as the sponsors may deem appropriate. Pension benefits under these defined benefit plans are based on participants' final average compensation levels and years of service and are accrued during the period the employees provide service to NYU. Contributions of \$100,549 and \$45,139 in 2020 and 2019, respectively, are reported as a reduction in the accrued benefit obligation on the consolidated balance sheets for these plans.

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Postretirement Benefits

NYU has three defined benefit health and welfare plans that provide certain health care and life insurance benefits for eligible retired employees. NYU employees may become eligible for these benefits if they reach the age and service requirements of the plan while working for NYU. The costs related to these plans are accrued during the period the employees provide service to NYU. Contributions of \$16,217 and \$25,933 in 2020 and 2019, respectively, are reported as a reduction in the accrued postretirement obligation on the consolidated balance sheets for these plans.

The following tables provide information with respect to the defined benefit and other postretirement benefit plans for the years ended August 31:

Plans' Funded Status

	Defined benefit pension plans		Postretirement benefit plans	
	2020	2019	2020	2019
Change in benefit obligation				
Benefit obligation, beginning of year	\$ 2,675,658	\$ 2,200,036	\$ 840,698	\$ 688,606
Service cost	57,763	47,145	28,023	20,560
Interest cost	76,950	88,483	27,277	26,932
Actuarial loss	82,069	421,417	67,763	121,043
Benefits paid	(84,889)	(80,337)	(27,732)	(25,319)
Participant contributions	-	-	6,093	4,813
Retiree drug subsidy receipts	-	-	1,037	1,281
Administrative expenses	(838)	(1,086)	-	-
Plan amendments	-	-	-	2,782
Benefit obligation, end of year	<u>2,806,713</u>	<u>2,675,658</u>	<u>943,159</u>	<u>840,698</u>
Change in fair value of plan assets				
Fair value of plan assets, beginning of year	1,790,917	1,747,549	156,901	146,657
Actual return on plan assets	193,118	79,652	20,083	3,536
Employer contributions	100,549	45,139	16,217	25,933
Benefits paid	(84,889)	(80,337)	(27,732)	(25,319)
Participant contributions	-	-	6,093	4,813
Retiree drug subsidy receipts	-	-	1,037	1,281
Administrative expenses	(838)	(1,086)	-	-
Fair value of plan assets, end of year	<u>1,998,857</u>	<u>1,790,917</u>	<u>172,599</u>	<u>156,901</u>
Accrued benefit obligation	<u>\$ 807,856</u>	<u>\$ 884,741</u>	<u>\$ 770,560</u>	<u>\$ 683,797</u>
Benefit obligation range of assumptions as of August 31				
Discount rate	2.81% - 3.06%	3.08% - 3.25%	2.75% - 2.89%	3.09% - 3.15%
Rate of increase in compensation levels	2.91% - 3.00%	2.91% - 3.50%	-	-

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Net Periodic Benefit Cost

	Defined benefit pension plans		Postretirement benefit plans	
	2020	2019	2020	2019
Components of net periodic benefit cost				
Operating expense				
Service cost in salary and fringe	\$ 57,763	\$ 47,145	\$ 28,023	\$ 20,560
Nonoperating expense:				
Interest cost	76,950	88,483	27,277	26,932
Expected return on plan assets	(131,654)	(122,332)	(9,420)	(8,870)
Amortization of prior service cost (credit)	2	2	(324)	(531)
Amortization of actuarial loss	42,677	14,234	14,865	660
Total non-service costs	(12,025)	(19,613)	32,398	18,191
Net periodic benefit cost	\$ 45,738	\$ 27,532	\$ 60,421	\$ 38,751
Other changes recognized in net assets without donor restrictions				
Actuarial net loss arising during period	\$ 20,606	\$ 464,093	\$ 56,792	\$ 126,373
Amortization of prior service (cost) credit	(2)	(2)	324	3,313
Amortization of actuarial loss	(42,677)	(14,234)	(14,865)	(660)
Total recognized in nonoperating activities	\$ (22,073)	\$ 449,857	\$ 42,251	\$ 129,026
Net periodic benefit cost range of assumptions				
Discount rate	2.74% - 3.25%	3.83% - 4.34%	2.81% - 3.15%	3.20% - 4.20%
Rate of increase in compensation levels	2.91% - 3.50%	2.92% - 3.50%	-	-
Expected long-term rate of return on plan assets	6.00% - 7.75%	6.00% - 7.75%	6.00% - 7.00%	6.00% - 7.00%
Initial healthcare cost trend	-	-	5.00% - 13.64%	5.25% - 7.25%
Ultimate retiree health-care cost trend	-	-	4.50%	4.50%
Year ultimate trend rate is achieved	-	-	2024-2031	2024-2031

The accumulated benefit obligation for the defined benefit pension plans is \$2,623,658 and \$2,487,685 at August 31, 2020 and 2019, respectively.

Amounts not yet reflected in net periodic benefit cost and included in net assets without donor restrictions for the defined benefit pension plans totaled \$740,384 and \$684,236 for the years ended August 31, 2020 and 2019, respectively. Amounts not yet reflected in net periodic benefit cost and included in net assets without donor restrictions for the postretirement benefit plans totaled \$250,163 and \$207,900 for the years ended August 31, 2020 and 2019, respectively.

Amounts in net assets without donor restrictions expected to be recognized in net periodic benefit cost in the next fiscal year for the defined benefit pension plans totaled \$44,238 and \$42,920 for the years ended August 31, 2020 and 2019, respectively. Amounts in net assets without donor restrictions expected to be recognized in net periodic benefit cost in the next fiscal year for the postretirement benefits plans totaled \$14,142 and \$10,942 for the years ended August 31, 2020 and 2019, respectively.

In 2020 and 2019, the effect of a 1% change in the health care cost trend rate is as follows:

	2020		2019	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Effect on net periodic benefit cost	\$ 6,084	\$ (4,927)	\$ 5,392	\$ (4,298)
Effect on postretirement benefit obligation	109,522	(90,964)	109,763	(87,533)

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Plan Assets

The following table presents the fair value of the defined benefit plan investments at August 31, 2020 and 2019 according to the asset categories defined in Note 5:

	2020			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Public equity	\$ 939,266	\$ -	\$ -	\$ 939,266
Fixed income	448,639	159,249	-	607,888
Real estate	33,720	-	-	33,720
Cash and other	414,296	-	-	414,296
	<u>\$ 1,835,921</u>	<u>\$ 159,249</u>	<u>\$ -</u>	1,995,170
Alternative investments measured at NAV as a practical expedient				<u>3,687</u>
Total				<u>\$ 1,998,857</u>

	2019			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Public equity	\$ 955,737	\$ -	\$ -	\$ 955,737
Fixed income	550,071	153,324	-	703,395
Real estate	30,328	541	-	30,869
Cash and other	24,154	-	-	24,154
	<u>\$ 1,560,290</u>	<u>\$ 153,865</u>	<u>\$ -</u>	1,714,155
Alternative investments measured at NAV as a practical expedient				<u>76,762</u>
Total				<u>\$ 1,790,917</u>

The defined benefit pension assets seek to: (1) provide retirement benefits to its participants and beneficiaries; and (2) achieve full funding of the pension liability, while incurring an acceptable level of risk for the sponsor. The pension liability growth rate together with the objective to achieve and maintain a fully-funded level over a reasonable timeline implies a minimum absolute rate of return to be met through either: (1) annual budgeted contributions, (2) pension assets growth, (3) plan de-risking improvements, or (4) a combination thereof.

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The strategy for achieving and maintaining a fully funded pension liability may vary with the prevailing funded level and other parameters related to the overall goal. The asset allocation process is designed to be dynamic and employ a liability-driven, glide path investment strategy, which reframes risk and performance relative to the pension liability. This approach is expected to enable pension assets to more reliably track the value of the pension liability, with less funded level volatility, than a static total-return investment. Broad target allocations at the current funded level are 55-75% return-seeking assets, such as equity and real estate (REIT) funds, and 25-45% liability-hedging assets, such as fixed income funds. The expected long-term rate of return assumption is determined by adding expected inflation to expected long-term real returns of various asset classes, weighing the asset class returns by the plans' investment in each class, and taking into account expected volatility and correlation between the returns of various asset classes. Working with our actuary, NYU management believes 6.0% - 7.75% is a reasonable estimate of long-term rates of return on plan assets for 2020 and will continue to evaluate the actuarial assumptions and adjust them as necessary.

The following table presents the fair value of the postretirement benefit plan investments at August 31, 2020 and 2019 according to the asset categories defined in Note 5:

	2020			
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Public equity	\$ 114,703	\$ -	\$ -	\$ 114,703
Fixed income	43,941	13,261	-	57,202
Cash and other	694	-	-	694
Total	<u>\$ 159,338</u>	<u>\$ 13,261</u>	<u>\$ -</u>	<u>\$ 172,599</u>

	2019			
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Public equity	\$ 96,956	\$ -	\$ -	\$ 96,956
Fixed income	41,582	17,911	-	59,493
Cash and other	452	-	-	452
Total	<u>\$ 138,990</u>	<u>\$ 17,911</u>	<u>\$ -</u>	<u>\$ 156,901</u>

The plans' investment objectives seek a long-term total rate of return to meet NYU's current and future plan obligations.

The post-retirement benefit plan target asset allocation mix is 70% equity and 30% fixed income and cash, for which each asset class has a permitted range of +/- 10%.

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The expected long-term rate of return assumption is determined by adding expected inflation to expected long-term real returns of various asset classes, taking into account expected volatility and correlation between the returns of various asset classes. NYU management believes that 6.0%-7.0% is a reasonable range of long-term rates of return on plan assets for 2020 and will continue to evaluate the actuarial assumptions and adjust them as necessary.

Contributions

Annual contributions to the plans are determined by NYU based upon calculations prepared by the plans' actuaries. Total expected contributions for the defined benefit pension plans and other postretirement benefit plans in fiscal year 2021 are \$63,010 and \$29,910, respectively.

Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid in the following years:

Year Ending August 31,	Defined Benefit Pension Plans	Postretirement Benefit Plans
2021	\$ 92,283	\$ 28,862
2022	96,255	31,005
2023	101,843	33,306
2024	107,680	35,740
2025	113,100	37,899
2026-2030	640,873	225,596

Multi-Employer Benefit Plans

NYU participates in multi-employer defined benefit pension plans. NYU makes cash contributions to these plans under the terms of collective-bargaining agreements that cover its union employees based on a fixed rate and hours worked per week by the covered employees. The risks of participating in these multi-employer plans are different from other single-employer plans in the following aspects: (1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (3) if NYU chooses to stop participating in some of its multi-employer plans, NYU may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

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NYU's contributions to the following multi-employer defined benefit pension and postretirement plans are reported as salary and fringe expenses in the consolidated statements of activities for the years ended August 31, 2020 and 2019:

	2020	2019
1199 SEIU Health Care Employees Health & Welfare Fund	\$ 114,531	\$ 120,927
1199 SEIU Health Care Employees Pension Fund	54,072	54,723
United Federation of Teachers Welfare Fund	19,627	19,171
Local 810 United Wire, Metal & Machine Health & Welfare Fund	4,672	4,607
Local 810 United Wire, Metal & Machine Pension Fund	3,535	3,318
Local 30 Pension Fund	217	287
Local 153 Pension Fund	54	54
	<u>\$ 196,708</u>	<u>\$ 203,087</u>

The Pension Protection Act zone status indicates the plan's funded status of either at least 80% funded (green) or less than 80% funded (yellow or red). A zone status of red requires the plan sponsor to implement a Funding Improvement Plan (FIP) or Rehabilitation Plan (RP). The following table includes information for related pension funds:

Pension Plan Name	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/Implemented	Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
		2020	2019			
1199 Pension Fund	13-3604862	Green	Green	N/A	No	September 2021
Local 810 United Wire Pension Fund	13-6596940	Red	Yellow	Yes	Yes	June 2024
Local 30 Pension Fund	51-6045848	Green	Green	N/A	No	June 2021
Local 153 Pension Fund	13-2864289	Red	Red	Yes	N/A	December 2020

NYU's contributions to the 1199 Pension Fund and the Local 810 United Wire Pension Fund represent greater than 5% of total plan contributions. NYU is in withdrawal status for the Local 153 Pension Fund with quarterly withdrawal payments continuing through 2033.

15. Hospital Affiliations

NYUGSoM has three affiliation agreements with the New York City Health and Hospitals Corporation to provide general care and mental health services. The three agreements are with Woodhull Medical and Mental Health Center and Cumberland Diagnostic and Treatment Center, Bellevue Hospital Center and Gouverneur Healthcare Services, and Coler Rehabilitation and Nursing Care Center and Henry J. Carter Specialty Hospital and Nursing Facility and were effective from July 1, 2015 through June 30, 2020. Although extensions to the affiliation agreements have not yet been executed, NYUGSoM continues to provide these services from the period of July 1, 2020 onward. NYUGSoM recognized revenues from these affiliation agreements of \$351,095 and \$319,490 for the years ended August 31, 2020 and 2019, respectively.

NYU Langone Hospitals has several clinical affiliation agreements with New York City area hospitals where physicians provide patient care and supervision of residents at affiliated organizations. NYU Langone Hospitals also maintains an affiliation agreement with Sunset Park Health Council, Inc., a New York not-for-profit corporation, d/b/a Family Health Centers at NYU Langone (FHC). NYU

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Langone Hospitals recognized revenue from these affiliation agreements of \$26,074 and \$27,169 for the years ended August 31, 2020 and 2019, respectively.

16. Functional Classification of Expenses

NYU's primary program services are instruction, research and patient care. NYU's additional program services are hospital affiliation, libraries support, student services and auxiliary enterprises. Expenses reported as institutional services are incurred in support of one or more of NYU's program services. Natural expenses attributed to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage and time and effort.

Expenses by function classification for the years ended August 31, 2020 and 2019 consist of the following:

	2020								
	Instruction and Other Academic Programs	Research and Other Sponsored Programs	Patient Care	Hospital Affiliation	Libraries Support	Student Services	Auxiliary Enterprises	Institutional Services	Total
Salary and fringe	\$ 1,344,377	\$ 533,982	\$ 4,229,382	\$ 322,055	\$ 43,857	\$ 95,681	\$ 111,868	\$ 710,266	\$ 7,391,468
Medical and pharmaceutical costs	59	2,648	1,113,443	-	-	2	180	5,074	1,121,406
Professional services	129,957	32,857	273,771	7,392	3,429	13,504	56,537	178,802	696,249
Facilities costs	115,272	146,876	161,385	10	4,047	9,600	169,513	268,129	874,832
Fees, insurance and taxes	6,849	499	144,582	10	211	1,280	15,572	181,655	350,658
Depreciation and amortization expense	84,440	28,324	392,734	-	6,432	12,611	99,730	253,793	878,064
Interest expense	108,405	7,466	124,004	-	1,538	3,346	36,586	63,093	344,438
Other	171,193	138,889	333,084	720	37,762	19,257	17,920	229,006	947,831
	<u>\$ 1,960,552</u>	<u>\$ 891,541</u>	<u>\$ 6,772,385</u>	<u>\$ 330,187</u>	<u>\$ 97,276</u>	<u>\$ 155,281</u>	<u>\$ 507,906</u>	<u>\$ 1,889,818</u>	<u>\$ 12,604,946</u>
University	\$ 1,898,272	\$ 264,916	\$ 43,564	\$ -	\$ 88,771	\$ 146,772	\$ 437,213	\$ 509,117	\$ 3,388,625
NYU Langone Health	59,891	626,362	6,728,272	330,187	8,376	9,171	79,865	1,384,994	9,227,118
	<u>\$ 1,958,163</u>	<u>\$ 891,278</u>	<u>\$ 6,771,836</u>	<u>\$ 330,187</u>	<u>\$ 97,147</u>	<u>\$ 155,943</u>	<u>\$ 517,078</u>	<u>\$ 1,894,111</u>	<u>12,615,743</u>
								Eliminations	(10,797)
									<u>\$ 12,604,946</u>

	2019								
	Instruction and Other Academic Programs	Research and Other Sponsored Programs	Patient Care	Hospital Affiliation	Libraries Support	Student Services	Auxiliary Enterprises	Institutional Services	Total
Salary and fringe	\$ 1,283,020	\$ 495,394	\$ 4,161,867	\$ 305,096	\$ 42,882	\$ 92,242	\$ 114,435	\$ 771,576	\$ 7,266,512
Medical and pharmaceutical costs	91	1,389	1,070,073	-	-	4	260	3,947	1,075,764
Professional services	127,912	28,480	252,999	4,606	4,199	18,826	72,678	179,162	688,862
Facilities costs	119,554	141,783	158,447	36	4,829	11,241	175,478	252,784	864,152
Fees, insurance and taxes	5,631	360	146,024	8	178	1,429	15,450	190,581	359,661
Depreciation and amortization expense	78,579	27,209	352,180	-	6,391	13,094	99,307	223,986	800,746
Interest expense	99,245	5,980	96,832	-	1,208	3,281	39,110	68,093	313,749
Other	222,183	163,450	321,843	1,149	38,132	28,487	17,473	166,837	959,554
	<u>\$ 1,936,215</u>	<u>\$ 864,045</u>	<u>\$ 6,560,265</u>	<u>\$ 310,895</u>	<u>\$ 97,819</u>	<u>\$ 168,604</u>	<u>\$ 534,191</u>	<u>\$ 1,856,966</u>	<u>\$ 12,329,000</u>
University	\$ 1,876,390	\$ 269,242	\$ 63,540	\$ -	\$ 89,725	\$ 159,013	\$ 461,988	\$ 542,539	\$ 3,462,437
NYU Langone Health	59,825	594,803	6,496,725	310,895	8,094	9,591	76,797	1,320,395	8,877,125
	<u>\$ 1,936,215</u>	<u>\$ 864,045</u>	<u>\$ 6,560,265</u>	<u>\$ 310,895</u>	<u>\$ 97,819</u>	<u>\$ 168,604</u>	<u>\$ 538,785</u>	<u>\$ 1,862,934</u>	<u>12,339,562</u>
								Eliminations	(10,562)
									<u>\$ 12,329,000</u>

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17. Components of Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at August 31, 2020 and 2019:

	2020	2019
Scholarships and fellowships	\$ 1,210,111	\$ 1,129,083
Contributions and earnings for operating purposes	1,188,867	1,049,627
Faculty and staff salaries	818,516	787,279
Program support	543,505	527,347
FEMA award for mitigation	58,194	73,564
Annuity trust agreements	36,862	34,899
Contributions for buildings and equipment	11,806	29,393
Other	99,687	97,954
Total net assets with donor restrictions	<u>\$ 3,967,548</u>	<u>\$ 3,729,146</u>

NYU's investment pools include individual endowed funds established for a variety of purposes. Pooled assets include both donor restricted endowment funds and funds designated by the board to function as endowments.

