



DAC Bond

\$83,115,000

**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
BARNARD COLLEGE REVENUE BONDS**

\$40,395,000
Series 2022A
(Tax-Exempt)

\$42,720,000
Series 2022B
(Federally Taxable)

Dated: Date of Delivery

Due: July 1, as shown on the inside cover

Payment and Security: The Barnard College Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds") and Barnard College Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds" and, together with the Series 2022A Bonds, the "Series 2022 Bonds") are special obligations of the Dormitory Authority of the State of New York ("DASNY") payable solely from (i) certain payments to be made under the Loan Agreement (the "Loan Agreement"), dated as of July 13, 2022 between Barnard College (the "College" or "Barnard") and DASNY, and (ii) all funds and accounts (except the Arbitrage Rebate Fund) established in connection with the Series 2022 Bonds. The Series 2022 Bonds are to be issued under (i) DASNY's Barnard College Revenue Bond Resolution, adopted March 11, 2015 (the "Resolution"), (ii) the Series Resolution Authorizing Up To \$150,000,000 Barnard College Revenue Bonds, adopted May 11, 2022, relating to the Series 2022A Bonds (the "Series 2022A Resolution"), (iii) the Series Resolution Authorizing Up To \$150,000,000 Barnard College Revenue Bonds, adopted May 11, 2022, relating to the Series 2022B Bonds (the "Series 2022B Resolution" and, together with the Series 2022A Resolution and the Resolution, the "Resolutions"), (iv) the Bond Series Certificate relating to the Series 2022A Bonds (the "Series 2022A Bond Series Certificate") and (v) the Bond Series Certificate relating to the Series 2022B Bonds (the "Series 2022B Bond Series Certificate" and, together with the Series 2022A Bond Series Certificate, the "Bond Series Certificates").

The Loan Agreement is a general, unsecured obligation of the College and requires the College to pay, in addition to the fees and expenses of DASNY and U.S. Bank Trust Company, National Association, New York, New York (the "Trustee"), amounts sufficient to pay, when due, the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Series 2022 Bonds. The Loan Agreement and the obligation of the College to make payments under the Loan Agreement are general, unsecured obligations of the College. No security interest in any revenues or assets of the College has been granted by the College to DASNY under the Loan Agreement.

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

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

The Series 2022 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 2022 Bonds will be made in Book-Entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2022 Bonds, payments of the principal, Sinking Fund Installments, if any, Redemption Price and Purchase Price of and interest on such Series 2022 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 2022 BONDS – Book-Entry Only System" herein.

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

Tax Exemption: In the opinion of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel, under existing law and assuming compliance with the tax covenants described herein and the accuracy of certain representations and certifications described herein, interest on the Series 2022A Bonds is *excluded* from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Co-Bond Counsel is also of the opinion that such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed under the Code. Interest on the Series 2022B Bonds is *included* in gross income for federal income tax purposes under the Code. Co-Bond Counsel is further of the opinion that under existing law, interest on the Series 2022 Bonds is, by virtue of the Act, exempt from personal income taxation imposed by the State of New York or any political subdivision thereof. See "PART 12 – TAX MATTERS" herein.

The Series 2022 Bonds are offered when, as, and if issued and received by the Underwriter. The offer of the Series 2022 Bonds may be subject to prior sale, or withdrawn or modified at any time without notice. The offer is subject to the approval of legality by Nixon Peabody LLP, New York, New York, and D. Seaton and Associates, P.A., P.C. New York, New York, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the College by its counsel, Bond, Schoeneck & King, PLLC, Syracuse, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York. DASNY expects to deliver the Series 2022 Bonds in definitive form in New York, New York, on or about July 13, 2022.

Goldman Sachs & Co. LLC

MATURITY SCHEDULE

\$83,115,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
BARNARD COLLEGE REVENUE BONDS

\$40,395,000
Series 2022A (Tax-Exempt)

\$23,755,000 Serial Bonds

| <u>Due</u> <u>July 1</u> | <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>CUSIP</u> <u>Number</u> [†] | <u>Due</u> <u>July 1</u> | <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>CUSIP</u> <u>Number</u> [†] |
|-----------------------------|---------------|--------------------------------|--------------------|--|-----------------------------|---------------|--------------------------------|---------------------|--|
| 2026 | \$920,000 | 5.000% | 2.760% | 65000BRK6 | 2035 | \$1,425,000 | 5.000% | 3.970% ^C | 65000BRU4 |
| 2027 | 970,000 | 5.000 | 2.870 | 65000BRL4 | 2036 | 1,495,000 | 5.000 | 4.030 ^C | 65000BRV2 |
| 2028 | 1,010,000 | 5.000 | 3.080 | 65000BRM2 | 2037 | 1,570,000 | 5.000 | 4.080 ^C | 65000BRW0 |
| 2029 | 1,065,000 | 5.000 | 3.230 | 65000BRN0 | 2038 | 1,655,000 | 5.000 | 4.120 ^C | 65000BRX8 |
| 2030 | 1,120,000 | 5.000 | 3.370 | 65000BRP5 | 2039 | 1,735,000 | 5.000 | 4.150 ^C | 65000BRY6 |
| 2031 | 1,175,000 | 5.000 | 3.510 ^C | 65000BRQ3 | 2040 | 1,815,000 | 5.000 | 4.190 ^C | 65000BRZ3 |
| 2032 | 1,230,000 | 5.000 | 3.630 ^C | 65000BRR1 | 2041 | 1,910,000 | 5.000 | 4.220 ^C | 65000BSA7 |
| 2033 | 1,295,000 | 5.000 | 3.800 ^C | 65000BRS9 | 2042 | 2,005,000 | 5.000 | 4.230 ^C | 65000BSB5 |
| 2034 | 1,360,000 | 5.000 | 3.900 ^C | 65000BRT7 | | | | | |