NYU classifies as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment required by the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated unspent earnings on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence described by the New York Prudent Management of Institutional Funds Act (NYPMIFA), and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift. The historical value of NYU's donor-restricted endowment funds totaled \$2,284,973 and \$2,183,087 at August 31, 2020 and 2019, respectively.

NYU defines the appropriation of endowment net assets for expenditure as the authorization of its investment spending rate as approved annually by the Board of Trustees (Note 5). However, when donors have expressly stipulated the payout percentage of earnings on endowments that differs from NYU policies, the donors' intent prevails. In making a determination to appropriate or accumulate, NYU adheres to the standard of prudence prescribed by NYPMIFA and considers the following factors: the duration and preservation of the endowment fund; NYU's mission and the purpose of the endowment fund; general economic conditions; the possible effect of inflation or deflation; the expected total return from income and the appreciation of investments; other resources of NYU; where appropriate and circumstances would otherwise warrant, alternatives to expenditures of the endowment fund giving due consideration to the effect that such alternatives may have on NYU; and the investment policy of NYU.

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From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor required to be retained as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. As of August 31, 2020 and 2019, 12 funds and 27 funds, respectively, with original gift values of \$3,118 and \$12,283 were underwater by \$211 and \$405.

All endowment funds included within net assets without donor restrictions are board-designated. The following table provides the changes in the net asset classes of NYU's endowment funds at August 31:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment pool net assets, beginning of year	\$ 1,442,772	\$ 2,882,044	\$ 4,324,816
Contributions	72,393	110,273	182,666
Investment pool return	159,480	238,519	397,999
Endowment distribution	(55,762)	(118,967)	(174,729)
Liquidations	(25,154)	-	(25,154)
Investment pool net assets, end of year	\$ 1,593,729	\$ 3,111,869	\$ 4,705,598
	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment pool net assets, beginning of year	\$ 1,462,105	\$ 2,787,393	\$ 4,249,498
Contributions	68,429	85,636	154,065
Investment pool return	27,569	76,502	104,071
Endowment distribution	(59,149)	(113,483)	(172,632)
Liquidations	(10,186)	-	(10,186)
Reclassification of net assets	(45,996)	45,996	-
Investment pool net assets, end of year	\$ 1,442,772	\$ 2,882,044	\$ 4,324,816

18. Commitments and Contingencies

NYU Langone Hospitals provides emergency department (ED) services at the site of the former Long Island College Hospital ED pursuant to an agreement with the State University of New York (SUNY) and a real estate development company (the Company). Pursuant to the agreement with SUNY and the Company, following demolition and remediation of adjacent premises, SUNY will deed the cleared site to NYU Langone Hospitals at no cost and NYU Langone Hospitals will construct on the site a four-story medical services building including a freestanding ED. NYU Langone Hospitals received the deed to the site on March 13, 2020. As of August 31, 2020, construction is underway and is expected to be completed in fiscal year 2023.

New York University

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NYU has ongoing construction projects with contractual commitments totaling \$617,523 at August 31, 2020.

NYU is self-insured for workers' compensation. The University purchases an excess workers' compensation insurance policy with a retention of \$500 per claim. In connection with being self-insured, the University has maintained a surety bond in the amount of \$11,749 at August 31, 2020 and 2019. Additionally, NYU Langone Health has maintained stand-by letters of credit aggregating approximately \$51,905 and \$45,674 at August 31, 2020 and 2019, respectively.

NYU is a defendant in various legal actions arising from the normal course of its activities and amounts expended under government grants and contracts are subject to audit by governmental agencies. In addition, amounts received for patient care from Medicare and Medicaid are subject to audit. Although the final outcome of such actions and audits cannot be determined, management believes that eventual liability, if any, will not have a material effect on NYU's consolidated balance sheets.

19. Subsequent Events

NYU performed an evaluation of subsequent events through December 11, 2020, which is the date the consolidated financial statements were issued.

On September 14, 2020, a lease amendment that had been approved and executed in fiscal year 2018 was effectuated, extending the term of NYUGSoM's existing lease of 632,628 rentable square feet of administrative offices through 2050 and securing favorable lease terms in connection with the formation of a leasehold condominium. The estimated additional lease liability to be recorded under this agreement is approximately \$382,700.

HHS issued new reporting requirements for the Provider Relief Fund on September 19, 2020, which it updated October 22, 2020. HHS also issued additional frequently asked question (FAQ) guidance affecting reporting requirements on October 28, 2020. Under these reporting requirements and additional FAQ guidance, HHS may recoup amounts distributed in excess of actual healthcare related expenses attributable to coronavirus and lost patient care revenue compared to 2019. Due to these new reporting requirements and FAQ guidance, there is at least a reasonable possibility that amounts recorded under CARES Act funding may change in future periods.

On October 8, 2020, CMS amended the repayment terms for the Medicare advance payments. The revised recoupment period is set to commence one year after receipt of the advances. Recoupment shall occur via offsets to Medicare payments. The offset shall commence at 25% of Medicare payments for the first eleven months of the recoupment period, and then increase to 50% of Medicare payments for the next six months.

On October 28, 2020, NYU Langone Health received \$110,300 as an expedited payment from the New York State Division of Homeland Security and Emergency Services related to its submission of a FEMA COVID-19 project worksheet. NYU Langone Health is in the process of reviewing eligible expenses to reconcile the amount received with expenses incurred and the amount of revenue that will be recognized cannot be ascertained at this time.

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Events Subsequent to Original Issuance of Financial Statements (Unaudited)

In connection with the reissuance of the consolidated financial statements, NYU has evaluated subsequent events through July 2, 2021, the date the consolidated financial statements were available to be reissued.

In February 2021, the Obligated Group entered into a new bank credit agreement with borrowing capacity of up to \$200,000, expiring in 2023. The interest rate is based on LIBOR.

In March 2021, one of the Obligated Group's contractually committed bank credit agreements, totaling \$200,000 of borrowing capacity, expired (Note 12).

On July 2, 2021, the Health System entered into an Affiliation Agreement with Brookhaven Memorial Medical Center, Inc. (d/b/a Long Island Community Hospital ("LICH")), a 306-bed acute care hospital located in Suffolk County. Implementation of the proposed affiliation with LICH is subject to completion of due diligence and regulatory approvals. There can be no assurance that all necessary approvals will be obtained.

Appendix A
Supplemental Schedules to the Consolidated Financial Statements

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Balance Sheet for NYU - Summary)
August 31, 2020

<i>(in thousands of dollars)</i>	2020			Consolidated NYU
	University	NYU Langone Health	Eliminations	
Assets				
Cash and cash equivalents	\$ 1,401,155	\$ 1,819,674	\$ -	\$ 3,220,829
Short-term investments (Note 5)	2,452	-	-	2,452
Accounts and loans receivable, net (Note 6)	426,996	389,041	(112,257)	703,780
Patient accounts receivable, net (Note 4)	7,834	839,420	-	847,254
Contributions receivable, net (Note 7)	254,310	149,740	-	404,050
Other assets (Note 8)	267,198	672,745	-	939,943
Deposits with trustees (Note 9)	493,628	498,036	-	991,664
Long-term investments (Note 5)	3,573,177	1,912,496	-	5,485,673
Operating lease right to use Asset (Note 11)	667,192	1,917,921	-	2,585,113
Assets held for professional liabilities (Note 13)	-	788,821	-	788,821
Land, buildings, and equipment, net (Note 10)	4,536,572	7,334,384	-	11,870,956
Total assets	<u>\$ 11,630,514</u>	<u>\$ 16,322,278</u>	<u>\$ (112,257)</u>	<u>\$ 27,840,535</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 408,345	\$ 2,107,652	\$ (112,257)	\$ 2,403,740
Deferred revenue	833,494	177,731	-	1,011,225
Operating lease liability (Note 11)	689,830	2,041,453	-	2,731,283
Professional liabilities (Note 13)	-	770,741	-	770,741
Debt and other obligations (Note 12)	4,402,175	4,638,251	-	9,040,426
Funds held for others (Notes 6 and 8)	153,329	276,109	-	429,438
Accrued benefit obligation (Note 14)	88,371	719,485	-	807,856
Accrued postretirement obligation (Note 14)	507,195	263,365	-	770,560
Asset retirement obligation	188,487	88,516	-	277,003
Total liabilities	<u>7,271,226</u>	<u>11,083,303</u>	<u>(112,257)</u>	<u>18,242,272</u>
Net assets				
Without donor restrictions	1,650,857	3,979,858	-	5,630,715
With donor restrictions (Note 17)	2,708,431	1,259,117	-	3,967,548
Total net assets	<u>4,359,288</u>	<u>5,238,975</u>	<u>-</u>	<u>9,598,263</u>
Total liabilities and net assets	<u>\$ 11,630,514</u>	<u>\$ 16,322,278</u>	<u>\$ (112,257)</u>	<u>\$ 27,840,535</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Balance Sheet for NYU - Summary)
August 31, 2019

<i>(in thousands of dollars)</i>	2019			Consolidated NYU
	University	NYU Langone Health	Eliminations	
Assets				
Cash and cash equivalents	\$ 1,123,820	\$ 829,360	\$ -	\$ 1,953,180
Short-term investments (Note 5)	4,303	-	-	4,303
Accounts and loans receivable, net (Note 6)	400,641	415,513	(101,794)	714,360
Patient accounts receivable, net (Note 4)	9,281	963,904	-	973,185
Contributions receivable, net (Note 7)	294,918	181,773	-	476,691
Other assets (Note 8)	231,844	732,069	-	963,913
Deposits with trustees (Note 9)	871,879	11,548	-	883,427
Long-term investments (Note 5)	3,330,224	1,658,391	-	4,988,615
Assets held for professional liabilities (Note 13)	-	667,606	-	667,606
Land, buildings, and equipment, net (Note 10)	4,132,150	7,391,729	-	11,523,879
Total assets	<u>\$ 10,399,060</u>	<u>\$ 12,851,893</u>	<u>\$ (101,794)</u>	<u>\$ 23,149,159</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 385,032	\$ 1,834,669	\$ (101,794)	\$ 2,117,907
Deferred revenue	871,230	197,206	-	1,068,436
Professional liabilities (Note 13)	-	717,281	-	717,281
Debt and other obligations (Note 12)	4,083,765	3,878,696	-	7,962,461
Funds held for others (Notes 6 and 8)	153,137	222,572	-	375,709
Accrued benefit obligation (Note 14)	78,453	806,288	-	884,741
Accrued postretirement obligation (Note 14)	440,351	243,446	-	683,797
Asset retirement obligation	178,969	99,891	-	278,860
Total liabilities	<u>6,190,937</u>	<u>8,000,049</u>	<u>(101,794)</u>	<u>14,089,192</u>
Net assets				
Without donor restrictions	1,630,954	3,699,867	-	5,330,821
With donor restrictions (Note 17)	2,577,169	1,151,977	-	3,729,146
Total net assets	<u>4,208,123</u>	<u>4,851,844</u>	<u>-</u>	<u>9,059,967</u>
Total liabilities and net assets	<u>\$ 10,399,060</u>	<u>\$ 12,851,893</u>	<u>\$ (101,794)</u>	<u>\$ 23,149,159</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Balance Sheet for NYU - Detail)
August 31, 2020

	2020						
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Total Consolidated NYU
Assets							
Cash and cash equivalents	\$ 1,401,155	\$ 38,066	\$ -	\$ 1,439,221	\$ 1,781,608	\$ -	\$ 3,220,829
Short-term investments (Note 5)	2,452	-	-	2,452	-	-	2,452
Accounts and loans receivable, net (Note 6)	426,996	225,373	(92,429)	559,940	320,747	(176,907)	703,780
Patient accounts receivable, net (Note 4)	7,834	154,321	-	162,155	685,099	-	847,254
Contributions receivable, net (Note 7)	254,310	121,545	-	375,855	28,195	-	404,050
Other assets (Note 8)	267,198	298,737	-	565,935	374,008	-	939,943
Deposits with trustees (Note 9)	493,628	-	-	493,628	498,036	-	991,664
Long-term investments (Note 5)	3,573,177	1,037,665	-	4,610,842	874,831	-	5,485,673
Operating lease right of use asset (Note 11)	667,192	1,349,201	-	2,016,393	568,720	-	2,585,113
Assets held for professional liabilities (Note 13)	-	-	-	-	788,821	-	788,821
Land, buildings, and equipment, net (Note 10)	4,536,572	2,617,978	-	7,154,550	4,716,406	-	11,870,956
Total assets	<u>\$ 11,630,514</u>	<u>\$ 5,842,886</u>	<u>\$ (92,429)</u>	<u>\$ 17,380,971</u>	<u>\$ 10,636,471</u>	<u>\$ (176,907)</u>	<u>\$ 27,840,535</u>
Liabilities and Net Assets							
Liabilities							
Accounts payable and accrued expenses	\$ 408,345	\$ 766,849	\$ (92,429)	\$ 1,082,765	\$ 1,497,882	\$ (176,907)	\$ 2,403,740
Deferred revenue	833,494	34,973	-	868,467	142,758	-	1,011,225
Operating lease liability (Note 11)	689,830	1,435,300	-	2,125,130	606,153	-	2,731,283
Professional liabilities (Note 13)	-	-	-	-	770,741	-	770,741
Debt and other obligations (Note 12)	4,402,175	1,357,640	-	5,759,815	3,280,611	-	9,040,426
Funds held for others (Notes 6 and 8)	153,329	217,240	-	370,569	58,869	-	429,438
Accrued benefit obligation (Note 14)	88,371	-	-	88,371	719,485	-	807,856
Accrued postretirement obligation (Note 14)	507,195	152,531	-	659,726	110,834	-	770,560
Asset retirement obligation	188,487	36,542	-	225,029	51,974	-	277,003
Total liabilities	<u>7,271,226</u>	<u>4,001,075</u>	<u>(92,429)</u>	<u>11,179,872</u>	<u>7,239,307</u>	<u>(176,907)</u>	<u>18,242,272</u>
Net assets							
Without donor restrictions	1,650,857	730,112	-	2,380,969	3,249,746	-	5,630,715
With donor restrictions (Note 17)	2,708,431	1,111,699	-	3,820,130	147,418	-	3,967,548
Total net assets	<u>4,359,288</u>	<u>1,841,811</u>	<u>-</u>	<u>6,201,099</u>	<u>3,397,164</u>	<u>-</u>	<u>9,598,263</u>
Total liabilities and net assets	<u>\$ 11,630,514</u>	<u>\$ 5,842,886</u>	<u>\$ (92,429)</u>	<u>\$ 17,380,971</u>	<u>\$ 10,636,471</u>	<u>\$ (176,907)</u>	<u>\$ 27,840,535</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Balance Sheet for NYU - Detail)
August 31, 2019

	2019						
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Total Consolidated NYU
Assets							
Cash and cash equivalents	\$ 1,123,820	\$ 36,229	\$ -	\$ 1,160,049	\$ 793,131	\$ -	\$ 1,953,180
Short-term investments (Note 5)	4,303	-	-	4,303	-	-	4,303
Accounts and loans receivable, net (Note 6)	400,641	185,461	(89,029)	497,073	262,121	(44,834)	714,360
Patient accounts receivable, net (Note 4)	9,281	155,718	-	164,999	808,186	-	973,185
Contributions receivable, net (Note 7)	294,918	135,429	-	430,347	46,344	-	476,691
Other assets (Note 8)	231,844	264,721	-	496,565	467,348	-	963,913
Deposits with trustees (Note 9)	871,879	-	-	871,879	11,548	-	883,427
Long-term investments (Note 5)	3,330,224	921,083	-	4,251,307	737,308	-	4,988,615
Assets held for professional liabilities (Note 13)	-	-	-	-	667,606	-	667,606
Land, buildings, and equipment, net (Note 10)	4,132,150	2,745,753	-	6,877,903	4,645,976	-	11,523,879
Total assets	<u>\$ 10,399,060</u>	<u>\$ 4,444,394</u>	<u>\$ (89,029)</u>	<u>\$ 14,754,425</u>	<u>\$ 8,439,568</u>	<u>\$ (44,834)</u>	<u>\$ 23,149,159</u>
Liabilities and Net Assets							
Liabilities							
Accounts payable and accrued expenses	\$ 385,032	\$ 798,497	\$ (89,029)	\$ 1,094,500	\$ 1,068,241	\$ (44,834)	\$ 2,117,907
Deferred revenue	871,230	39,490	-	910,720	157,716	-	1,068,436
Professional liabilities (Note 13)	-	-	-	-	717,281	-	717,281
Debt and other obligations (Note 12)	4,083,765	1,390,397	-	5,474,162	2,488,299	-	7,962,461
Funds held for others (Notes 6 and 8)	153,137	171,985	-	325,122	50,587	-	375,709
Accrued benefit obligation (Note 14)	78,453	70,340	-	148,793	735,948	-	884,741
Accrued postretirement obligation (Note 14)	440,351	140,329	-	580,680	103,117	-	683,797
Asset retirement obligation	178,969	41,912	-	220,881	57,979	-	278,860
Total liabilities	<u>6,190,937</u>	<u>2,652,950</u>	<u>(89,029)</u>	<u>8,754,858</u>	<u>5,379,168</u>	<u>(44,834)</u>	<u>14,089,192</u>
Net assets							
Without donor restrictions	1,630,954	746,633	-	2,377,587	2,953,234	-	5,330,821
With donor restrictions (Note 17)	2,577,169	1,044,811	-	3,621,980	107,166	-	3,729,146
Total net assets	<u>4,208,123</u>	<u>1,791,444</u>	<u>-</u>	<u>5,999,567</u>	<u>3,060,400</u>	<u>-</u>	<u>9,059,967</u>
Total liabilities and net assets	<u>\$ 10,399,060</u>	<u>\$ 4,444,394</u>	<u>\$ (89,029)</u>	<u>\$ 14,754,425</u>	<u>\$ 8,439,568</u>	<u>\$ (44,834)</u>	<u>\$ 23,149,159</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Statement of Activities for NYU - Summary)
Year Ended August 31, 2020

	2020			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
Changes in net assets without donor restrictions				
Operating revenues				
Tuition and fees (net of financial aid awards of \$687,068 University; \$24,922 NYU Langone Health)	\$ 2,068,912	\$ 39,653	\$ -	\$ 2,108,565
Grants and contracts (Note 2)	601,286	476,539	-	1,077,825
Patient care (Note 4)	36,450	7,211,566	-	7,248,016
Hospital affiliations (Note 15)	-	377,169	-	377,169
Insurance premiums earned	-	107,149	-	107,149
Contributions	66,701	84,693	-	151,394
Endowment distribution (Note 5)	135,927	38,802	-	174,729
Return on short-term investments (Note 5)	19,418	47,423	-	66,841
Auxiliary enterprises (net of financial aid awards of \$59,119)	262,798	68,480	(4,470)	326,808
Program fees and other	99,846	874,938	(6,327)	968,457
Net assets released from restrictions	79,021	81,603	-	160,624
Total operating revenues	<u>3,370,359</u>	<u>9,408,015</u>	<u>(10,797)</u>	<u>12,767,577</u>
Expenses (Note 16)				
Salaries and fringe	1,970,969	5,420,499	-	7,391,468
Medical and pharmaceutical costs	-	1,121,406	-	1,121,406
Professional services	264,407	431,842	-	696,249
Facilities costs	343,235	536,067	(4,470)	874,832
Fees, insurance and taxes	42,295	308,363	-	350,658
Depreciation and amortization	265,522	612,542	-	878,064
Interest	159,488	184,950	-	344,438
Other	342,709	611,449	(6,327)	947,831
Total expenses	<u>3,388,625</u>	<u>9,227,118</u>	<u>(10,797)</u>	<u>12,604,946</u>
(Deficiency) excess of operating revenues over expenses	(18,266)	180,897	-	162,631
Nonoperating activities				
Investment return (Note 5)	134,163	70,462	-	204,625
Appropriation of endowment distribution (Note 5)	(47,882)	(7,880)	-	(55,762)
Pension and postretirement nonservice costs (Note 14)	(21,190)	817	-	(20,373)
Changes in pension and postretirement obligations (Note 14)	(40,423)	20,245	-	(20,178)
Net assets released from restrictions for capital purposes	20,725	13,492	-	34,217
Other	(7,224)	1,958	-	(5,266)
Increase in net assets without donor restrictions	<u>19,903</u>	<u>279,991</u>	<u>-</u>	<u>299,894</u>
Changes in net assets with donor restrictions				
Contributions	156,649	167,950	-	324,599
Investment return (Note 5)	172,816	67,344	-	240,160
Appropriation of endowment distribution (Note 5)	(88,045)	(30,922)	-	(118,967)
Other	(10,412)	(2,137)	-	(12,549)
Net assets released from restrictions	(99,746)	(95,095)	-	(194,841)
Increase in net assets with donor restrictions	<u>131,262</u>	<u>107,140</u>	<u>-</u>	<u>238,402</u>
Increase in net assets	<u>\$ 151,165</u>	<u>\$ 387,131</u>	<u>\$ -</u>	<u>\$ 538,296</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Statement of Activities for NYU - Summary)
Year Ended August 31, 2019

	2019			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
Changes in net assets without donor restrictions				
Operating revenues				
Tuition and fees (net of financial aid awards of \$648,295 University; \$25,315 NYU Langone Health)	\$ 1,984,513	\$ 37,592	\$ -	\$ 2,022,105
Grants and contracts (Note 2)	597,877	461,141	-	1,059,018
Patient care (Note 4)	55,101	7,699,312	-	7,754,413
Hospital affiliations (Note 15)	-	346,659	-	346,659
Insurance premiums earned	-	97,117	-	97,117
Contributions	79,246	45,558	-	124,804
Endowment distribution (Note 5)	131,805	40,827	-	172,632
Return on short-term investments (Note 5)	30,154	6,429	-	36,583
Auxiliary enterprises (net of financial aid awards of \$59,928)	388,251	71,924	(4,594)	455,581
Program fees and other	115,204	380,737	(5,968)	489,973
Net assets released from restrictions	97,030	102,586	-	199,616
Total operating revenues	3,479,181	9,289,882	(10,562)	12,758,501
Expenses (Note 16)				
Salaries and fringe	1,919,230	5,347,282	-	7,266,512
Medical and pharmaceutical costs	-	1,075,764	-	1,075,764
Professional services	285,849	403,013	-	688,862
Facilities costs	376,252	492,494	(4,594)	864,152
Fees, insurance and taxes	45,397	314,264	-	359,661
Depreciation and amortization	263,094	537,652	-	800,746
Interest	152,673	161,076	-	313,749
Other	419,942	545,580	(5,968)	959,554
Total expenses	3,462,437	8,877,125	(10,562)	12,329,000
Excess of operating revenues over expenses	16,744	412,757	-	429,501
Nonoperating activities				
Investment return (Note 5)	34,997	68,653	-	103,650
Appropriation of endowment distribution (Note 5)	(46,862)	(12,287)	-	(59,149)
Pension and postretirement nonservice costs (Note 14)	(9,449)	10,871	-	1,422
Changes in pension and postretirement obligations (Note 14)	(122,571)	(456,312)	-	(578,883)
Net assets released from restrictions for capital purposes	3,225	57,706	-	60,931
Other	(44,252)	2,889	-	(41,363)
(Decrease) increase in net assets without donor restrictions	(168,168)	84,277	-	(83,891)
Changes in net assets with donor restrictions				
Contributions	207,787	171,901	-	379,688
Investment return (Note 5)	58,188	18,314	-	76,502
Appropriation of endowment distribution (Note 5)	(84,943)	(28,540)	-	(113,483)
Other	31,162	(13,786)	-	17,376
Net assets released from restrictions	(100,255)	(160,292)	-	(260,547)
Increase (decrease) in net assets with donor restrictions	111,939	(12,403)	-	99,536
(Decrease) increase in net assets	\$ (56,229)	\$ 71,874	\$ -	\$ 15,645

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Statement of Activities for NYU - Detail)
Year Ended August 31, 2020

	2020						Total Consolidated NYU
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	
Changes in net assets without donor restrictions							
Operating revenues							
Tuition and fees (net of financial aid awards of \$687,068 University; and \$24,922 NYU Langone Health)	\$ 2,068,912	\$ 39,231	\$ -	\$ 2,108,143	\$ 422	\$ -	\$ 2,108,565
Grants and contracts (Note 2)	601,286	434,915	-	1,036,201	41,624	-	1,077,825
Patient care (Note 4)	36,450	2,502,857	-	2,539,307	5,578,852	(870,143)	7,248,016
Hospital affiliations (Note 15)	-	351,095	-	351,095	26,074	-	377,169
Insurance premiums earned	-	-	-	-	107,149	-	107,149
Contributions	66,701	40,050	-	106,751	44,643	-	151,394
Endowment distribution (Note 5)	135,927	37,542	-	173,469	1,260	-	174,729
Return on short-term investments (Note 5)	19,418	(476)	-	18,942	47,899	-	66,841
Auxiliary enterprises (net of financial aid awards of \$59,119)	262,798	24,382	(4,470)	282,710	44,098	-	326,808
Program fees and other	99,846	403,723	(6,327)	497,242	836,981	(365,766)	968,457
Net assets released from restrictions	79,021	60,278	-	139,299	21,325	-	160,624
Total operating revenues	<u>3,370,359</u>	<u>3,893,597</u>	<u>(10,797)</u>	<u>7,253,159</u>	<u>6,750,327</u>	<u>(1,235,909)</u>	<u>12,767,577</u>
Expenses (Note 16)							
Salaries and fringe	1,970,969	2,917,666	-	4,888,635	2,523,634	(20,801)	7,391,468
Medical and pharmaceutical costs	-	67,812	-	67,812	1,053,594	-	1,121,406
Professional services	264,407	118,739	-	383,146	1,399,218	(1,086,115)	696,249
Facilities costs	343,235	279,239	(4,470)	618,004	256,828	-	874,832
Fees, insurance and taxes	42,295	164,485	-	206,780	143,878	-	350,658
Depreciation and amortization	265,522	183,457	-	448,979	429,085	-	878,064
Interest	159,488	62,278	-	221,766	122,672	-	344,438
Other	342,709	260,323	(6,327)	596,705	480,119	(128,993)	947,831
Total expenses	<u>3,388,625</u>	<u>4,053,999</u>	<u>(10,797)</u>	<u>7,431,827</u>	<u>6,409,028</u>	<u>(1,235,909)</u>	<u>12,604,946</u>
(Deficiency) excess of operating revenues over expenses	(18,266)	(160,402)	-	(178,668)	341,299	-	162,631
Nonoperating activities							
Investment return (Note 5)	134,163	18,596	-	152,759	51,866	-	204,625
Appropriation of endowment distribution (Note 5)	(47,882)	(7,731)	-	(55,613)	(149)	-	(55,762)
Pension and postretirement nonservice costs (Note 14)	(21,190)	(5,830)	-	(27,020)	6,647	-	(20,373)
Changes in pension and postretirement obligations (Note 14)	(40,423)	14,435	-	(25,988)	5,810	-	(20,178)
Net assets released from restrictions for capital purposes	20,725	7,180	-	27,905	6,312	-	34,217
Other	(7,224)	67,231	-	60,007	(65,273)	-	(5,266)
Mission based payment	-	50,000	-	50,000	(50,000)	-	-
Increase (decrease) in net assets without donor restrictions	<u>19,903</u>	<u>(16,521)</u>	<u>-</u>	<u>3,382</u>	<u>296,512</u>	<u>-</u>	<u>299,894</u>
Changes in net assets with donor restrictions							
Contributions	156,649	102,403	-	259,052	65,547	-	324,599
Investment return (Note 5)	172,816	65,341	-	238,157	2,003	-	240,160
Appropriation of endowment distribution (Note 5)	(88,045)	(29,811)	-	(117,856)	(1,111)	-	(118,967)
Other	(10,412)	(3,587)	-	(13,999)	1,450	-	(12,549)
Net assets released from restrictions	(99,746)	(67,458)	-	(167,204)	(27,637)	-	(194,841)
Increase in net assets with donor restrictions	<u>131,262</u>	<u>66,888</u>	<u>-</u>	<u>198,150</u>	<u>40,252</u>	<u>-</u>	<u>238,402</u>
Increase in net assets	<u>\$ 151,165</u>	<u>\$ 50,367</u>	<u>\$ -</u>	<u>\$ 201,532</u>	<u>\$ 336,764</u>	<u>\$ -</u>	<u>\$ 538,296</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Statement of Activities for NYU - Detail)
Year Ended August 31, 2019

	2019						Total
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Consolidated NYU
Changes in net assets without donor restrictions							
Operating revenues							
Tuition and fees (net of financial aid awards of \$648,295 University; and \$25,315 NYU Langone Health)	\$ 1,984,513	\$ 37,187	\$ -	\$ 2,021,700	\$ 405	\$ -	\$ 2,022,105
Grants and contracts (Note 2)	597,877	422,897	-	1,020,774	38,244	-	1,059,018
Patient care (Note 4)	55,101	2,337,451	-	2,392,552	6,052,620	(690,759)	7,754,413
Hospital affiliations (Note 15)	-	319,490	-	319,490	27,169	-	346,659
Insurance premiums earned	-	-	-	-	97,117	-	97,117
Contributions	79,246	38,987	-	118,233	6,571	-	124,804
Endowment distribution (Note 5)	131,805	40,014	-	171,819	813	-	172,632
Return on short-term investments (Note 5)	30,154	(36)	-	30,118	6,465	-	36,583
Auxiliary enterprises (net of financial aid awards of \$59,928)	388,251	22,457	(4,594)	406,114	49,467	-	455,581
Program fees and other	115,204	291,554	(5,968)	400,790	389,946	(300,763)	489,973
Net assets released from restrictions	97,030	58,901	-	155,931	43,685	-	199,616
Total operating revenues	<u>3,479,181</u>	<u>3,568,902</u>	<u>(10,562)</u>	<u>7,037,521</u>	<u>6,712,502</u>	<u>(991,522)</u>	<u>12,758,501</u>
Expenses (Note 16)							
Salaries and fringe	1,919,230	2,634,729	-	4,553,959	2,712,553	-	7,266,512
Medical and pharmaceutical costs	-	60,933	-	60,933	1,014,831	-	1,075,764
Professional services	285,849	134,449	-	420,298	1,087,543	(818,979)	688,862
Facilities costs	376,252	243,144	(4,594)	614,802	249,350	-	864,152
Fees, insurance and taxes	45,397	155,312	-	200,709	158,952	-	359,661
Depreciation and amortization	263,094	157,216	-	420,310	380,436	-	800,746
Interest	152,673	58,982	-	211,655	102,094	-	313,749
Other	419,942	261,396	(5,968)	675,370	456,727	(172,543)	959,554
Total expenses	<u>3,462,437</u>	<u>3,706,161</u>	<u>(10,562)</u>	<u>7,158,036</u>	<u>6,162,486</u>	<u>(991,522)</u>	<u>12,329,000</u>
Excess (deficiency) of operating revenues over expenses	16,744	(137,259)	-	(120,515)	550,016	-	429,501
Nonoperating activities							
Investment return (Note 5)	34,997	5,146	-	40,143	63,507	-	103,650
Appropriation of endowment distribution (Note 5)	(46,862)	(12,245)	-	(59,107)	(42)	-	(59,149)
Pension and postretirement nonservice costs (Note 14)	(9,449)	(1,904)	-	(11,353)	12,775	-	1,422
Changes in pension and postretirement obligations (Note 14)	(122,571)	(73,880)	-	(196,451)	(382,432)	-	(578,883)
Net assets released from restrictions for capital purposes	3,225	22,067	-	25,292	35,639	-	60,931
Other	(44,252)	29,898	-	(14,354)	(27,009)	-	(41,363)
Mission based payment	-	50,000	-	50,000	(50,000)	-	-
(Decrease) increase in net assets without donor restrictions	<u>(168,168)</u>	<u>(118,177)</u>	<u>-</u>	<u>(286,345)</u>	<u>202,454</u>	<u>-</u>	<u>(83,891)</u>
Changes in net assets with donor restrictions							
Contributions	207,787	130,379	-	338,166	41,522	-	379,688
Investment return (Note 5)	58,188	17,598	-	75,786	716	-	76,502
Appropriation of endowment distribution (Note 5)	(84,943)	(27,769)	-	(112,712)	(771)	-	(113,483)
Other	31,162	(14,082)	-	17,080	296	-	17,376
Net assets released from restrictions	<u>(100,255)</u>	<u>(80,968)</u>	<u>-</u>	<u>(181,223)</u>	<u>(79,324)</u>	<u>-</u>	<u>(260,547)</u>
Increase (decrease) in net assets with donor restrictions	<u>111,939</u>	<u>25,158</u>	<u>-</u>	<u>137,097</u>	<u>(37,561)</u>	<u>-</u>	<u>99,536</u>
(Decrease) increase in net assets	<u>\$ (56,229)</u>	<u>\$ (93,019)</u>	<u>\$ -</u>	<u>\$ (149,248)</u>	<u>\$ 164,893</u>	<u>\$ -</u>	<u>\$ 15,645</u>