\$16,640,000 4.000% Term Bonds Due July 1, 2049, Yield 4.580%, CUSIP Number 65000BSC3[†]

\$42,720,000
Series 2022B (Federally Taxable)

\$42,720,000 5.972% Term Bonds Due July 1, 2042, Price 100%, CUSIP Number 65000BRA8[†]

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2022 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP® numbers listed above are being provided solely for the convenience of holders of the Series 2022 Bonds only at the time of issuance of the Series 2022 Bonds, and no representation is made with respect to the correctness thereof. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the Series 2022 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity. None of the College, DASNY, the Underwriter or the Trustee has agreed to, nor is there any duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP® numbers printed above.

^C Priced at the stated yield to the first optional call date of July 1, 2030 at a redemption price of 100%.

No dealer, broker, salesperson or other person has been authorized by DASNY, the College or the Underwriter to give any information or to make any representations with respect to the Series 2022 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 College or the Underwriter.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be a sale of the Series 2022 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information set forth herein relating to DASNY under the heading "DASNY" has been obtained from DASNY. All other information herein has been obtained by the Underwriter from the College and other sources deemed to be reliable by the Underwriter, and is not to be construed as a representation by DASNY or the Underwriter. In addition, DASNY does not warrant the accuracy of the statements contained herein relating to the College nor does it directly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the College, (2) the sufficiency of security for the Series 2022 Bonds or (3) the value or investment quality of the Series 2022 Bonds.

The College has reviewed the parts of this Official Statement describing the College, the principal and interest requirements, the Series 2022 Project, the Refunding Plan, the estimated sources and uses of funds and Appendix B. As a condition to delivery of the Series 2022 Bonds, the College will certify that as of the date of this Official Statement and of delivery of the Series 2022 Bonds, such parts do not contain any untrue statements of a material fact and do not omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which the statements are made, not misleading. The College makes no representation as to the accuracy or completeness of any other information included in this Official Statement.

References in this Official Statement to the Act, the Resolution, the Series 2022A Resolution, the Series 2022B Resolution, the Bond Series Certificates and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2022A Resolution, the Series 2022B Resolution, the Bond Series Certificates and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2022A Resolution, the Series 2022B Resolution, the Bond Series Certificates and the Loan Agreement will be 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 College have remained unchanged after the date of 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.

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

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

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

OFFICIAL STATEMENT RELATING TO
\$83,115,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
BARNARD COLLEGE REVENUE BONDS

\$40,395,000
SERIES 2022A
(Tax-Exempt)

\$42,720,000
SERIES 2022B
(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 DASNY and the College, in connection with the offering by DASNY of \$40,395,000 principal amount of its Barnard College Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”) and \$42,720,000 principal amount of its Barnard College Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds”) and, together with the Series 2022A Bonds, the “Series 2022 Bonds”).

The following is a brief description of certain information concerning the Series 2022 Bonds, DASNY and the College. A more complete description of such information and additional information that may affect decisions to invest in the Series 2022 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 2022A Bonds are being issued for the purpose of providing funds which will be used by Barnard College (the “College”) to (i) finance a portion of the costs of the Series 2022 Project (as defined below), (ii) refund all of the outstanding DASNY Barnard College Revenue Bonds, Series 2020B (the “Series 2020B Bonds”), which were issued as draw-down bonds and of which \$8,063,402 has been drawn and is currently outstanding, and (iii) pay the Costs of Issuance of the Series 2022A Bonds.

The Series 2022B Bonds are being issued for the purpose of providing funds which will be used by the College to (i) refund \$40,435,000 outstanding principal amount of the DASNY Barnard College Revenue Bonds, Series 2015A (the “Series 2015A Bonds”) maturing on July 1, 2023 through and including July 1, 2032 (such refunded portion of the Series 2015A Bonds, the “Refunded Series 2015A Bonds”; the Refunded Series 2015A Bonds and the Series 2020B Bonds are collectively referred to as the “Refunded Bonds”) and (ii) pay the Costs of Issuance of the Series 2022B Bonds. See “PART 4 — THE SERIES 2022 PROJECT,” “PART 5 — THE REFUNDING PLAN” and “PART 6 — ESTIMATED SOURCES AND USES OF FUNDS.”

Authorization of Issuance

The Series 2022 Bonds will be issued under and pursuant to (i) DASNY’s Barnard College Revenue Bond Resolution, adopted March 11, 2015 (the “Resolution”), (ii) the Series Resolution Authorizing Up To \$150,000,000 Barnard College Revenue Bonds, adopted May 11, 2022, relating to the Series 2022A Bonds (the “Series 2022A Resolution”), (iii) the Series Resolution Authorizing Up To \$150,000,000 Barnard College Revenue Bonds, adopted May 11, 2022, relating to the Series 2022B Bonds (the “Series 2022B Resolution” and, together with the Series 2022A Resolution and the Resolution, the “Resolutions”), (iv) the Bond Series Certificate relating to the Series 2022A Bonds (the “Series 2022A Bond Series Certificate”), (v) the Bond Series Certificate relating to the Series 2022B Bonds (the “Series 2022B Bond Series Certificate” and, together with the Series 2022A Bond Series Certificate, the “Bond Series

Certificates”) and (vi) the Act. The Resolution authorizes the issuance of other Series of Bonds (collectively, the “Bonds”) to, among other things, pay Costs of one or more Projects, to pay the Costs of Issuance of such Series of Bonds, to refund all or a portion of Outstanding Bonds or other notes or bonds of DASNY that were issued on behalf of the College, and to refinance other indebtedness of the College. Except as otherwise provided in the applicable Series Resolutions, each Series of Bonds will be separately secured under the Resolution from each other Series of Bonds. There is no limit on the amount of additional Bonds that may be issued under the Resolution.