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Statement of Cash Flows for NYU – Summary)
Year Ended August 31, 2020

	2020			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
Cash flows from operating activities				
Change in net assets	\$ 151,165	\$ 387,131	\$ -	\$ 538,296
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	265,522	612,542	-	878,064
Loss on sale or disposal of land, buildings and equipment	236	32	-	268
Loss on extinguishment of debt	7,037	1,386	-	8,423
Net gain on investments and deposits with trustees	(246,515)	(147,610)	-	(394,125)
Bad debt expense	17,108	3,037	-	20,145
Pension and postretirement obligation change	40,423	(20,245)	-	20,178
Contributions received for permanent investment and capital	(52,520)	(83,362)	-	(135,882)
Proceeds from insurance recovery for capital and FEMA award for future mitigation	-	(28,893)	-	(28,893)
Change in operating right to use assets	93,427	178,306	-	271,733
Changes in operating assets and liabilities				
(Increase) decrease in accounts and loans receivable, net	(36,393)	88,939	10,463	63,009
Decrease in patient accounts receivable	1,447	124,484	-	125,931
Decrease in nonendowment and noncapital contributions receivable	33,539	31,528	-	65,067
(Increase) decrease in other assets	(20,563)	77,877	-	57,314
Decrease in asset retirement obligation	-	(17,177)	-	(17,177)
Increase in accounts payable and accrued expenses	22,679	462,374	(10,463)	474,590
Decrease in operating lease liability	(89,696)	(152,737)	-	(242,433)
Increase in professional liabilities	-	53,460	-	53,460
Decrease in deferred revenue	(37,736)	(19,474)	-	(57,210)
Increase (decrease) in accrued benefit obligation	6,355	(61,167)	-	(54,812)
Increase in accrued postretirement obligation	29,984	14,528	-	44,512
Net cash provided by operating activities	185,499	1,504,959	-	1,690,458
Cash flows from investing activities				
Purchases of investments	(1,320,843)	(1,925,614)	-	(3,246,457)
Sales and maturities of investments	1,322,182	1,006,104	-	2,328,286
Increase in assets held for professional liabilities	-	(95,384)	-	(95,384)
Drawdowns of unexpended bond proceeds	383,409	-	-	383,409
Additions to land, buildings, and equipment	(497,227)	(414,876)	-	(912,103)
Proceeds from sale of building	-	2,704	-	2,704
Proceeds from insurance recovery for capital	-	1,379	-	1,379
Net cash used in investing activities	(112,479)	(1,425,687)	-	(1,538,166)
Cash flows from financing activities				
Contributions restricted for permanent investment and capital	52,520	52,462	-	104,982
Proceeds from FEMA award for future mitigation	-	27,514	-	27,514
Proceeds from short-term borrowings	250,000	-	-	250,000
Proceeds from long-term borrowings	384,355	1,107,559	-	1,491,914
Principal payments on long-term borrowings	(464,913)	(244,325)	-	(709,238)
Line of credit repayments	-	(336,519)	-	(336,519)
Payments of deferred financing costs	(1,672)	(2,087)	-	(3,759)
Decrease in funds held for others	(14,890)	-	-	(14,890)
Net cash provided by financing activities	205,400	604,604	-	810,004
Net increase in cash	278,420	683,876	-	962,296
Cash, cash equivalents and restricted cash				
Beginning of year	1,227,235	1,353,539	-	2,580,774
End of year	\$ 1,505,655	\$ 2,037,415	\$ -	\$ 3,543,070
Supplemental disclosure of cash flow information				
Interest paid	\$ 164,841	\$ 183,089	-	\$ 347,930
Change in noncash acquisitions of land, buildings, and equipment	19,540	(1,321)	-	18,219
Right-of-use assets obtained				
In exchange for new operating lease obligations	57,793	198,360	-	256,153
In exchange for new finance lease obligations	164,547	234,645	-	399,192

The accompanying note is an integral part of these supplemental schedules.

New York University
Supplemental Schedule to the Consolidated Financial Statements
(Consolidating Statement of Cash Flows for NYU – Summary)
Year Ended August 31, 2019

	2019			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
Cash flows from operating activities				
Change in net assets	\$ (56,229)	\$ 71,874	\$ -	\$ 15,645
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	263,094	537,652	-	800,746
Loss on sale or disposal of land, buildings and equipment	5,686	11,980	-	17,666
Gain on settlement	-	(62,414)	-	(62,414)
Net gain on investments and deposits with trustees	(61,631)	(54,498)	-	(116,129)
Bad debt expense	9,639	2,463	-	12,102
Pension and postretirement obligation change	122,571	456,312	-	578,883
Contributions received for permanent investment and capital	(66,537)	(64,481)	-	(131,018)
Proceeds from insurance recovery for capital and FEMA award for future mitigation	-	(42,843)	-	(42,843)
Changes in operating assets and liabilities				
(Increase) decrease in accounts and loans receivable, net	(9,024)	68,164	(7,450)	51,690
Increase in patient accounts receivable	(108)	(77,564)	-	(77,672)
Increase in nonendowment and noncapital contributions receivable	(20,967)	(1,399)	-	(22,366)
Decrease (increase) in other assets	9,327	(5,001)	-	4,326
Decrease in asset retirement obligation	(4,540)	(1,030)	-	(5,570)
Increase in accounts payable and accrued expenses	31,042	121,474	7,450	159,966
Increase in professional liabilities	-	89,545	-	89,545
Increase in deferred revenue	30,699	64,082	-	94,781
Decrease in accrued benefit obligation	(5,655)	(11,950)	-	(17,605)
Increase in accrued postretirement obligation	5,698	7,431	-	13,129
Net cash provided by operating activities	<u>253,065</u>	<u>1,109,797</u>	<u>-</u>	<u>1,362,862</u>
Cash flows from investing activities				
Purchases of investments	(1,652,224)	(489,248)	-	(2,141,472)
Sales and maturities of investments	726,236	733,370	-	1,459,606
Increase in assets held for professional liabilities	-	(103,919)	-	(103,919)
Drawdowns of unexpended bond proceeds	430,256	126,400	-	556,656
Additions to land, buildings, and equipment	(505,218)	(744,368)	-	(1,249,586)
Proceeds from sale of building	-	41,527	-	41,527
Proceeds from insurance recovery	-	3,761	-	3,761
Net cash used in investing activities	<u>(1,000,950)</u>	<u>(432,477)</u>	<u>-</u>	<u>(1,433,427)</u>
Cash flows from financing activities				
Contributions restricted for permanent investment and capital	66,537	64,481	-	131,018
Proceeds from FEMA award for future mitigation	-	39,082	-	39,082
Proceeds from short-term borrowings	-	57,100	-	57,100
Proceeds from long-term borrowings	831,044	132,993	-	964,037
Line of credit repayments	(45,000)	(126,400)	-	(171,400)
Principal payments on long-term borrowings	(77,089)	(88,848)	-	(165,937)
Payments of deferred financing costs	(2,619)	(56)	-	(2,675)
Increase in funds held for others	49	-	-	49
Net cash provided by financing activities	<u>772,922</u>	<u>78,352</u>	<u>-</u>	<u>851,274</u>
Net increase in cash	<u>25,037</u>	<u>755,672</u>	<u>-</u>	<u>780,709</u>
Cash, cash equivalents and restricted cash				
Beginning of year	1,202,198	597,867	-	1,800,065
End of year	<u>\$ 1,227,235</u>	<u>\$ 1,353,539</u>	<u>\$ -</u>	<u>\$ 2,580,774</u>
Supplemental disclosure of cash flow information				
Interest paid	\$ 153,342	\$ 175,247	-	\$ 328,589
Change in noncash acquisitions of land, buildings, and equipment	25,946	(51,189)	-	(25,243)
Assets acquired under capital leases	-	198,699	-	198,699

The accompanying note is an integral part of these supplemental schedules.

New York University
Note to Consolidating Supplemental Schedules
August 31, 2020 and 2019

1. Basis of Presentation – Consolidating Supplemental Schedules

The consolidating supplemental schedules (consolidating information) presented on pages 47-56 was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual companies within NYU and is not a required part of the consolidated financial statements. The individual reporting entities within NYU as presented within the consolidating information are disclosed within Note 1 to the consolidated financial statements.

The consolidating financial statements were prepared on an accrual basis of accounting, consistent with the consolidated financial statements (Note 2). All transactions between and amounts due to (from) the reporting entities within NYU have been eliminated within the consolidating supplemental schedules.

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SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND PROPOSED
AMENDMENTS

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SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND PROPOSED AMENDMENTS

The following is a brief summary of certain provisions of the Loan Agreement pertaining to the Series 2021 Bonds and the Project and of certain Proposed Loan Agreement Amendments to become effective upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds. Such 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. Defined terms used herein shall have the meanings ascribed to them in Appendix A.

Construction of Projects

(a) The University agrees that, whether or not there is sufficient money available to it under the provisions of the Resolution and under the Loan Agreement, the University shall complete the acquisition, design, construction, reconstruction, rehabilitation and improving or otherwise providing and furnishing and equipping of each 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 money available in the applicable Construction Fund, cause the University to be reimbursed for, or pay, any costs and expenses incurred by the University which constitute Costs of the Project, provided such costs and expenses are approved by an Authorized Officer of the Authority.

Nothing herein shall be construed to require the University to complete the acquisition, design, construction, rehabilitation and improving or otherwise providing, furnishing and equipping of a Project if prior to completion thereof (i) such Project or the property upon which such Project is located or any portion thereof shall have been taken by eminent domain or condemnation or shall have been damaged or destroyed, (ii) such Project or property, or portion thereof, is not to be repaired, replaced or restored, and (iii) the proceeds of any condemnation award or insurance policy resulting from such taking, damage or destruction shall have been paid to the Trustee as required by the Loan Agreement.

(b) To the extent that money is available therefor, money in the Construction Fund shall be disbursed as the construction of the Project for which such fund was established progresses, in amounts as shall be requested by the University pursuant to a request for disbursement as hereinafter provided, but not in excess of that reasonably determined by the Authority to be the amount needed to reimburse the University for, or to pay, any costs and expenses constituting Costs of the Project previously paid or then due which were incurred by the University in connection with the Project; *provided, however*, that the Authority may, in its sole discretion, withhold or delay making any advance in connection with a Project or part thereof at any time there is pending an action or proceeding, judicial or administrative, challenging the University's right to undertake such Project or part thereof, or in which there is in issue (i) the validity of any governmental permit, consent or authorization, or the issuance thereof, material and necessary in connection with such project or part thereof, or (ii) the due authorization or validity of any Bonds issued in connection with such Project or part thereof, unless the University has provided the Authority with security in such form and amount as may be reasonably required by an Authorized Officer of the Authority or such other assurance reasonably acceptable to the Authority.

Prior to the Authority making and delivering any certificate required to be delivered to the Trustee in connection with payments to be made pursuant to the Resolution for Costs of a Project, other than interest on Outstanding Bonds, the University (A) shall have submitted to the Authority, and the Authority shall have approved, a Project budget, which may be amended from time to time with the consent of the Authority, and (B) shall deliver to the Authority the following:

(i) a list of invoices, whether paid or unpaid, including, with respect to each invoice, the name of the vendor, a brief description of the goods or services, the amount of the invoice, a description of the building or buildings to which such payment relates, and, if such invoice has been paid, the date paid, the check number and the amount of the payment;

(ii) a reconciliation of the approved Project budget with funds already disbursed together with funds requested for disbursement currently; and;

- that:
- (iii) a certificate executed by two Authorized Officers of the University certifying
 - (A) The enclosed reconciliation of the approved Project budget with funds already disbursed together with funds requested for disbursement currently is true and correct;
 - (B) Expenses or money for which payment is requisitioned have been incurred or expended for (i) items which constitute Costs of the Project and (ii) for Projects which, as of the date of such requisition, either (x) have not been not been completed or (y) if completed, such completion date is not more than 18 months prior to such date;
 - (C) Each amount contained therein has not been the basis of any prior disbursement from the Construction Fund;
 - (D) The payments being requisitioned are within the project budget submitted to and approved by the Authority in accordance with the provisions of this subsection, and to the best of the Authorized Officers' knowledge, the Project can be completed within the Project budget;
 - (E) Except as otherwise disclosed and agreed to by the Authority in writing, the University has complied with all provisions of the Loan Agreement and the Tax Certificate, including, but not limited to those related to the use of the Project and certain prohibitions against use for sectarian religious instruction or religious worship and certain non tax-exempt purposes; and
 - (F) The University will retain all original documentation related to expenditures for items which constitute Costs of the Project for at least seven (7) years for inspection at any time by the Authority or its auditors.

Except to the extent reimbursements are reimbursements of amounts already paid by the University, the University will receive the disbursements of money in each Construction Fund to be made hereunder, and will hold the right to receive the same, as a trust fund for the purpose of paying the Costs of the Project for which each disbursement was made, and will apply the same first to such payment before using any part thereof for any other purposes.

The University shall permit the Authority and its authorized representatives, at all reasonable times and upon reasonable notice, to enter upon the property of the University and the Projects to inspect the Projects and all materials, fixtures and articles used or to be used in construction of the Projects, and to examine all Contract Documents. The University shall furnish to the Authority and its authorized representatives, when requested, copies of such Contract Documents. The University agrees to retain all documentation of expenditures for items which constitute Costs of the Project for at least seven (7) years after the date of completion of the Project to which such documentation relates.

An Authorized Officer of the Authority, in his sole and absolute discretion, may waive, from time to time, any of the conditions set forth in this Section. Any such waiver shall not be deemed a waiver by the Authority of its right to thereafter require compliance with any such condition. The University acknowledges and agrees that disbursements from a Construction Fund are to be made by the Trustee and shall be made in accordance with the Resolution only upon receipt by the Trustee of the documents required by the Resolution to be executed and delivered in connection with such disbursements. The Authority agrees to provide the University, upon request therefor, with a copy of any certificate made by the Authority and delivered to the Trustee in connection with payments from a Construction Fund for the payment of Costs of Issuance.

(c) 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 University which certificate shall be delivered as soon as practicable after the completion of such Project. Any such certificate shall comply with the requirements of Section 5.04 of the Resolution. The money, if any, then remaining in the account within the Construction Fund established for such Project shall be paid as provided in the Resolution.

Notwithstanding the foregoing, if, on the date a Series of Bonds is issued, the Project in connection with which such Series of Bonds is issued shall have been deemed to be complete as provided herein or otherwise, the provisions hereof relating to the construction of Projects shall be inapplicable to such Project, unless such Project is amended to increase the scope thereof pursuant to Section 6 hereof, in which case the provisions hereof relating to the construction of Projects shall apply to such Project.

(Section 5)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the second paragraph under subsection (b) and subsection (c) of Section 5 of the Loan Agreement summarized above will be amended to streamline the requisition and project completion process as follows:

(b) Prior to making and delivering any certificate required to be delivered to the Trustee pursuant to Section 5.04 of the Resolution in connection with payments for Costs of a Project, other than interest on Outstanding Bonds, the Authority shall have received, a certificate of an Authorized Officer of the University in the form set forth in the Loan Agreement, with such changes as may be acceptable to the Authority in its sole discretion.

(c) 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 University which certificate shall be delivered as soon as practicable after the completion of such Project. Any such certificate shall comply with the requirements of Section 5.04 of the Resolution. The money, if any, then remaining in the account within the Construction Fund established for such Project shall be paid as provided in the Resolution. Notwithstanding the foregoing, the Project completion certificate specified in this paragraph (6) shall only be required to the extent that monies remain on deposit in the Construction Fund at the time such Project has been completed and no Costs of Issuance or Costs of such Project remain unpaid.

(Proposed Amendments to Section 5)

Amendment of a Project; Cost Increases; Additional Bonds

A Project may be amended by the University with the prior written consent of an Authorized Officer of the Authority, which consent will not be unreasonably withheld, 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 a Project which the Authority is authorized to undertake.

No Contract Documents shall be entered into after the Loan Agreement and no material modification, addition or amendment to the Contract Documents shall be made after the date of the Loan Agreement, including without limitation change orders materially affecting the scope or nature of a Project without the prior written approval of an Authorized Officer of the Authority, which approval shall not be unreasonably withheld or delayed. The University agrees to furnish or cause to be furnished to the Authority copies of such change orders, upon the request of an Authorized Officer of the Authority therefor.