DASNY

DASNY is a public benefit corporation of the State, created for the purpose of financing and constructing a variety of public-purpose facilities for certain educational, healthcare, governmental and not-for-profit institutions. See “PART 9 — DASNY.”

The College

The College is an independent, not-for-profit institution of higher education chartered by the Regents of the State of New York. The College is located in New York City in Morningside Heights. See “PART 8 — THE COLLEGE” and “APPENDIX B — FINANCIAL STATEMENTS OF BARNARD COLLEGE AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.”

The Series 2022 Bonds

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

Payment of the Series 2022 Bonds

The Series 2022 Bonds are special obligations of DASNY payable solely from the Revenues which consist of certain payments to be made by the College under the Loan Agreement. The College’s obligation to make the payments under the Loan Agreement is a general, unsecured obligation of the College. Pursuant to an assignment, DASNY will assign, transfer and set over to U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), all of DASNY’s right, title and interest in any and all moneys due to or to become due to DASNY and any and all other rights and remedies of DASNY (except for the Unassigned Rights and moneys payable to DASNY pursuant to the Unassigned Rights) under or arising out of the Loan Agreement. See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS - Payment of the Series 2022 Bonds.”

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

Security for the Series 2022 Bonds

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

The College’s obligation to make the payments under the Loan Agreement are general, unsecured obligations of the College. No security interest in any revenues or assets of the College has been granted by the College to DASNY under the Loan Agreement. However, the College has granted security interests in certain revenues and assets of the College to secure certain of the College’s outstanding indebtedness other than the Series 2022 Bonds. See “PART 2 – SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS – Issuance of Additional Indebtedness and Security for Prior DASNY Bonds” and “PART 8 – THE COLLEGE – Annual Financial Statement Information - Outstanding Obligations of the College” for a description of such indebtedness of the College secured by certain Pledged Revenues.

Security for Certain Prior DASNY Bonds

As security for certain prior DASNY bonds issued for the benefit of the College as set forth below (collectively, the “Prior Secured DASNY Bonds”), the College has granted to DASNY a security interest in Pledged Revenues

consisting of tuition and fees charged by the College to students for academic instruction. See “PART 8 – THE COLLEGE - Annual Financial Statement Information - Outstanding Indebtedness.”

The Series 2022 Bonds will not be secured by a pledge of any revenues of the College. In the Loan Agreement, the College covenants not to grant any pledge on tuition or fees in connection with the incurrence of any indebtedness without granting an equal pledge for benefit of the Series 2022 Bonds. See “PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS - Issuance of Additional Indebtedness and Security for Prior DASNY Bonds.”

The Series 2022 Project

A portion of the proceeds of the Series 2022A Bonds will be used to finance improvements to facilities located on the Morningside Campus (the “Series 2022 Project”). See “PART 4 — THE SERIES 2022 PROJECT.”

The Refunding Plan

A portion of the proceeds of the Series 2022A Bonds will be used to refund the Series 2020B Bonds. The Series 2020B Bonds were issued as draw-down bonds and upon the refunding of the Series 2020B Bonds, the College will *not* have the ability to draw any of the undrawn portion of Series 2020B Bonds. A portion of the proceeds of the Series 2022B Bonds will be used to refund the Refunded Series 2015A Bonds. Such proceeds will be used to purchase certain investment securities, the principal of and interest on which, when due, will be sufficient to pay the maturing principal and redemption price of and interest on the Refunded Series 2015A Bonds. See “PART 5 – THE REFUNDING PLAN.”

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

Set forth below is a narrative description of certain contractual provisions relating to the source of payment of and security for the Series 2022 Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Act, the Loan Agreement, the Resolution, the Series 2022A Resolution, the Series 2022B Resolution and the Bond Series Certificates executed in connection with the issuance of the Series 2022 Bonds. Copies of the Loan Agreement, the Resolution, the Series 2022A Resolution, the Series 2022B Resolution and the Bond Series Certificates will be on file with DASNY and the Trustee. See also “APPENDIX C — SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT” and “APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION” for a more complete statement of the rights, duties and obligations of the parties thereto.

Payment of the Series 2022 Bonds

The Series 2022 Bonds will be special obligations of DASNY. The Series 2022 Bonds are secured by the pledge and assignment to the Trustee by DASNY of the payments to be made by the College under the Loan Agreement that constitute the Revenues and, except as otherwise provided in the Resolutions, all funds and accounts established under the Resolutions in connection with the Series 2022 Bonds (with the exception of the Arbitrage Rebate Fund). The Revenues and the right to receive them have been pledged to the Trustee for the benefit of the Holders of the Series 2022 Bonds.

The Loan Agreement is a general, unsecured obligation of the College and requires the College to make payments to satisfy the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Series 2022 Bonds. Payments made by the College under the Loan Agreement are to be made by the June 10th and December 10th immediately preceding each date on which a debt service payment is due on the Series 2022 Bonds, in an amount equal to the total amount of principal, Sinking Fund Installments, if any, and interest payable on the Outstanding Series 2022 Bonds on the next interest payment date. The Loan Agreement also obligates the College to make payments sufficient to pay the amount, if any, required to pay the Redemption Price or Purchase Price of Series 2022 Bonds called for redemption or contracted to be purchased. See “PART 3 — THE SERIES 2022 BONDS - Redemption and Purchase in Lieu of Redemption Provisions.”

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

Security for the Series 2022 Bonds

The Series 2022 Bonds will be secured by the pledge and assignment by DASNY of the Revenues, the right to receive such Revenues, and the funds and accounts established pursuant to the Resolution, the Loan Agreement, the

Series 2022A Resolution and the Series 2022B Resolution (other than the Arbitrage Rebate Fund). The Resolution authorizes the issuance by DASNY, from time to time, of Bonds in one or more Series, each such Series to be authorized by a separate Series Resolution. See “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION.”

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

Issuance of Additional Indebtedness and Security for Prior DASNY Bonds

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

As security for the Series 2015A Bonds and the DASNY Barnard College Revenue Bonds, Series 2015B (the “Series 2015B Bonds” and together with the Series 2015A Bonds, the “Prior Secured DASNY Bonds”), the College has granted to DASNY a security interest in its Pledged Revenues, consisting of tuition and fees, which was assigned by DASNY to the applicable trustee. If an event of default occurs relating to the Prior Secured DASNY Bonds and the security interest in such Pledged Revenues is realized upon in accordance with the related loan agreement, any amounts collected will not be available for satisfying the College’s obligations under the Loan Agreement. In Fiscal Year 2021, the College reported approximately \$116.2 million in net tuition and fees revenues subject to these liens. In addition to the Prior Secured DASNY Bonds, the DASNY Barnard College Insured Revenue Bonds, Series 2008A (the “Series 2008A Bonds”), the DASNY Barnard College Revenue Bonds, Series 2020A (the “Series 2020A Bonds”) and the Series 2020B Bonds (together with the Prior Secured DASNY Bonds, the Series 2008A Bonds and the Series 2020A Bonds, the “Prior DASNY Bonds”), were issued as general, unsecured obligations of the College. The loan agreements or continuing covenant agreements entered into in connection with the Series 2020B Bonds and the Series 2015B Bonds require the College to maintain an expendable resources to debt ratio of at least 40%.

The continuing covenant agreement entered into in connection with the Series 2020B Bonds requires the College to maintain a minimum debt service coverage ratio of 1.00 to 1.00 and to maintain a certain amount of money in a deposit account with the purchaser of the Series 2020B Bonds. As of June 30, 2021, the College was in compliance with those financial covenants. See “PART 8 — THE COLLEGE - Annual Financial Statement Information - Outstanding Obligations of the College.” \$40,435,000 outstanding principal amount of the Series 2015A Bonds are anticipated to be refunded with proceeds of the Series 2022B Bonds, and the Series 2020B Bonds are anticipated to be refunded in full with proceeds of the Series 2022A Bonds. Upon the refunding of the Series 2020B Bonds, (a) the two covenants of the College described above made solely in connection with the Series 2020B Bonds will no longer be applicable and (b) the College will *not* have the ability to draw any of the undrawn portion of Series 2020B Bonds. See “PART 5 – THE REFUNDING PLAN.”

The Series 2022 Bonds will not be secured by a pledge of any revenues of the College. Pursuant to the Loan Agreement, however, the College has covenanted not to incur any lien, pledge, charge, encumbrance or security interest in tuition and fees in connection with the incurrence of any indebtedness without granting an equal lien, pledge, charge, encumbrance or security interest as security for the payment of all liabilities and the performance of all obligations of the College under the Loan Agreement.

Events of Default and Acceleration

The following are events of default under the Resolution with respect to the Series 2022 Bonds: (i) a default by DASNY in the payment of the principal, Sinking Fund Installment or Redemption Price of any Bond; (ii) a default by DASNY in the payment of interest on any Bond; (iii) a default by DASNY in the due and punctual performance of any covenant or agreement contained in the Series 2022A Resolution to comply with the provisions of the Code necessary to maintain the exclusion of interest on the Series 2022A Bonds from gross income for purposes of federal income taxation, and, as a result thereof, the interest on the Series 2022A Bonds is no longer excludable from gross income under Section 103 of the Code; (iv) a default by DASNY in the due and punctual performance of any

covenants, conditions, agreements or provisions contained in the Series 2022 Bonds or in the Resolutions which continues for 30 days after written notice thereof is given to DASNY by the Trustee (such notice to be given in the Trustee's discretion or at the written request of the Holders of not less than 25% in principal amount of Outstanding Bonds) or if such default is not capable of being cured within 30 days, if the Authority fails to commence within 30 days to cure the same and to diligently prosecute the cure thereof; or (v) DASNY shall have notified the Trustee that an "Event of Default," as defined in the Loan Agreement, has occurred and is continuing and all sums payable by the College under the Loan Agreement have been declared immediately due and payable (unless such declaration shall have been annulled). Unless all sums payable by the College under the Loan Agreement are declared immediately due and payable, an event of default under the Loan Agreement is not an event of default under the Resolution.

The Resolution provides that, if an event of default (other than as described in clause (iii) of the preceding paragraph) occurs and continues, the Trustee may, and upon the written request of Holders of not less than 25% in principal amount of the Outstanding Series 2022 Bonds, shall declare the principal of and interest on all the Outstanding Series 2022 Bonds to be due and payable. At any time after the principal of the Series 2022 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 may, with the written consent of the Holders of not less than 25% in principal amount of Series 2022 Bonds not yet due by their terms and then Outstanding, by written notice to DASNY, annul such declaration and its consequences under the terms and conditions specified in the Resolution with respect to such annulment.