The Authority, upon the request of the University, may, but shall not be required to, issue Bonds to refund Outstanding Bonds or Bonds to provide money required for the cost of completing a Project in excess of the money in the applicable account within the Construction Fund. Nothing contained in the Loan Agreement or in the Resolution shall be construed as creating any obligation upon the Authority to issue Bonds for such purpose, it being the intent hereof to reserve to the Authority full and complete discretion to decline to issue Bonds for such purpose. The proceeds of any additional Bonds shall be deposited and

applied as specified in the Series Resolution authorizing such Bonds or the Bond Series Certificate relating to such Series of Bonds.

(Section 6)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the second paragraph of Section 6 of the Loan Agreement summarized above will be deleted in its entirety.

(Proposed Amendments to Section 6)

Information Concerning the University

(a) The University, at the time specified below, shall provide and certify or cause to be provided and certified:

- (i) promptly after requested by an Authorized Officer of the Authority, but subject to legal restrictions, if any, such information concerning the University, its finances and other related topics as such Authorized Officer reasonably determines to be necessary or desirable, including, but not limited to, such information as in the sole judgment of an Authorized Officer of the Authority is necessary to enable the Authority to complete and publish an Official Statement relating to and in connection with the sale of Bonds at the time when the Bonds are to be offered for sale;
- (ii) in connection with the issuance or reissuance of Bonds, a certificate to the effect that the University has reviewed the parts of the Official Statement describing the University, the applicable Project, the plan of finance or the refunding plan, the sources and uses of the proceeds of the Bonds, and such information as was supplied by the University and is contained in the Official Statement;
- (iii) in connection with the issuance or reissuance of Bonds, a certificate to the effect that as of the dates of sale and delivery of the Bonds such parts of the Official Statement do not contain any untrue statement of a material fact and do not omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which the statements were made, not misleading; and
- (iv) promptly after requested by an Authorized Officer of the Authority, such additional information as the Authority from time to time considers reasonably necessary or desirable to enable it to make any reports or obtain any approvals required by law, governmental regulation or the Resolution in order to issue the Bonds or to effect any of the transactions contemplated hereby or by the Resolution.

If at any time the Authority notifies the University that it is necessary for a written agreement for the benefit of the Holders of the Bonds of any Series to be executed by the University (the “**Continuing Disclosure Agreement**”) which provides the information, in the time and manner, set forth in Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, the University agrees that such Continuing Disclosure Agreement shall promptly be executed and become effective, and further agrees to provide any additional certificates, opinions of counsel or other instruments deemed necessary by the Authority relating to any such agreement.

(Section 8)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the last paragraph of Section 8 of the Loan Agreement summarized above will be deleted in its entirety.

(Proposed Amendments to Section 8)

Financial Obligations of the University; General and Unconditional Obligation; Voluntary Payments

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

(a) On or before the date of delivery of the Bonds of a Series, the Authority Fee agreed to by the Authority and the University in connection with issuance of the Bonds of such Series;

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

(c) Three days (or the preceding Business Day if such day is not a Business Day) prior to an interest payment date on Outstanding Variable Interest Rate Bonds, the interest coming due on such Variable Interest Rate Bonds on such interest payment date, assuming that such Bonds will, from and after the next succeeding date on which the rates at which such Bonds bear interest are to be determined, bear interest at a rate per annum equal to the rate per annum for such Bonds on the immediately preceding Business Day, plus one percent (1%) per annum;

(d) On the fifth Business Day immediately preceding the July 1 and January 1 on which interest becomes due on Outstanding Bonds, other than Variable Interest Rate Bonds, the interest becoming due on such July 1 or January 1 interest payment date for such Bonds;

(e) On the fifth Business Day immediately preceding the date on which the principal or Sinking Fund Installments on any Outstanding Bonds becomes due, the principal and Sinking Fund Installments on the Bonds coming due on such date;

(f) At least five Business Days prior to any date on which the Redemption Price or purchase price of Bonds previously called for redemption or to be purchased is to be paid, the amount required to pay the Redemption Price or purchase price of such Bonds;

(g) On December 10 of each Bond Year, one-half (1/2) of the Annual Administrative Fee payable during such Bond Year in connection with each Series of 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 a Series of 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 such Series of 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);

(h) 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 (i) for the Authority Fee then unpaid, (ii) to reimburse the Authority for payments made by it pursuant to the Loan Agreement and any expenses or liabilities incurred by the Authority pursuant to the Loan Agreement, (iii) to reimburse the Authority for any external costs or expenses incurred by it attributable to the issuance of a Series of Bonds or the financing or construction of a Project, including but not limited to any fees or other amounts payable under a Remarketing Agreement, a Credit Facility or a Liquidity Facility; (iv) for the costs and expenses incurred to compel full and punctual performance by the University of all the provisions of the Loan Agreement or the Resolution in accordance with the terms thereof, and (v) for the fees and expenses of the Trustee and any Paying Agent in connection with performance of their duties under the Resolution;

(i) Promptly upon demand by an Authorized Officer of the Authority (a copy of which shall be furnished to the Trustee), all amounts required to be paid by the University as a result of an acceleration pursuant to the Loan Agreement;

(j) Promptly upon demand by an Authorized Officer of the Authority, the difference between the amount on deposit in the Arbitrage Rebate Fund available to be rebated in connection with the Bonds of a Series 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 of such Series;

(k) By 5:00 P.M., New York City time, on the date Option Bonds are tendered for purchase by the Holders thereof or on the date Variable Rate Bonds are subject to mandatory tender for purchase, as the case may be, the amount, in immediately available funds, required to pay the purchase price of Option Bonds or Variable Rate Bonds tendered for purchase and not remarketed or remarketed at less than the principal amount thereof and which is not to be paid from money to be made available pursuant to a Liquidity Facility; *provided, however*, that if such notice is given to the University by 10:00 A.M., New York City time, then such amount shall be paid, in immediately available funds, by 12:30 P.M., New York City time, on such day; *provided, further*, that, if such notice is given to the University after 3:00 P.M., New York City time, then such amount shall be paid, in immediately available funds, by 10:00 A.M., New York City time, on the next succeeding day; and

(l) Promptly upon demand by an Authorized Officer of 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.

Subject to the provisions of the Resolution and the Loan Agreement, the University shall receive a credit against the amount required to be paid by the University during a Bond Year pursuant to paragraph (e) 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 Sinking Fund Installments during the next succeeding Bond Year, either (i) the University delivers to the Trustee for cancellation one or more Bonds of the Series and maturity to be so redeemed or (ii) the Trustee, at the direction of the Authority, has purchased one or more Bonds of the maturity to be so redeemed from amounts on deposit in the Debt Service Fund in accordance with the Resolution during such Bond Year. The amount of the credit shall be equal to the principal amount of the Bonds so delivered.

The Authority directs the University, and the University agrees, to make the payments required by paragraphs (c), (d), (e), (f), (i) and (j) above directly to the Trustee for deposit and application in accordance with the Resolution, the payments required by paragraph (b) above directly to the Trustee for deposit in a Construction Fund or other fund established under the Resolution, as directed by an Authorized Officer of the Authority, the payments required by paragraphs (a), (g) and (h) above directly to the Authority and the payments required by paragraphs (k) and (l) above to or upon the order of the Authority.

Notwithstanding any provision in the Loan Agreement or in the Resolution to the contrary (except as otherwise specifically provided for in the Loan Agreement), all money paid by the University to the Trustee pursuant to the Loan Agreement or otherwise held by the Trustee shall be applied in reduction of the University's indebtedness to the Authority thereunder 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 money is applied by the Trustee for the payment of interest on Outstanding Bonds, and, with respect to the principal of such indebtedness, such money has been applied to, or are held for, payments in reduction of the principal amount of Outstanding Bonds and as a result thereof Bonds have been paid or deemed to have been paid in accordance with the Resolution. Except as otherwise provided in the Resolution, the Trustee shall hold such money in trust in accordance with the applicable provisions of the Resolution for the sole and exclusive benefit of the Holders of Bonds, regardless of the actual due date or applicable payment date of any payment to the Holders of Bonds.

The obligations of the University 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 University may otherwise have against the Authority, the Trustee or any Bondholder for any cause whatsoever including, without limiting the generality of the foregoing, failure of the University to complete a Project or the completion thereof with defects, failure of the University to occupy or use a Project, any declaration or finding that the Bonds or any Series of Bonds 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 contained in the Loan Agreement 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 University 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 University for, or to pay, the Costs of a Project beyond the extent of money in the account within the Construction Fund established for such Project.

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

An Authorized Officer of the Authority, for the convenience of the University, shall furnish to the University 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 thereby. The University shall notify the Authority as to the amount and date of each payment made to the Trustee by the University.

The Authority shall have the right in its sole discretion to make on behalf of the University any payment required pursuant to the Loan Agreement which has not been made by the University when due. No such payment by the Authority shall limit, impair or otherwise affect the rights of the Authority under the provisions of the Loan Agreement summarized below under the caption "*Defaults and Remedies*" arising out of the University'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 University to make such payment.

The University, if it is not then in 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 University, 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 the Resolution with respect to such Series of 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 the Resolution, the Authority agrees, in accordance with the instructions of the University, 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.

(Section 9)

Consent to Pledge and Assignment

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 10 of the Loan Agreement will be amended to delete cross-references to Section 12 of the Loan Amendment pertaining to the Management Consultant and Section 10 will read in its entirety as follows:

The University consents to and authorizes the assignment, transfer or pledge by the Authority to the Trustee of (i) the Authority's rights to receive the payments required to be made pursuant to paragraphs (c), (d), (e), (f) and (i) of the provisions of the Loan Agreement summarized above under the caption "*Financial Obligations of the University; General and Unconditional Obligation; Voluntary Payments*", and (ii) all funds and accounts established by the Resolution and pledged thereby in each case to secure any payment or the performance of any

obligation of the University under the Loan Agreement or arising out of the transactions contemplated in the Loan Agreement whether or not the right to enforce such payment or performance shall be specifically assigned by the Authority to the Trustee. The University further agrees that the Authority may pledge and assign to the Trustee any and all of the Authority's rights and remedies under the Loan Agreement. Upon any pledge and assignment by the Authority to the Trustee authorized by the Loan Agreement, the Trustee shall be fully vested with all of the rights of the Authority so assigned and pledged and may thereafter exercise or enforce, by any remedy provided therefor by the Loan Agreement or by law, any of such rights directly in its own name. Any such pledge and assignment shall be limited to the Authority's rights (x) to receive payments required to be made pursuant to paragraphs (c), (d), (e), (f) and (i) of the provisions of the Loan Agreement summarized above under the caption "*Financial Obligations of the University; General and Unconditional Obligation; Voluntary Payments*", and (y) to enforce all other obligations required to be performed by the University pursuant to the Loan Agreement. Any realization upon any pledge made shall not, by operation of law or otherwise, result in cancellation or termination of the Loan Agreement or the obligations of the University pursuant thereto.

(Proposed Amendments to Section 10)

Additional Representation and Covenants.

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective, Section 11 of the Loan Agreement will be amended to delete cross-references to Section 12 of the Loan Amendment pertaining to the Management Consultant and Section 11 will read in its entirety as follows:

The University 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 hereby and thereby, (ii) the Loan Agreement and the Related Agreements constitute valid and binding obligations of the University enforceable in accordance with their terms and (iii) the execution and delivery of, consummation of the transaction contemplated by and performance of the University'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 University or any indenture, mortgage, trust, or other commitment or agreement to which the University 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 University or any of its properties.

(Proposed Amendments to Section 11)

Management Consultant

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 12 of the Loan Agreement (set forth below in its entirety) will be deleted.

The University shall (i) at the request of the Authority made at any time the rating on any Outstanding Bonds or on any of the University's long term unsecured, unenhanced debt obligations is reduced by a Rating Service to below, in the case of Moody's Investor Service, Inc. ("**Moody's**"), "A1" or, in the case of Fitch, Inc ("**Fitch**") or Standard & Poor's Rating Services ("**S&P**"), "A+", or (ii) if the rating on any Outstanding Bonds or on any of the University's long term unsecured, unenhanced debt obligations is reduced by a Rating Service to below, in the case of Moody's "A2" or, in the case of Fitch or S&P, "A", or (iii) if any rating is suspended or withdrawn by a Rating Service, engage, at the University's expense, a Management Consultant within sixty (60) days after such request, reduction, suspension or withdrawal, unless the Authority has waived such obligation which it may do in its sole discretion. The Management Consultant shall review the fees and tuition, operations and management of the University and any other matter deemed appropriate by the Authority and make such recommendations with respect to such fees and tuition, operations, management and other matters. Copies of the report and recommendations of the Management Consultant (the "**Report**") shall be delivered to the Authority, the Trustee, and the University's President and General Counsel no later than one hundred twenty (120) days following the date of engagement of such Management Consultant. The President of the University shall promptly cause the Report to be sent to each

member of the University's Board of Trustees and to the members of each committee of the Board of Trustees as the President, on the advice of the General Counsel, shall consider appropriate. The University shall:

(i) not later than (30) days after receipt of the Report by the University's President deliver to the Authority, the Trustee, each member of the Board of Trustees and the members of each committee to which the Report was delivered, a written report setting forth the University's comment and reaction to the Report;

(ii) not later than sixty (60) days after receipt of the Report by the University's President, deliver to the Authority and the Trustee, a plan approved by either the University's Board of Trustees or the Executive Committee of the Board of Trustees setting forth in reasonable detail the following:

(a) the steps the University proposes to take to implement the recommendations contained in the Report;

(b) the timetable on which the University proposes to implement such recommendations; and

(c) with respect to any recommendations that the University does not plan to implement, an explanation of the University's reasons therefor, including any legal or regulatory restrictions or impediments to implementation of any such recommendations, and any business, financial or other factors that in the reasonable judgment of the University affect the feasibility of implementing any such recommendations; and

(iii) within thirty (30) days after the end of each fiscal quarter of the University, deliver a written report to the Authority and the Trustee demonstrating the progress made by the University in implementing the recommendations. The University shall continue to deliver such reports until it gives written notice to the Authority and the Trustee that, in the University's reasonable judgment, either (1) the recommendations to have been implemented have been fully implemented or (2) it is no longer feasible to implement any recommendation that has not yet been implemented.

Notwithstanding the foregoing provisions of this section, the University in lieu of engaging a Management Consultant or implementation of the recommendations contained in the Report may elect to provide security in form and substance acceptable to the Authority in its sole discretion for the University's obligations under the Loan Agreement.

(Section 12)

Tax-Exempt Status of the University

The University 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 amended, 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 the payment of unrelated business income tax.

(Section 13)

Use and Control of Projects; Restrictions on Religious Use

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

The University agrees that with respect to any 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; and *provided, further*, that if at any time hereafter, in the opinion of Bond Counsel, the then applicable law would permit a 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 an Authorized Officer of the Authority deems necessary to determine whether any Project or any portion or real property thereof financed by Bonds is being used for any purpose proscribed by the Loan Agreement. The University further agrees that prior to any disposition of any portion of a 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 a Project, or 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 Loan Agreement an involuntary transfer or disposition of a Project or a portion thereof, upon foreclosure or otherwise, shall be considered a sale for the fair market value thereof.

(Sections 17 and 18)

Maintenance, Repair and Replacement.

The University agrees that, throughout the term of the Loan Agreement, it shall, at its own expense, hold, operate and maintain the Projects in a careful, prudent and economical manner, and keep the same, with the appurtenances and every part and parcel thereof, in good repair, working order and safe condition and shall from time to time make all necessary and proper repairs, replacements and renewals so that at all times the operation of the Projects may be properly and advantageously conducted. The University shall have the right to remove or replace any type of fixtures, furnishings and equipment in the Projects which may have been financed by the proceeds of the sale of Bonds provided the University substitutes for any 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 University further agrees that it shall pay at its own expense all extraordinary costs of maintaining, repairing and replacing the Projects except insofar as funds are made available therefor from proceeds of insurance, condemnation or eminent domain awards.

(Section 19)

Covenant as to Insurance

(a) The University 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 University, 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 University shall at all times also maintain worker's compensation coverage as required by the laws of the State.

(b) The University shall furnish to the Authority annually a report of an Insurance Consultant that the insurance coverage maintained by the University is adequate and in accordance with the standards above.

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

(Section 20)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the paragraph (b) of Section 20 of the Loan Agreement summarized above will be deleted in its entirety.

(Proposed Amendments to Section 20)

Reports and Financial Information

The University shall, if and when requested by an Authorized Officer of the Authority, render to the Authority and the Trustee reports with respect to all repairs, replacements and maintenance made to each Project. In addition, the University shall, if and when requested by an Authorized Officer of the Authority, render such other reports concerning the condition of each Project as an Authorized Officer of the Authority may request. The University shall also furnish annually, not later than one hundred sixty-five (165) days after the end of the University's fiscal year, to the Trustee, the Authority and to such other parties as an Authorized Officer of the Authority may reasonably designate, including Rating Services, (i) a certificate stating whether the University is in compliance with the provisions of the Loan Agreement, (ii) copies of its financial statements audited by a nationally recognized independent public accountant selected by the University and acceptable to an Authorized Officer of the Authority and prepared in conformity with generally accepted accounting principles applied on a consistent basis, except that such audited financial statements may contain such changes as are concurred in by such accountants, and (iii) such other statements, reports and schedules describing the finances, operation and management of the University and such other information reasonably required by an Authorized Officer of the Authority.