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

PART 3 — THE SERIES 2022 BONDS

Set forth below is a narrative description of certain provisions relating to the Series 2022 Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Resolution, the Series 2022A Resolution, the Series 2022B Resolution, the Bond Series Certificates and the Loan Agreement, copies of which will be on file with DASNY and the Trustee. See also "APPENDIX C — SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT" and "APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION" for a more complete description of certain provisions of the Series 2022 Bonds.

General

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

Description of the Series 2022 Bonds

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

Interest on the Series 2022 Bonds will be payable by check mailed to the registered owners or, at the option of the registered owner of at least \$1,000,000 of Series 2022 Bonds, by wire transfer to the wire transfer address within the continental United States to which the registered owner has instructed the Trustee to make such payment at least five days prior to the interest payment date. If the Series 2022 Bonds are not registered in the name of DTC or its nominee, Cede & Co., the principal and Redemption Price of the Series 2022 Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of U.S. Bank Trust Company, National Association, New York, New York, the Trustee and Paying Agent.

Redemption and Purchase in Lieu of Redemption Provisions

The Series 2022 Bonds are subject to optional, special and mandatory redemption and purchase in lieu of optional redemption, as described below. For a more complete description of the redemption and other provisions relating to the Series 2022 Bonds, see “APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION.”

Optional Redemption

Series 2022A Bonds

The Series 2022A Bonds maturing on or before July 1, 2030 are not subject to optional redemption prior to maturity. The Series 2022A Bonds maturing after July 1, 2030 are subject to redemption prior to maturity at the option of DASNY on any Business Day on or after July 1, 2030, in any order, in whole or in part at any time, at a Redemption Price equal to 100% of the principal amount of the Series 2022A Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Series 2022B Bonds

The Series 2022B Bonds are subject to redemption prior to maturity on any Business Day, in any order at the option of DASNY upon direction of the College, in whole or in part (and, if in part, in authorized denominations and on a pro rata basis, subject to the provisions described below under “– Selection of Bonds to be Redeemed - Series 2022B Bonds”), (i) prior to January 1, 2042, at the Make-Whole Redemption Price described below, and (ii) on or after January 1, 2042, at a Redemption Price equal to 100% of the principal amount of the Series 2022B Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

“*Make-Whole Redemption Price*” means the greater of (i) 100% of the principal amount of a Series 2022B Bond to be redeemed or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2022B Bond, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2022B Bond is to be redeemed, discounted to the date on which such Series 2022B Bond is to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months at the adjusted Treasury Rate (as defined below) plus 40 basis points, plus, in each case, accrued and unpaid interest on such Series 2022B Bond to the redemption date. The Trustee may retain, at the expense of the College, 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 determination of the Make-Whole Redemption Price by such accounting firm or financial advisor shall be conclusive and binding on the Trustee, DASNY, the College and the Holders of the Series 2022B Bonds, and neither the Trustee nor DASNY nor the College will have any liability for their reliance thereon.

“*Treasury Rate*” means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

As used in connection with the above definition of “Treasury Rate” the following capitalized terms have the following meanings: (a) “*Comparable Treasury Issue*” means the United States Treasury security or securities selected by a Designated Investment Banker that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such Series 2022B Bonds; (b) “*Comparable Treasury Price*” means, with respect to any redemption date, the average of the Primary Treasury Dealer Quotations for such redemption date or, if the Designated Investment Banker obtains only one Primary Treasury Dealer Quotation, such Primary Treasury Dealer Quotation; (c) “*Designated Investment Banker*” means a Primary Treasury Dealer appointed by the College; (d) “*Primary Treasury Dealer*” means one or more entities appointed by the College, which, in each case, is a primary U.S. Government securities dealer in The City of New York, New York, and its successors; and (e) “*Primary Treasury Dealer Quotations*” means, with respect to each Primary Treasury Dealer and any redemption date, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in

each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Primary Treasury Dealer at 3:30 p.m. New York time on the third Business Day preceding such redemption date.

Purchase in Lieu of Optional Redemption

The Series 2022A Bonds maturing after July 1, 2030 are also subject to purchase in lieu of optional redemption prior to maturity at the election of the College, with the prior written consent of DASNY, on any Business Day on which the Series 2022A Bonds are subject to optional redemption, in any order, in whole or in part, at a Purchase Price equal to 100% of the principal amount of the Series 2022A Bonds to be purchased, plus accrued interest to the date set for purchase (the “Purchase Date”).

The Series 2022B Bonds are also subject to purchase in lieu of optional redemption prior to maturity at the election of the College, with the prior written consent of DASNY, on any Business Day, in any order, in whole or in part, (i) prior to January 1, 2042, at a Purchase Price equal to the Make-Whole Redemption Price, and (ii) on or after January 1, 2042, at a Purchase Price equal to 100% of the principal amount of the Series 2022B Bonds to be purchased, plus accrued interest to the Purchase Date.