(Section 23)

Defaults and Remedies

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

(i) the University shall (A) default in the timely payment of any amount payable pursuant to the Loan Agreement (except as described in paragraphs (B) and (C) of this paragraph (a)) or the payment of any other amounts required to be delivered or paid by or on behalf of the University in accordance with the Loan Agreement or the Resolution, and such default continues for a period in excess of seven (7) days or (B) default in the timely payment of any amount payable pursuant to paragraph (c), (d), (e) or (f) of the provision of the Loan Agreement summarized above under the caption "*Financial Obligations of the University; General and Unconditional Obligation; Voluntary Payments*" and such default continues for a period in excess of (1) day or (C) default in the timely payment of any payment pursuant to paragraph (k) of the provision of the Loan Agreement summarized above under the caption "*Financial Obligations of the University; General and Unconditional Obligation; Voluntary Payments*"; or

(ii) the University defaults in the due and punctual performance of any other covenant contained in the Loan Agreement and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the University by the Authority or the Trustee, or, if such default is not capable of being cured within thirty (30) days, the University fails to commence within said thirty (30) days to cure the same and to diligently prosecute the cure thereof;

(iii) as a result of any default in payment or performance required of the University under the Loan Agreement or any 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 Facility Provider or Holders of the Bonds shall be seeking the enforcement of any remedy under the Resolution as a result thereof;

(iv) the University shall be in default under any agreement entered into with the issuer of or in connection with a Liquidity Facility or a Credit Facility (which default has not been waived or cured) and, upon such default, the principal of any indebtedness thereunder may be declared to be due and payable;

(v) the University shall (i) be generally not paying its debts as they become due, (ii) 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, (iii) make a general assignment for the benefit of its general creditors, (iv) 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, (v) be adjudicated insolvent or be liquidated, or (vi) take corporate action for the purpose of any of the foregoing;

(vi) a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the University, 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 University, or any petition for any such relief shall be filed against the University and such petition shall not have been stayed or dismissed within ninety (90) days;

(vii) the charter of the University shall be suspended or revoked;

(viii) a petition shall be filed by the University with the Board of Regents of the University of the State, the legislature of the State or other governmental authority having jurisdiction over the University to dissolve the University;

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

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

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

(xii) a final judgment for the payment of money, at least \$1,000,000 of which is not covered by insurance or reserves set aside by the University, which in the reasonable judgment of the Authority will adversely affect the rights of the Holders of the Bonds shall be rendered against the University and at any

time after forty-five (45) days from the entry thereof, (i) such judgment shall not have been discharged or paid, or (ii) the University 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 University 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 any Construction Fund or otherwise to which the University may otherwise be entitled under the Loan Agreement and in the Authority's sole discretion apply any such proceeds or money 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 University under the Loan Agreement to recover any sums payable by the University or to require its compliance with the terms of the Loan Agreement;

All rights and remedies given or granted to the Authority in the Loan Agreement 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.

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 or action taken pursuant to the Loan Agreement and its consequences if such Events of Default shall be cured. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereto.

(Section 26)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective, Section 26 of the Loan Agreement will be amended to delete cross-references to Section 12 of the Loan Amendment pertaining to the Management Consultant and paragraph (iv) of subsection (a) of Section 26 will read in its entirety as follows.

(iv) the University shall be in default under any agreement entered into with the issuer of or in connection with a Liquidity Facility or a Credit Facility (which default has not been waived or cured) and, upon such default, the principal of any indebtedness thereunder may be declared to be due and payable;

(Proposed Amendments to Section 26)

Consultation with the University

(a) The Authority agrees that it will consult with the University prior to (i) giving any direction for the deposit or application of voluntary payments pursuant to Section 9(f) hereof, (ii) giving any notice to the Trustee of its election to redeem or of the Bonds to be redeemed pursuant to Section 4.02–or 4.03 of the Resolution, (iii) rebating any moneys to the Department of the Treasury of the United States of America, (iv) changing 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, (v) converting a Variable Interest Rate Bond to bear interest at a fixed rate to its maturity, (vi) seeking the removal or resignation of a Remarketing Agent or appointing a successor Remarketing Agent, (vii) amending or modifying 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 (viii) remarketing at a price other than par any Option Bond tendered or deemed to have been tendered for purchase provided, however, that such consultation shall not be a condition precedent to any action to be taken by the Trustee pursuant to a direction of, or upon receipt of a notice from, the Authority, and failure to so consult with the University shall not affect the validity of any proceedings for the redemption of Bonds or of any other action taken by the Trustee pursuant to such direction or upon receipt of such notice.

(b) 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 earnings on the gross proceeds of Bonds, as determined in accordance with the Code, 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 University and its agents and representatives, any of whom may make copies thereof. Upon written request from the University the Authority shall as soon as practicable provide the University with a copy of such documents, reports and computations.

(Section 32)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and subsection (a) of Section 32 of the Loan Agreement summarized above will be amended to clarify the University's role with respect to redemptions as follows:

(a) The Authority agrees that it will consult with the University prior to (i) giving any direction for the deposit or application of voluntary payments pursuant to Section 9(f) hereof, (ii) giving any notice to the Trustee of its election to redeem and which Bonds to be redeemed pursuant to Section 4.02 of the Resolution (to be exercised only at the written direction of the University), (iii) rebating any moneys to the Department of the Treasury of the United States of America, (iv) changing 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, (v) converting a Variable Interest Rate Bond to bear interest at a fixed rate to its maturity, (vi) seeking the removal or resignation of a Remarketing Agent or appointing a successor Remarketing Agent, (vii) amending or modifying 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 (viii) remarketing at a price other than par any Option Bond tendered or deemed to have been tendered for purchase provided, however, that such consultation shall not be a condition precedent to any action to be taken by the Trustee pursuant to a direction of, or upon receipt of a notice from, the Authority, and failure to so consult with the University shall not affect the validity of any proceedings for the redemption of Bonds or of any other action taken by the Trustee pursuant to such direction or upon receipt of such notice.

(Proposed Amendments to Section 32)

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 University shall have been made or provision made for the payment thereof; ***provided, however***, that the liabilities and the obligations of the University to provide reimbursement for or indemnification against expenses, costs or liabilities made or incurred pursuant to the Loan Agreement and the obligations of the University under the Loan Agreement shall nevertheless survive any such termination. Upon such termination, an Authorized Officer of the Authority shall deliver such documents as may be reasonably requested by the University to evidence such termination and the discharge of its duties under the Loan Agreement, and the release or surrender of any security interests granted by the University to the Authority pursuant to the Loan Agreement.

(Section 39)

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS

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SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AND PROPOSED AMENDMENTS

The following is a brief summary of certain provisions of the Resolution pertaining to the Series 2021 Bonds and the Project and of certain Proposed Resolution Amendments to become effective upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds. Such summary does not purport to be complete and reference is made to the Resolution for full and complete statements of such and all provisions. Defined terms used herein shall have the meanings ascribed to them in Appendix A.

Contract with Bondholders

With respect to the Bonds, in consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued under the Resolution by those who shall hold or own the same from time to time, the Resolution shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Holders from time to time of such Bonds, and the pledge and assignment made to the Trustee 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 such Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any such Bonds, over any other Bonds except as expressly provided in or permitted by the Resolution.

(Section 1.03)

Pledge of Revenues

The proceeds from the sale of the Bonds, the Revenues, and all funds and accounts established by the Resolution and any Series Resolution, excluding the Arbitrage Rebate Fund and any fund established for the payment of the purchase price of Option Bonds tendered for purchase, are pledged and assigned to the Trustee as security for the payment of the principal and Redemption Price of and interest on the Bonds and as security for the performance of any other obligation of the Authority under the Resolution and any Series Resolution, all in accordance with the provisions of the Resolution and any Series Resolution. 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 the Bonds, the Revenues and the funds and accounts established by the Resolution and any Series Resolution which are pledged thereby 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 parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds shall be special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of the Bonds, the Revenues and the funds and accounts established by the Resolution and are pledged thereby, which pledge shall constitute a first lien thereon.

(Section 5.01)

Establishment of Funds and Accounts

The following funds are established by the Resolution and shall be held and maintained by the Trustee:

Construction Fund;
Debt Service Fund; and
Arbitrage Rebate Fund.

In addition to the accounts and subaccounts, if any, required to be established by the Resolution or by any Series Resolution or any Bond Series Certificate, the Authority may for purposes of internal accounting establish such other accounts or subaccounts as the Authority or the Trustee deems proper, necessary or desirable. All money at any time deposited in any fund, account or subaccount created and pledged by the Resolution or by any Series

Resolution or required thereby to be created shall be held in trust for the benefit of the Holders of Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided in the 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 the Bonds other than such Option Bonds and are pledged by the Resolution for the payment of the purchase price of such Option Bonds.

(Section 5.02)

Application of Bond Proceeds and Allocation Thereof

Upon the receipt of the proceeds from the sale of a Series of Bonds, the Authority shall apply such proceeds as specified in the Resolution and in the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series.

Accrued interest, if any, received upon the delivery of a Series of Bonds shall be deposited in the Debt Service Fund unless all or any portion of such amount is to be otherwise applied as specified in the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series.

(Section 5.03)

Application of Money in the Construction Fund

As soon as practicable after the delivery of each Series of Bonds, there shall be deposited in the Construction Fund the amount required to be deposited therein pursuant to the Series Resolution authorizing the issuance of such Series or the Bond Series Certificate relating to such Series. Except as otherwise provided in the Resolution and in any applicable Series Resolution or Bond Series Certificate, money deposited in the Construction Fund shall be used only to pay the Costs of Issuance and the Costs of the Projects.

Upon receipt by the Trustee of a certificate relating to the completion of a Project, the money, 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 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; and

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

(Section 5.04)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective and the provisions of Section 5.04 of the Resolution summarized above will be amended to read in their entirety as follows:

As soon as practicable after the delivery of each Series of Bonds, there shall be deposited in the Construction Fund the amount required to be deposited therein pursuant to the Series Resolution authorizing the issuance of such Series or the Bond Series Certificate relating to such Series. Except as otherwise provided in the Resolution and in any applicable Series Resolution or Bond Series Certificate, money deposited in the Construction Fund shall be used only to pay the Costs of Issuance and the Costs of the Projects.

Upon receipt by the Trustee of a certificate relating to the completion of a Project, the money, 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 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; and

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

Notwithstanding the foregoing, the Project completion certificate specified in this paragraph shall only be required to the extent that monies remain on deposit in the Construction Fund at the time such Project has been completed and no Costs of Issuance or Costs of such Project remain unpaid.

(Proposed Amendments to Section 5.04)

Deposit and Allocation of Revenues

The Revenues and any other money, which by any of the provisions of the Loan Agreement are required to be paid to the Trustee, shall upon receipt by the Trustee be deposited or paid by the Trustee as follows 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 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 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 of Outstanding Option Bonds and Variable Interest Rate Bonds 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 Resolution on or prior to the next succeeding January 1, 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 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 theretofore contracted to be purchased or called for redemption pursuant to the Resolution on or prior to the next succeeding July 1, plus accrued interest thereon to the date of purchase or redemption;

Second: To reimburse, pro rata, each Provider for Provider Payments which are then unpaid, in proportion to the respective Provider Payments then unpaid to each Provider; and

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 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 by the Resolution, (ii) all other expenditures reasonably and necessarily incurred by the Authority in connection with the financing of the Projects, including expenses incurred by the Authority to compel full and punctual performance of all the provisions of the Loan

Agreement 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 notify the Authority and the University promptly after making the above payments of any balance of Revenues then 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 University, in the respective amounts set forth in such direction. Any amounts paid to the University shall be free and clear of any pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(Section 5.05)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective, the last paragraph of Section 5.05 of the Resolution summarized above will be amended to provide for a semiannual release of Revenues and will read in its entirety as follows:

The Trustee shall, promptly after making the above required payments, notify the Authority and the University of any balance of Revenues remaining on the earlier of the immediately succeeding January 1 or 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 University, in the respective amounts set forth in such direction. Any amounts paid to the University shall be free and clear of any pledge, lien, encumbrance or security interest created hereby or by the Loan Agreement.

(Proposed Amendment to last paragraph of Section 5.05)

Debt Service Fund

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

- (i) the interest due and payable on all Outstanding Bonds on such interest payment date;
- (ii) the principal amount due and payable on such interest payment date on all Outstanding Bonds; and
- (iii) the Sinking Fund Installments or other amounts related to a mandatory redemption, if any, due and payable on all Outstanding Bonds on such interest payment date.

The amounts paid out pursuant to this subdivision shall be irrevocably pledged to and applied to such payments.

Notwithstanding the first paragraph of this subdivision, the Authority may, at any time subsequent to July 1 of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with money on deposit in the Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds to be redeemed from such Sinking Fund Installment. In addition, the University pursuant to the Loan Agreement may deliver, at any time subsequent to July 1 of any Bond Year, but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, to the Trustee for cancellation one or more Term Bonds of the Series and maturity to be so redeemed on such date from such Sinking Fund Installment. Any Term Bond so purchased and any Term Bond purchased by the University and delivered to the Trustee in accordance with the Resolution 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.

Money in the Debt Service Fund in excess of the amount required to pay the principal and Sinking Fund Installments of Outstanding Bonds payable on and prior to the next succeeding July 1, the interest on Outstanding Bonds payable on and prior to the earlier of the next succeeding interest payment date 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 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 any 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 money 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 as provided in the Resolution, at the Redemption Prices specified in the applicable 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 money delivered to it by the University 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, money on deposit in any other funds held by the Trustee under the Resolution at such times and in such amounts as set forth in such directions.

Money on deposit in the Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the 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. Money which an Authorized Officer of the Authority determines to be in excess of the amount required to be so rebated shall, first, be applied to reimburse pro rata, each Provider for money advanced under a Credit Facility or a Liquidity Facility, including interest thereon, which is then unpaid in proportion to the respective amounts advanced by each Provider, and, then be deposited to any fund or account established under the Resolution in accordance with the written direction of such Authorized Officer.

(Section 5.07)

Application of Money in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Resolution, if at any time the amounts held in the Debt Service Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds and the interest accrued and unpaid and to accrue on such Bonds to the next date on which all such Bonds are redeemable, or to make provision pursuant to the Resolution for the payment of the Outstanding Bonds at the maturity or redemption dates thereof, the Trustee shall so notify the Authority and the University. Upon receipt of such notice, the Authority may (i) direct the Trustee to redeem all such Outstanding Bonds, 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 each Series Resolution as provided in the Resolution, or (ii) give the Trustee irrevocable instructions in accordance with the Resolution and make provision for the payment of the Outstanding Bonds at the maturity or redemption dates thereof in accordance therewith.

(Section 5.08)

Investment of Funds and Accounts

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.

In lieu of the investments of money in obligations authorized in the preceding paragraph, 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.

Permitted Investments purchased as an investment of money in any fund or account held by the Trustee under the provisions of the Resolution shall be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof shall be retained in, credited or charged, as the case may be, to such fund or account.

In computing the amount in any fund or account held by the Trustee under the provisions of the Resolution, Permitted Investments shall be valued at par or the market value thereof, plus accrued interest, whichever is lower.

Notwithstanding anything to the contrary in the Resolution, the 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 the Resolution. 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 University 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 of the Resolution. The details of such investments shall include the par value, if any, the cost and the current market value of such investments as of the end of the preceding month. The Trustee shall also describe all withdrawals, substitutions and other transactions occurring in each such fund and account in the previous month.

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

(Section 6.02)

Place and Medium of Payment

The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Except as otherwise provided in the Resolution, upon presentation and surrender of Bonds on their maturity or earlier redemption dates, the principal or Redemption Price of such Bonds shall be payable at the principal corporate trust office of the Trustee. Except as otherwise provided in the Series Resolution authorizing the issuance of Variable Interest Rate Bonds or Option Bonds or the Bond Series Certificate related to such Bonds, interest on the Bonds shall

be paid by check or draft mailed to the registered owner thereof at the address thereof as it appears on the registry books of the Authority or, at the option of the registered owner of at least one million dollars (\$1,000,000) in principal amount of Bonds of a Series, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has, not less than five (5) Business Days prior to the Record Date for such Bonds immediately preceding such interest payment date, directed the Trustee to wire such interest payment. For purposes of this Section, interest is payable to the registered owner of a Bond at the close of business on the Record Date for such Bond. All payments of principal or Redemption Price of interest on Bonds shall specify the CUSIP number or numbers of the Bonds in connection with which payment is made.

The Bonds of each Series shall be issued in the form of fully registered Bonds without coupons.

All Bonds of each Series shall mature on July 1 of each year in which a maturity is fixed by the Series Resolution authorizing the issuance of such Bonds or the Bond Series Certificate relating to such Bonds. Interest on all Bonds of each Series, except the first installment of interest due on such Bonds of a Series and interest on Variable Interest Rate Bonds the rate at which such Bonds bear interest is adjusted annually or more frequently than annually, shall be payable semiannually on January 1 and July 1 of each year in which an installment of interest becomes due as fixed in a Series Resolution or a Bond Series Certificate. Interest on Variable Interest Rate Bonds the rate at which such Bonds bear interest is adjusted annually or more frequently than annually shall be payable at such times as shall be provided in the Series Resolution authorizing the issuance thereof or the Bond Series Certificate related thereto. The first installment of interest due on the Bonds of a Series may be for such period as the Authority shall fix in the Series Resolution authorizing the issuance thereof or the Bond Series Certificate applicable thereto.