Mandatory Redemption

Series 2022A Bonds

The Series 2022A Bonds maturing July 1, 2049 are subject to redemption, in part, through application of Sinking Fund Installments upon notice given as prescribed in the Resolutions and the Series 2022A Bond Series Certificate, at a Redemption Price equal to 100% of the principal amount of Series 2022A Bonds to be redeemed, plus accrued interest to the date of redemption. Unless none of the Series 2022A Bonds of a maturity to be so redeemed are then Outstanding and, subject to the provisions of the Resolutions permitting amounts to be credited to part or all of any one or more Sinking Fund Installments, there shall be due and DASNY shall be required to pay for the retirement of the Series 2022A Bonds maturing on July 1 of each of the years set forth in the following table, the amount set forth opposite such year:

**Series 2022A Bonds
Maturing July 1, 2049**

| <u>Year</u> | <u>Sinking Fund Installment</u> |
|-------------------|---------------------------------|
| 2043 | \$2,105,000 |
| 2044 | 2,195,000 |
| 2045 | 2,275,000 |
| 2046 | 2,370,000 |
| 2047 | 2,465,000 |
| 2048 | 2,565,000 |
| 2049 [†] | 2,665,000 |

[†] Stated maturity.

There will be credited against and in satisfaction of the Sinking Fund Installment payable on any date, the principal amount of Series 2022A Bonds entitled to such Sinking Fund Installment (A) purchased with moneys in the Debt Service Fund pursuant to the Resolution, (B) redeemed at the option of DASNY, (C) purchased by the College or DASNY and delivered to the Trustee for cancellation or (D) deemed to have been paid in accordance with the Resolution. Series 2022A Bonds purchased with moneys in the Debt Service Fund will be applied against and in fulfillment of the Sinking Fund Installment of the Series 2022A Bonds so purchased payable on the next succeeding July 1. Series 2022A Bonds redeemed at the option of DASNY, purchased by DASNY or the College (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 2022A Bonds of the maturity so purchased will be reduced for such year.

Series 2022B Bonds

The Series 2022B Bonds are subject to redemption, in part, through application of Sinking Fund Installments upon notice given as prescribed in the Resolutions and the Series 2022B Bond Series Certificate, at a Redemption Price equal to 100% of the principal amount of Series 2022B Bonds to be redeemed, plus accrued interest to the date

of redemption. Unless none of the Series 2022B Bonds of a maturity to be so redeemed are then Outstanding and, subject to the provisions of the Resolutions permitting amounts to be credited to part or all of any one or more Sinking Fund Installments, there shall be due and DASNY shall be required to pay for the retirement of the Series 2022B Bonds maturing on July 1 of each of the years set forth in the following table, the amount set forth opposite such year:

Series 2022B Bonds

| <u>Year</u> | <u>Sinking Fund Installment</u> |
|-------------------|---------------------------------|
| 2038 | \$7,580,000 |
| 2039 | 8,035,000 |
| 2040 | 8,515,000 |
| 2041 | 9,025,000 |
| 2042 [†] | 9,565,000 |

† Stated maturity.

There will be credited against and in satisfaction of the Sinking Fund Installment payable on any date, the principal amount of Series 2022B Bonds entitled to such Sinking Fund Installment (A) purchased with moneys in the Debt Service Fund pursuant to the Resolution, (B) redeemed at the option of DASNY, (C) purchased by the College or DASNY and delivered to the Trustee for cancellation or (D) deemed to have been paid in accordance with the Resolution. Series 2022B Bonds purchased with moneys in the Debt Service Fund will be applied against and in fulfillment of the Sinking Fund Installment of the Series 2022B Bonds so purchased payable on the next succeeding July 1. Series 2022B Bonds redeemed at the option of DASNY, purchased by DASNY or the College (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 2022B Bonds of the maturity so purchased will be reduced for such year.

Special Redemption

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

Selection of Bonds to be Redeemed or Purchased

Series 2022A Bonds

In the case of redemption or purchase in lieu of redemption of less than all of the Series 2022A Bonds, DASNY will select the maturities of the Series 2022A Bonds to be redeemed or purchased. If less than all of the Series 2022A Bonds of maturity are to be redeemed or purchased, the Series 2022A Bonds of such maturity to be redeemed or purchased will be selected by the Trustee, by lot, using such method of selection as the Trustee shall consider proper in its discretion.

Series 2022B Bonds

If the Series 2022B Bonds are registered in book-entry only form and so long as Cede & Co (or such other DTC nominee) is the sole registered owner of such Series 2022B Bonds, if less than all of the Series 2022B Bonds of a maturity are called for prior redemption, the particular Series 2022B Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Series 2022B Bonds are held in book-entry form, the selection for redemption of such Series 2022B Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the Securities Depository operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Series 2022B Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

DASNY and the College intend 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 College nor the Underwriter can

provide any assurance that DTC, DTC's direct and indirect participants or any other intermediary will allocate the redemption of the Series 2022B Bonds on such basis.

In connection with any repayment of principal, the Trustee will direct DTC to make a pro rata pass-through distribution of principal to the holders of the Series 2022B Bonds.

For purposes of calculation of the pro rata pass-through distribution of principal, "pro rata," means, for any amount of principal to be paid, the application of a fraction to each denomination of the respective Series 2022B Bonds where (a) the numerator is equal to the amount due to the respective bondholders on a payment date, and (b) the denominator is equal to the total original par amount of the respective Series 2022B Bonds.

If the Series 2022B Bonds are no longer registered in book-entry-only form, each owner will receive an amount of Series 2022B Bonds equal to the original face amount then beneficially held by that owner, registered in such investor's name. Thereafter, any redemption of less than all of the Series 2022B Bonds will continue to be paid to the registered owners of such Series 2022B Bonds on a pro-rata basis, based on the portion of the original face amount of any such Series 2022B Bonds to be redeemed.