(Section 3.01)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective and the first paragraph of Section 3.01 of the Resolution summarized above will be amended to provide that interest will be paid by wire transfer on all Bonds as follows:

The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Except as otherwise provided in the Resolution, upon presentation and surrender of Bonds on their maturity or earlier redemption dates, the principal or Redemption Price of such Bonds shall be payable at the principal corporate trust office of the Trustee. Except as otherwise provided in the Series Resolution authorizing the issuance of Variable Interest Rate Bonds or Option Bonds or the Bond Series Certificate related to such Bonds, interest on the Bonds shall be paid by wire transfer to the registered owner thereof at the wire transfer address in the continental United States to which such registered owner has, not less than five (5) Business Days prior to the Record Date for such Bonds immediately preceding such interest payment date, directed the Trustee to wire such interest payment. For purposes of this Section, interest is payable to the registered owner of a Bond at the close of business on the Record Date for such Bond. All payments of principal or Redemption Price of interest on Bonds shall specify the CUSIP number or numbers of the Bonds in connection with which payment is made.

(Proposed Amendments to first paragraph of Section 3.01)

Redemption of Bonds and Notices of Redemption

In the case of any redemption of Bonds other than mandatory Sinking Fund redemptions, the Authority shall give written notice to the Trustee and each 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 to be redeemed. The Series, maturities and principal amounts thereof to be redeemed at the election or direction of the Authority shall be determined by the Authority, 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 Provider at least sixty (60) 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 money for payment of the Redemption Price is available on the

redemption date such notice shall not be given unless prior to the date such notice is given the 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 to be so redeemed.

Whenever Bonds are to be redeemed, the Trustee shall give notice of the redemption of the 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) the principal amount of each Bond to be redeemed; (vi) the date of publication, if any, of the notice of redemption; (vii) that, except in the case of Book-Entry Bonds, such Bonds will be redeemed at the principal corporate trust office of the Trustee giving the address thereof and the name and telephone number of a representative of the Trustee to whom inquiries may be directed; (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 redeem the Bonds is subject to conditions, a statement that describes the condition to such redemption. Such notice shall further state that on such date there shall become due and payable upon each Bond 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 herein. Such certificate shall be conclusive evidence that such notice was given in the manner required by the Resolution. The failure of any Holder of a Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Bonds. 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.

(Section 4.02 and Section 4.05)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective and Sections 4.02 and 4.05 of the Resolution summarized above will be amended in their entirety to read as follows:

In the case of any redemption of Bonds other than mandatory Sinking Fund redemptions, the Authority shall give written notice to the Trustee and each Provider written notice of its election or direction (to be exercised at the written direction of the University) to redeem, of the Series and of the principal amounts of the Bonds of each maturity of such Series to be redeemed. The Series, maturities and principal amounts thereof to be redeemed at the election or direction of the Authority shall be determined by the Authority in accordance with written instructions from the University, 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 Provider at least sixty (60) 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 money for payment of the Redemption Price is available on the redemption date such notice shall not be given unless prior to the date such notice is given the 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 to be so redeemed.

Whenever Bonds are to be redeemed, the Trustee shall give notice of the redemption of the 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) the principal amount of each Bond to be redeemed; (vi) the date of publication, if any, of the notice of redemption; (vii) that, except in the case of Book-Entry Bonds, such Bonds will be redeemed at the principal corporate trust office of the Trustee giving the address thereof and the name and telephone number of a representative of the Trustee to whom inquiries may be directed; (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 redeem the Bonds is subject to conditions, a statement that describes the condition to such redemption. Such notice shall further state that on such date there shall become due and payable upon each Bond 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 herein. Such certificate shall be conclusive evidence that such notice was given in the manner required by the Resolution. The failure of any Holder of a Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Bonds.

(Proposed Amendments to Section 4.02 and Section 4.05)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective and a new Section 4.07 of the Resolution will be added to Article IV of the Resolution to read as follows:

Purchase of Bonds

Whenever Bonds are to be purchased at the election of the University, written notice thereof and of the Bonds of the Series and maturity (and interest rate, if applicable) to be so purchased having been given by the University to the Authority, the Trustee and each Provider, the Trustee shall select the particular Bonds of such Series and maturity (and interest rate, if applicable) to be so purchased in the same manner as provided in Section 4.04 of the Resolution for the selection of Bonds to be redeemed in part. Promptly thereafter the Trustee shall give notice of the purchase of such 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 University has caused to be delivered to the Trustee the written consent to such purchase of the Authority and each Provider. All such purchases may be subject to conditions to the University'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. 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 University.

(Proposed Amendment to Article IV- addition of Section 4.07)

Tax Exemption; Rebates

In order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Authorized Bonds issued as Tax-Exempt Bonds, if any (the "Tax-Exempt Authorized Bonds"), the Authority shall comply with the provisions of the Code applicable to such Tax-Exempt Authorized Bonds, including without limitation, the provisions of the Code relating to the computation of the yield on investments of the "gross proceeds" of such Tax-Exempt Authorized Bonds, as such term is defined in the Code, reporting of the earnings on such gross proceeds, rebates of earnings on such gross proceeds to the Department of the Treasury of the United States of America, and use, ownership or management of the facilities financed by such gross proceeds. In furtherance of the foregoing, the Authority shall comply with the provisions of the Tax Certificate and with such written instructions as may be provided by Bond Counsel or a special tax counsel.

The Authority shall not take any action or fail to take any action which would cause any Tax-Exempt Authorized Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code; nor shall the Authority use or permit the use, directly or indirectly, of any part of the proceeds of any Tax-Exempt Authorized Bonds to acquire any security or obligation the acquisition of which would cause any such Tax-Exempt Authorized Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code.

The Authority shall make any and all payments required to be made to the United States Department of Treasury in connection with the Tax-Exempt Authorized Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the Arbitrage Rebate Fund and available therefor.

(Series Resolutions)

Creation of Liens

Except as permitted by the 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 on the proceeds from the sale of the Bonds, the Revenues, the rights of the Authority to receive payments to be made under the Loan Agreement that are to be deposited with the Trustee or the funds and accounts established by the Resolution or by any Series Resolution which are pledged thereby; *provided, however*, that nothing contained in the Resolution shall prevent the Authority from (i) issuing bonds, notes or other obligations or otherwise incurred indebtedness under another and separate resolution so long as the charge or lien created thereby is not prior 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 Revenues of equal priority with the lien created and the pledge made by the Resolution.

(Section 7.06)

Amendment of Loan Agreement

Except as expressly otherwise provided in Section 7.11 of the Resolution, the 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 in any material respect unless consented to in writing by (a) the Holders of at least a majority in aggregate principal amount of the Bonds then Outstanding, or (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modifications or amendments, the Holders of not less than a majority in aggregate principal amount of the Bonds of each Series so affected then Outstanding; *provided, however*, that if such amendment, change, modification, alteration, termination or waiver will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under the Resolution; *provided, further*, that no such amendment, change, modification, alteration, termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds 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 University 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 Resolution by the Holders of Bonds shall, except as otherwise provided in the Resolution, be given in the same manner required by the Resolution.

The 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 Resolution, 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 Resolution, the purchasers of Bonds, whether purchasing as underwriters, Remarketing Agent or otherwise for resale, may upon such purchase consent to an amendment, change, modification, alteration, termination or waiver permitted 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 shall be deemed to have consented to an amendment, change, modification, alteration or termination permitted by the Resolution if (i) the Trustee has mailed notice of such proposed amendment to the Holder of such Bonds in the same manner required by Article X 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. As used in this paragraph the following terms shall have the respective meanings: “**Auction Rate Bond**” means a Variable Interest Rate Bond 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 Resolution, a Series shall be deemed to be adversely affected by an amendment, change, modification, alteration or termination of the Loan Agreement or the waiver of any provision thereof if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series in any material respect. 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 University, the Authority and all Holders of Bonds.

For all purposes of the Resolution, 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 then Outstanding in any material respect.

Bonds owned or held by or for the account of the Authority or the University shall not be deemed Outstanding for the purpose of the consent provided for in the Resolution, and neither the Authority nor the University shall be

entitled with respect to such Bonds to give any such consent. At the time of any consent, the Authority shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

(Section 7.11)

Modification and Amendment Without Consent

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, 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 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, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Resolution, of the Revenues or of any other money, securities or funds;

(f) To modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Bonds Outstanding as of the date of adoption of such Supplemental Resolution or Series Resolution shall cease to be Outstanding, and all Bonds issued under such resolutions shall contain a specific reference to the modifications contained in such subsequent Resolutions; or

(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 Holders in any material respect.

(Section 9.01)

Supplemental Resolutions Effective With Consent of Bondholders

The provisions of the Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of Bondholders in accordance with and subject to the provisions of

the Resolution, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority.

(Section 9.02)

Powers of Amendment

Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds under the Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as set forth in the provision of the Resolution summarized below under the caption "*Consent of Bondholders*", (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of Holders of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given, or (iii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment Outstanding at the time such consent is given; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under the Resolution. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof, or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of the Resolution, a Series shall be deemed to be affected by a modification or amendment if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, the Bonds of any particular Series or maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds. The Trustee may receive an opinion of counsel, including an opinion of Bond Counsel, as conclusive evidence as to whether Bonds of any particular Series or maturity would be so affected by any such modification or amendment of the Resolution.

(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 to take effect when and as provided in this Section. 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 Bondholders for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Authority to the Bondholders (but failure to mail such copy and request to any particular Bondholder shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds specified in the provision of the Resolution summarized above under the caption "*Powers of Amendment*" 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 thereby, 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. Each such consent shall be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by the Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Resolution shall be conclusive proof that the consents have been given by the Holders of the Bonds described in the certificate or certificates of the Trustee. Any consent given by a Bondholder shall be binding upon the Bondholder giving such consent and, anything in the Resolution to the contrary notwithstanding, upon any subsequent Bondholder and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent

Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee provided for below is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that such Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the 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 and will be effective as provided in the Resolution, shall be given to the Bondholders by the Authority by mailing such notice to the 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 Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinabove provided for is filed (but failure to publish such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section provided). 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 this Section 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 all 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 the Resolution, the purchasers of the Bonds of a Series, whether purchasing as underwriters, Remarketing Agent or otherwise for resale, upon such purchase, may consent to a modification or amendment permitted under the headings above titled, "Powers of Amendment" or "Consent of Bondholders" in the manner provided in the Resolution, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; *provided, however*, that, if such consent is given by a purchaser who is purchasing as an underwriter, Remarketing Agent or otherwise for resale, the nature of the 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 by the Authority.

(Section 10.02)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective and the first paragraph of Section 10.02 of the Resolution summarized above will be amended in its entirety to read as follows:

The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Resolution to take effect when and as provided in this Section. 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 Bondholders for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Authority to the Bondholders (but failure to mail such copy and request to any particular Bondholder shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds specified in the provision of the Resolution summarized above under the caption "*Powers of Amendment*" 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 thereby, 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. Each such consent shall be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds

with respect to which such consent is given, which proof shall be such as is permitted by the Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Resolution shall be conclusive proof that the consents have been given by the Holders of the Bonds described in the certificate or certificates of the Trustee. Any consent given by a Bondholder shall be binding upon the Bondholder giving such consent and, anything in the Resolution to the contrary notwithstanding, upon any subsequent Bondholder and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee provided for below is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that such Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the 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 and will be effective as provided in the Resolution, shall be given to the Bondholders by the Authority by mailing such notice to the Bondholders. The Authority shall file with the Trustee proof of the mailing of such notice. A transcript, consisting of the papers required or permitted by this Section 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 all Bonds upon the filing with the Trustee of proof of the mailing of such notice.

(Proposed Amendments to First Paragraph of 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 under the Resolution 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 and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in the Resolution, except that no notice to Bondholders either by mailing or publication shall be required.

(Section 10.03)

Mailing and Publication

Any provision in this Article X for the mailing of a notice or other document to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding at such person's address, if any, appearing upon the registry books of the Authority and (ii) to the Trustee.

Any provision in this Article X for publication of a notice or other matter shall require the publication thereof only in an Authorized Newspaper.

(Section 10.04)

Upon receipt of the consent of the Holders of a majority in aggregate principal amount of Outstanding Bonds, the Proposed Resolution Amendments will become effective and the second paragraph of Section 10.04 of the Resolution summarized above will be deleted in its entirety.

Events of Default

Each of the following constitutes an “event of default” under the Resolution and each Series Resolution:

(a) Payment of the principal, Sinking Fund Installment or Redemption Price of or interest on any Bond shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) With respect to the Bonds of any Series, 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

(c) 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 or in any 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 percent (25%) in principal amount of the Outstanding Bonds, or, if such default is not capable of being cured within thirty (30) days, if the Authority fails to commence to cure such default within said thirty (30) days and diligently prosecutes the cure thereof; or

(d) The Authority shall have notified the Trustee that an “Event of Default”, as defined in the Loan Agreement shall have occurred and is continuing and all sums payable by the University under the Loan Agreement shall have been declared to be immediately due and payable, which declaration shall not have been annulled and the Authority shall have notified the Trustee of such “Event of Default.”

(Section 11.02)

Acceleration of Maturity

Upon the happening and continuance of any event of default (other than under paragraph (b) of the provision of the Resolution summarized above under the caption “*Event of Default*”), then and in every such case the Trustee may, and upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds shall, by a notice in writing to the Authority, declare the principal of and interest on all of the Outstanding Bonds to be immediately due and payable. At the expiration of thirty (30) days from the giving of notice of such declaration, such principal and interest shall become and be immediately due and payable, anything in the Resolution or in the Bonds or any Series Resolution to the contrary notwithstanding. At any time after the principal of the 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 twenty-five percent (25%) in principal amount of the Bonds not then due by their terms and then Outstanding, by written notice to the Authority, annul such declaration and its consequences if: (i) money shall have accumulated in the Debt Service Fund sufficient to pay all arrears of interest, if any, upon all of the Outstanding Bonds (except the interest accrued on such Bonds since the last interest payment date); (ii) money shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and any Paying Agent; (iii) all other amounts then payable by the Authority under the Resolution and under each 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, the Series Resolution or in the 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, then and in every such case, the Trustee may proceed, and, upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds or, in the case of the happening and continuance of an event of default described in paragraph (b) of the provision of the Resolution summarized above under the caption “*Events of Default*”, upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, shall proceed (subject to the provisions of the Resolution regarding indemnification of the Trustee), to protect and enforce its rights and the rights of the Holders of the Bonds under the laws of the State or under the Resolution or under any Series Resolution 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 any Series Resolution or in aid or execution of any power 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 each Series Resolution the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Authority for principal or interest or otherwise under any of the provisions of the Resolution or of any Series Resolution or of the Bonds, with interest on overdue payments of the principal or interest on the Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the Resolution and under any Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Authority but solely as provided in the Resolution and in any Series Resolution and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the money adjudged or decreed to be payable.

(Section 11.04)

Priority of Payments After Default

If at any time the money held by the Trustee under the Resolution and under each Series Resolution shall not be sufficient to pay the principal of and interest on the Bonds as the same become due and payable (either by their terms or by acceleration of maturity under the provisions of the Resolution), such money together with any money then available or thereafter becoming available for such purpose, whether through exercise of the remedies provided for in the Resolution or otherwise, shall be applied (after first depositing in the Arbitrage Rebate Fund all amounts required to be deposited therein and then paying all amounts owing to the Trustee under the Resolution) as follows:

(a) Unless the principal of all the Bonds has become or been declared due and payable, all such money shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the persons entitled thereto of the unpaid principal, Sinking Fund Installments or Redemption Price of any Bonds which shall have become due whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all amounts due on any date, then to the payment thereof ratably, according to the amount of principal, Sinking Fund Installments or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Bonds has become or been declared due and payable, all such money shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for

principal and interest, to the persons entitled thereto, without any discrimination or preference except as to the difference in the respective rates of interest specified in the Bonds.

Whenever money is to be applied by the Trustee pursuant to the provisions of the Resolution, such money shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. The setting aside of such money in trust for application in accordance with the Resolution shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of the Resolution as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be on an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. The Trustee shall not be required to make payment to the Holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

(Section 11.05)

Termination of Proceedings

In case any proceedings commenced by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee, each Provider, the University and the Bondholders shall be restored to their former positions and rights under the Resolution, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been commenced.