Notice of Redemption

The Trustee is to give notice of the redemption of the Series 2022 Bonds in the name of DASNY, by first-class mail, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to the registered owners of any Series 2022 Bonds to be redeemed, at their last known addresses appearing on the registration books of DASNY not more than 10 Business Days prior to the date such notice is given. Each notice of redemption, other than a notice of "Special Redemption," will state, in addition to any other condition, that the redemption is conditioned upon the availability on the redemption date of sufficient moneys to pay the Redemption Price of the Series 2022 Bonds to be redeemed. The failure of any owner of a Series 2022 Bond to be redeemed to receive notice of redemption will not affect the validity of the proceedings for the redemption of such Series 2022 Bond.

If on the redemption date, moneys for the redemption of the Series 2022 Bonds of like Series and maturity to be redeemed, together with interest thereon to the redemption date, are held by the Trustee so as to be available for payment of the redemption price, and if notice of redemption has been mailed, then interest on the Series 2022 Bonds of such Series and maturity will cease to accrue from and after the redemption date and such Series 2022 Bonds will no longer be considered to be Outstanding.

Notice of Purchase in Lieu of Redemption and its Effect

Notice of purchase of the Series 2022 Bonds will be given in the name of the College to the registered owners of the Series 2022 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 2022 Bonds to be purchased are required to be tendered on the Purchase Date to the Trustee. Series 2022 Bonds to be purchased that are not so tendered will be deemed to have been properly tendered for purchase. If the Series 2022 Bonds are called for purchase in lieu of an optional redemption, such purchase will not extinguish the indebtedness of DASNY evidenced thereby or modify the terms of the Series 2022 Bonds. Such Series 2022 Bonds need not be cancelled, and will remain Outstanding under the Resolution and continue to bear interest.

The College's obligation to purchase a Series 2022 Bond to be purchased or cause it to be purchased is conditioned upon the availability of sufficient money to pay the Purchase Price for all of the Series 2022 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 2022 Bonds to be purchased, the former registered owners of such Series 2022 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 2022 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 2022 Bonds in accordance with their respective terms.

If not all of the Outstanding Series 2022 Bonds are to be purchased, the Series 2022 Bonds to be purchased will be selected by lot in the same manner as Series 2022 Bonds to be redeemed in part are to be selected.

For a more complete description of the redemption and other provisions relating to the Series 2022 Bonds, see "APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION." Also see "— Book-Entry Only System" below for a description of the notices of redemption to be given to Beneficial Owners of the Series 2022 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 2022 Bonds. The Series 2022 Bonds will be issued as fully-registered securities in the name of Cede & Co. (DTC’s partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2022 Bond certificate will be issued for each maturity of each Series of the Series 2022 Bonds, each in the aggregate principal amount of such maturity of such Series, and will be deposited with DTC.

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

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

To facilitate subsequent transfers, all Series 2022 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2022 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 2022 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022 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 2022 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments on the Series 2022 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from DASNY or the

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

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

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

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

So long as Cede & Co. is the registered owner of the Series 2022 Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2022 Bonds (other than under the caption "PART 12 — TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and do not mean the Beneficial Owners of the Series 2022 Bonds.

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

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

NONE OF DASNY, THE TRUSTEE OR THE UNDERWRITER 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 2022 BONDS UNDER THE RESOLUTIONS; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2022 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 2022 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2022 BONDS; OR (VI) ANY OTHER MATTER.

Principal and Interest Requirements

The following table sets forth the amounts required to be paid by the College during each twelve-month period ending June 30 of the Bond Years shown for the payment of debt service on the currently outstanding indebtedness of the College, the principal of and interest on the Series 2022 Bonds and the total debt service on all indebtedness of the College, including the Series 2022 Bonds.