(Section 11.06)

Bondholders' Direction of Proceedings

Anything in the Resolution to the contrary notwithstanding, the Holders of a majority in principal amount of the Outstanding Bonds or in the case of an event of default described in subparagraph (b) under the heading "Event of Default" above, the Holders of a majority in principal amount of the Outstanding Bonds of the Series affected thereby shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Resolution and under each Series Resolution, provided such direction shall be in accordance with law or the provisions of the Resolution and of each Series Resolution and the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

(Section 11.07)

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Resolution, or for any other remedy under the Resolution unless such Holder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, or, in the case of an event of default under paragraph (b) of the provision of the Resolution summarized above under the caption "*Event of Default*", the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Resolution or to institute such action, suit or proceeding in its or their name, and unless, also,

there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Resolution or for any other remedy under the Resolution and in equity or at law. It is understood and intended that no one or more Holders of the Bonds secured by the 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. Notwithstanding any other provision of the Resolution, the Holder of any Bond shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond on the stated maturity expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

(Section 11.08)

Defeasance

If the Authority shall pay or cause to be paid to the Holders of the 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 money and securities pledged to such Bonds and all other rights granted by the Resolution to such Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Authority, and all money or 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 Provider, the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each 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 University. The 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.

Bonds for the payment or redemption of which money shall have been set aside and shall be held in trust by the Trustee (through deposit of money for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph if (a) in case any of such 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, (b) there shall have been deposited with the Trustee 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, together with the money, 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 such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (c) the Trustee shall have received the written consent to such defeasance of each Provider which has given written notice to the Trustee and the Authority that amounts advanced under a Credit Facility or Liquidity Facility issued by it or the interest thereon have not been repaid to such Provider, and (d) in the event such 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 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 (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the Resolution and stating such

maturity or redemption date upon which money is to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in the manner provided in the Resolution. Neither the Defeasance Securities nor money deposited with the Trustee pursuant to the Resolution 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 such Bonds; *provided, however*, that any money received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on such Bonds on and prior to such redemption date or maturity date thereof, 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 money so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required by the Resolution 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 Provider, the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each 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 University, and any such money 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.

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 money, or Defeasance Securities and money, if any, in accordance with clause (b) of the preceding paragraph, 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 money 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 clause (b) of the preceding paragraph, the Trustee shall 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 Provider, the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each 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 University, and any such money so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution.

Option Bonds shall be deemed to have been paid in accordance with the Resolution only if, in addition to satisfying the requirements of clauses (a) and (b) above, there shall have been deposited with the Trustee money in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; *provided, however*, that if, at the time a deposit is made with the Trustee pursuant to the Resolution, 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 the Resolution. If any portion of the

money deposited with the Trustee for the payment of the principal of and premium, if any, and interest on Option Bonds is not required for such purpose, the Trustee shall, if requested by the 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 Provider, the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each 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 University, and any such money so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution.

Anything in the Resolution to the contrary notwithstanding, any money held by the Trustee or 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 money were held by the Trustee or Paying Agent at such date, or for one (1) year after the date of deposit of such money if deposited with the Trustee or Paying Agent, after such date when all of the Bonds of such Series become 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 and the Holders shall look only to the Authority for 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 money 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 money then unclaimed shall be returned to the Authority.

(Section 12.01)

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FORMS OF APPROVING OPINIONS
OF CO-BOND COUNSEL

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FORM OF APPROVING OPINION OF HAWKINS DELAFIELD & WOOD LLP,
CO-BOND COUNSEL TO DASNY FOR THE SERIES 2021 BONDS

Upon delivery of the Series 2021 Bonds, Hawkins Delafield & Wood LLP, Co-Bond Counsel to DASNY, proposes to issue its legal opinion in substantially the following form:

HAWKINS DELAFIELD & WOOD LLP
7 WORLD TRADE CENTER
250 GREENWICH STREET, 41ST FLOOR
NEW YORK, NEW YORK 10007

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

Ladies and Gentlemen:

We, as Co-Bond Counsel to the Dormitory Authority of the State of New York (the "Authority"), a body corporate and politic of the State of New York (the "State"), constituting a public benefit corporation created and existing under the Dormitory Authority Act, being Chapter 524 of the Laws of New York of 1944, as amended (the "Act"), have examined a record of proceedings relating to the issuance of \$212,695,000 aggregate principal amount of New York University Revenue Bonds, Series 2021A (Tax-Exempt) (the "Series 2021A Bonds") and \$37,305,000 aggregate principal amount of New York University Revenue Bonds, Series 2021B (Federally Taxable) (the "Series 2021B Bonds"). The Series 2021A Bonds and the Series 2021B Bonds are collectively referred to herein as the "Series 2021 Bonds."

The Series 2021 Bonds are issued under and pursuant to the Act, the New York University Revenue Bond Resolution adopted by the Authority on May 28, 2008 (the "Bond Resolution"), as supplemented by the Series 2021A Resolution Authorizing the Issuance of a Series of New York University Revenue Bonds and the Series 2021B Resolution Authorizing the Issuance of a Series of New York University Revenue Bonds, each adopted by the Authority on June 23, 2021 (collectively, the "Series 2021 Resolutions"). The Bond Resolution and the Series 2021 Resolutions are herein collectively referred to as the "Resolutions." Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolutions.

The Series 2021 Bonds are dated, mature, are payable, bear interest and are subject to redemption and purchase as provided in the Resolutions and the respective Bond Series Certificate of the Authority fixing the terms and the details of such Series 2021 Bonds (collectively, the "Series 2021 Certificates").

The Authority has reserved the right to issue additional bonds on the terms and conditions and for the purposes stated in the Bond Resolution. Under and subject to the provisions of the Bond Resolution, the Series 2021 Bonds and all bonds heretofore and hereafter issued under the Bond Resolution (the "Bonds") rank and will rank equally as to security and payment.

We are of the opinion that:

1. The Authority has been duly created and is validly existing under the Act and has the right, power and authority to adopt the Resolutions and the Resolutions have been duly and lawfully adopted by the Authority, are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms.

2. The Bond Resolution creates the valid pledge which it purports to create of the proceeds of the sale of the Bonds, the Revenues and all funds and accounts established by the Bond Resolution (other than the

Arbitrage Rebate Fund, as defined in the Bond Resolution), including the investments thereof and the proceeds of such investments, if any, subject only to the provisions of the Bond Resolution permitting the application thereof to the purposes and on the terms and conditions set forth in the Bond Resolution.

3. The Series 2021 Bonds have been duly and validly authorized and issued by the Authority and are valid and binding special obligations of the Authority, payable solely from the sources provided therefor in the Resolutions.

4. The Series 2021 Bonds are not a debt of the State of New York, and the State of New York is not liable thereon, nor shall the Series 2021 Bonds be payable out of funds of the Authority other than those pledged for the payment of the Series 2021 Bonds.

5. The Loan Agreement, dated as of May 28, 2008 (the "Loan Agreement"), between the Authority and New York University (the "University"), has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery thereof by the University, constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms.

6. Under existing statutes and court decisions, (i) interest on the Series 2021A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2021A Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code.

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2021A Bonds in order that interest on the Series 2021A Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series 2021A Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Series 2021A Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. In rendering the opinion in paragraph 6, we have relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Authority, the University and others in connection with the Series 2021A Bonds, and we have assumed compliance by the Authority and the University with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2021A Bonds from gross income under Section 103 of the Code. In addition, we have relied on the opinion of counsel to the University regarding, among other matters, the current qualifications of the University as an organization described in Section 501(c)(3) of the Code.

7. Interest on the Series 2021B Bonds is included in gross income for federal income tax purposes pursuant to the Code.

8. Under existing statutes, interest on the Series 2021 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

We express no opinion regarding any other federal, state or local tax consequences arising with respect to the Series 2021 Bonds, or the ownership or disposition thereof, except as set forth in paragraphs 6, 7 and 8 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any facts or circumstances that may hereafter come to our attention, any change in law or in interpretations thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, the exclusion from gross income for federal income tax purposes of interest on the Series 2021A Bonds.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the Series 2021 Bonds, the Resolutions and the Loan Agreement may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have examined an executed Series 2021A Bond and Series 2021B Bond and, in our opinion, the forms of said Bonds and their execution are regular and proper.

Very truly yours,

FORM OF APPROVING OPINION OF MCGLASHAN LAW FIRM, P.C.,
CO-BOND COUNSEL TO DASNY FOR THE SERIES 2021 BONDS

Upon delivery of the Series 2021 Bonds, McGlashan Law Firm, P.C., Co-Bond Counsel to DASNY, proposes to issue its legal opinion in substantially the following form:

MCGLASHAN LAW FIRM, P.C.
733 3RD AVENUE, 16TH FLOOR
NEW YORK, NEW YORK 10017

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

Ladies and Gentlemen:

We, as Co-Bond Counsel to the Dormitory Authority of the State of New York (the "Authority"), a body corporate and politic of the State of New York (the "State"), constituting a public benefit corporation created and existing under the Dormitory Authority Act, being Chapter 524 of the Laws of New York of 1944, as amended (the "Act"), have examined a record of proceedings relating to the issuance of \$212,695,000 aggregate principal amount of New York University Revenue Bonds, Series 2021A (Tax-Exempt) (the "Series 2021A Bonds") and \$37,305,000 aggregate principal amount of New York University Revenue Bonds, Series 2021B (Federally Taxable) (the "Series 2021B Bonds"). The Series 2021A Bonds and the Series 2021B Bonds are collectively referred to herein as the "Series 2021 Bonds."

The Series 2021 Bonds are issued under and pursuant to the Act, the New York University Revenue Bond Resolution adopted by the Authority on May 28, 2008 (the "Bond Resolution"), as supplemented by the Series 2021A Resolution Authorizing the Issuance of a Series of New York University Revenue Bonds and the Series 2021B Resolution Authorizing the Issuance of a Series of New York University Revenue Bonds, each adopted by the Authority on June 23, 2021 (collectively, the "Series 2021 Resolutions"). The Bond Resolution and the Series 2021 Resolutions are herein collectively referred to as the "Resolutions." Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolutions.

The Series 2021 Bonds are dated, mature, are payable, bear interest and are subject to redemption and purchase as provided in the Resolutions and the respective Bond Series Certificate of the Authority fixing the terms and the details of such Series 2021 Bonds (collectively, the "Series 2021 Certificates").

The Authority has reserved the right to issue additional bonds on the terms and conditions and for the purposes stated in the Bond Resolution. Under and subject to the provisions of the Bond Resolution, the Series 2021 Bonds and all bonds heretofore and hereafter issued under the Bond Resolution (the "Bonds") rank and will rank equally as to security and payment.

We are of the opinion that:

1. The Authority has been duly created and is validly existing under the Act and has the right, power and authority to adopt the Resolutions and the Resolutions have been duly and lawfully adopted by the Authority, are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms.

2. The Bond Resolution creates the valid pledge which it purports to create of the proceeds of the sale of the Bonds, the Revenues and all funds and accounts established by the Bond Resolution (other than the Arbitrage Rebate Fund, as defined in the Bond Resolution), including the investments thereof and the proceeds of such investments, if any, subject only to the provisions of the Bond Resolution permitting the application thereof to the purposes and on the terms and conditions set forth in the Bond Resolution.

3. The Series 2021 Bonds have been duly and validly authorized and issued by the Authority and are valid and binding special obligations of the Authority, payable solely from the sources provided therefor in the Resolutions.

4. The Series 2021 Bonds are not a debt of the State of New York, and the State of New York is not liable thereon, nor shall the Series 2021 Bonds be payable out of funds of the Authority other than those pledged for the payment of the Series 2021 Bonds.

5. The Loan Agreement, dated as of May 28, 2008 (the "Loan Agreement"), between the Authority and New York University (the "University"), has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery thereof by the University, constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the Series 2021 Bonds, the Resolutions and the Loan Agreement may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have examined an executed Series 2021A Bond and Series 2021B Bond and, in our opinion, the forms of said Bonds and their execution are regular and proper.

Very truly yours,

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FORM OF AGREEMENT TO PROVIDE CONTINUING DISCLOSURE

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FORM OF AGREEMENT TO PROVIDE CONTINUING DISCLOSURE

**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
NEW YORK UNIVERSITY REVENUE BONDS, SERIES 2021A (TAX-EXEMPT) AND
SERIES 2021B (FEDERALLY TAXABLE)**

This **AGREEMENT TO PROVIDE CONTINUING DISCLOSURE** (this “Disclosure Agreement”), dated as of July 29, 2021, is executed and delivered by New York 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.

“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 New York University or 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 resolutions 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 August 31, 2021, 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;
- (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, 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 security or other material events affecting the tax status of the security;
 - 7. Modifications to rights of security holders, if material;
 - 8. Bond calls, if material, and Tender offers;
 - 9. Defeasances;
 - 10. Release, substitution, or sale of property securing repayment of the securities, if material;
 - 11. Ratings changes;
 - 12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
 - 13. The consummation of a merger, consolidation or acquisition involving the Obligated Person, or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - 14. Appointment of a successor or additional trustee, or the change of name of a trustee, if material;
 - 15. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties;
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Obligated Person pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. “amendment to continuing disclosure undertaking;”
 2. “change in obligated person;”
 3. “notice to investors pursuant to bond documents;”
 4. “certain communications from the Internal Revenue Service;”
 5. “secondary market purchases;”
 6. “bid for auction rate or other securities;”
 7. “capital or other financing plan;”
 8. “litigation/enforcement action;”
 9. “change of tender agent, remarketing agent, or other on-going party;”
 10. “derivative or other similar transaction;” and
 11. “other event-based disclosures;”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Obligated Person pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:
1. “quarterly/monthly financial information;”
 2. “change in fiscal year/timing of annual disclosure;”
 3. “change in accounting standard;”
 4. “interim/additional financial information/operating data;”
 5. “budget;”
 6. “investment/debt/financial policy;”
 7. “information provided to rating agency, credit/liquidity provider or other third party;”

8. “consultant reports;” and
 9. “other financial/operating data;”
- (viii) provide the Obligated Person evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Obligated Person may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, the Trustee and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

Each Annual Report shall contain:

(a) Annual Financial Information with respect to the Obligated Person which shall include operating data and financial information of the type included in the Official Statement for the Bonds as described in PART 6-THE UNIVERSITY” under the headings “OPERATING INFORMATION” and “FINANCIAL STATEMENTS INFORMATION” relating to: (1) *student admissions*, similar to that set forth in the table entitled “UNDERGRADUATE ADMISSION STATISTICS;” (2) *student enrollment*, similar to that set forth in the tables entitled “ENROLLMENT SUMMARY,” “ENROLLMENT BY SCHOOL,” and “DEGREES CONFERRED;” (3) *tuition and fees*, similar to that set forth in the table entitled “TUITION & FEE CHARGES;” (4) *financial aid*, similar to that set forth under the subheading “Student Financial Aid;” (5) *faculty*, similar to that set forth in the table entitled “FACULTY PROFILE;” (6) *employee relations*, including material information about union contracts and, unless such information is included in the Audited Financial Statements of the University, retirement plans; (7) *restricted and designated net assets*, unless such information is included in the Audited Financial Statements of the University; (8) *fundraising*, similar to that set forth in the table entitled “CASH AND GROSS PLEDGES;” (9) *University investment in plant*, unless such information is included in the Audited Financial Statements of the University; and (10) *outstanding long-term indebtedness*, unless such information is included in the Audited Financial Statements of the University; 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. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Obligated Person is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or 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.

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

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices and determinations with respect to the tax status of the security or other material events affecting the tax status of the security;
7. Modifications to rights of the security holders, if material;
8. Bond calls, if material, and Tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for 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.

13. The consummation of a merger, consolidation or acquisition involving the Obligated Person, or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

The Obligated Person shall, in a timely manner not in excess of ten business days after its occurrence, notify the Trustee and the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Upon actual knowledge of the occurrence of a Notice Event, the Trustee shall promptly notify the Obligated Person and also may notify the Disclosure Dissemination Agent in writing of the occurrence of such 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. 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 underwriters, 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).

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 THIS PAGE INTENTIONALLY LEFT 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: _____

NEW YORK 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): New York University
Name of Bond Issue: New York University Revenue Bonds, Series 2021A (Tax-Exempt) and Series 2021B (Federally Taxable)
Date of Issuance: July 29, 2021
Date of Official Statement: July 13, 2021

Series 2021A (Tax-Exempt)

<u>Maturity</u>	<u>CUSIP No.</u>
2028	65000BCW6
2029	65000BCX4
2030	65000BCY2
2031	65000BCZ9
2032	65000BDA3
2033	65000BDB1
2034	65000BDC9
2035	65000BDD7
2036	65000BDE5
2037	65000BDF2
2038	65000BDG0
2039	65000BDH8
2040	65000BDJ4
2041	65000BDK1
2046	65000BDL9
2051	65000BDM7
2051	65000BDN5

Series 2021B (Federally Taxable)

<u>Maturity</u>	<u>CUSIP No.</u>
2022	65000BDP0
2023	65000BDQ8
2024	65000BDR6
2025	65000BDS4
2026	65000BDT2
2027	65000BDU9
2028	65000BDV7
2029	65000BDW5
2030	65000BDX3
2031	65000BDY1

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): New York University
Name of Bond Issue: New York University Revenue Bonds, Series 2021A (Tax-Exempt) and
Series 2021B (Federally Taxable)
Date of Issuance: July 29, 2021
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 July 29, 2021, 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, 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 security or other material events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material, and Tender offers;"
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. _____ "The consummation of a merger, consolidation or acquisition involving the Obligated Person, or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;"
14. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15. _____ "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
16. _____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

_____ 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 July 29, 2021 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 July 29, 2021 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: _____

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Date:

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