| 12 Month Period Ending June 30, | Series 2022A Bonds | | Series 2022B Bonds | | Total Debt Service on the Series 2022 Bonds* | Debt Service on Other Indebtedness ⁽¹⁾⁽²⁾ | Total Debt Service* |
|--|-----------------------|----------------------|-----------------------|----------------------|---|--|------------------------|
| | Principal Payments | Interest Payments | Principal Payments | Interest Payments | | | |
| 2023 | - | \$1,791,572 | - | \$2,466,197 | \$4,257,769 | \$13,224,688 | \$17,482,456 |
| 2024 | - | 1,853,350 | - | 2,551,238 | 4,404,588 | 5,163,938 | 9,568,526 |
| 2025 | - | 1,853,350 | - | 2,551,238 | 4,404,588 | 5,163,538 | 9,568,126 |
| 2026 | \$ 920,000 | 1,853,350 | - | 2,551,238 | 5,324,588 | 5,161,138 | 10,485,726 |
| 2027 | 970,000 | 1,807,350 | - | 2,551,238 | 5,328,588 | 5,121,738 | 10,450,326 |
| 2028 | 1,010,000 | 1,758,850 | - | 2,551,238 | 5,320,088 | 5,121,738 | 10,441,826 |
| 2029 | 1,065,000 | 1,708,350 | - | 2,551,238 | 5,324,588 | 5,124,538 | 10,449,126 |
| 2030 | 1,120,000 | 1,655,100 | - | 2,551,238 | 5,326,338 | 4,794,938 | 10,121,276 |
| 2031 | 1,175,000 | 1,599,100 | - | 2,551,238 | 5,325,338 | 4,796,138 | 10,121,476 |
| 2032 | 1,230,000 | 1,540,350 | - | 2,551,238 | 5,321,588 | 4,800,338 | 10,121,926 |
| 2033 | 1,295,000 | 1,478,850 | - | 2,551,238 | 5,325,088 | 9,277,338 | 14,602,426 |
| 2034 | 1,360,000 | 1,414,100 | - | 2,551,238 | 5,325,338 | 9,283,238 | 14,608,576 |
| 2035 | 1,425,000 | 1,346,100 | - | 2,551,238 | 5,322,338 | 9,285,538 | 14,607,876 |
| 2036 | 1,495,000 | 1,274,850 | - | 2,551,238 | 5,321,088 | 7,678,638 | 12,999,726 |
| 2037 | 1,570,000 | 1,200,100 | - | 2,551,238 | 5,321,338 | 7,673,238 | 12,994,576 |
| 2038 | 1,655,000 | 1,121,600 | \$7,580,000 | 2,551,238 | 12,907,838 | 6,124,838 | 19,032,676 |
| 2039 | 1,735,000 | 1,038,850 | 8,035,000 | 2,098,561 | 12,907,411 | 6,123,088 | 19,030,498 |
| 2040 | 1,815,000 | 952,100 | 8,515,000 | 1,618,711 | 12,900,811 | 6,122,588 | 19,023,398 |
| 2041 | 1,910,000 | 861,350 | 9,025,000 | 1,110,195 | 12,906,545 | 6,122,888 | 19,029,432 |
| 2042 | 2,005,000 | 765,850 | 9,565,000 | 571,222 | 12,907,072 | 6,123,538 | 19,030,609 |
| 2043 | 2,105,000 | 665,600 | | | 2,770,600 | 6,124,038 | 8,894,638 |
| 2044 | 2,195,000 | 581,400 | | | 2,776,400 | 6,123,888 | 8,900,288 |
| 2045 | 2,275,000 | 493,600 | | | 2,768,600 | 6,127,450 | 8,896,050 |
| 2046 | 2,370,000 | 402,600 | | | 2,772,600 | 6,128,150 | 8,900,750 |
| 2047 | 2,465,000 | 307,800 | | | 2,772,800 | 2,120,800 | 4,893,600 |
| 2048 | 2,565,000 | 209,200 | | | 2,774,200 | 2,130,400 | 4,904,600 |
| 2049 | 2,665,000 | 106,600 | | | 2,771,600 | 2,121,600 | 4,893,200 |
| TOTAL* | \$40,395,000 | \$32,641,272 | \$42,720,000 | \$46,133,461 | \$160,889,733 | \$163,163,975 | \$324,053,708 |

* Totals may not add due to rounding.

(1) Excludes debt service on the Refunded Bonds, and includes debt service on the other Prior DASNY Bonds.

(2) Assumes an interest rate of 4.5% on the Series 2015B Bonds.

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PART 4 — THE SERIES 2022 PROJECT

A portion of the proceeds of the Series 2022A Bonds will be used to finance costs of the Series 2022 Project. The Series 2022 Project consists of the financing of improvements to facilities located on the Morningside Campus, consisting of (i) the campus-wide construction, reconstruction, renovation, relocation, improvement and modernization of various College buildings, facilities and infrastructure, including, but not limited to, maintenance costs relating to HVAC, plumbing and electrical systems, renovations of classroom, lab and office facilities, and safety improvements; (ii) façade, window and roof repair and upgrades for various College buildings consistent with New York City legal mandates; (iii) the renovation, equipping and modernization of life and/or fire safety apparatus at various College buildings, including, but not limited to, fire alarms and sprinkler systems; (iv) the renovation, reconstruction, furnishing, equipping and modernization of classroom, lab and office facilities at the College science building, Roy & Diana Vagelos Science Center (formerly Helen Goodhart Altschul Hall), to enhance STEM education; (v) the renovation, reconstruction, furnishing, equipping and modernization of Barnard Hall including, but not limited to, renovations to provide a student center, dance and wellness center and additional classroom and office space; (vi) the acquisition, installation and modernization of the College's information technology systems; and (vii) the campus-wide acquisition and installation of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property.

PART 5 — THE REFUNDING PLAN

A portion of the proceeds of the Series 2022A Bonds will be applied to redeem the Series 2020B Bonds on October 1, 2022, which were issued as draw-down bonds and of which \$8,063,402 has been drawn and is currently outstanding. Upon the redemption of the Series 2020B Bonds, the College will *not* have the ability to draw any of the undrawn portion of Series 2020B Bonds. The remaining costs of the Series 2022 Project that was initially authorized by the resolutions relating to the Series 2020B Bonds, which were originally expected to be financed by the Series 2020B Bonds, will now be financed by a portion of the proceeds of the Series 2022A Bonds, as described above under "PART 4 – THE SERIES 2022 PROJECT."

A portion of the proceeds of the Series 2022B Bonds will be used to refund the Refunded Series 2015A Bonds. Upon issuance of the Series 2022B Bonds, such proceeds are expected to be used to acquire defeasance securities under the resolution pursuant to which the Refunded Series 2015A Bonds were issued (the "Investment Securities"), the principal of and interest on which, when due, together with any initial cash deposit, will provide moneys sufficient to pay the maturing principal and redemption price of the Refunded Series 2015A Bonds and the interest on such Refunded Series 2015A Bonds to the date fixed for redemption. The Investment Securities will be deposited with the trustee for the Refunded Series 2015A Bonds, upon the issuance and delivery of the Series 2022 Bonds, and will be held in trust solely for the payment of the maturing principal and redemption price of and interest on the Refunded Series 2015A Bonds. At the time of such deposit, DASNY will give such irrevocable instructions to the applicable trustee to give notice of the refunding and redemption of the Refunded Series 2015A Bonds and to apply the proceeds from the Investment Securities together with any initial cash deposit to the payment of the maturing principal and redemption price of and interest on the Refunded Series 2015A Bonds. In connection with the refunding, Bond Counsel will render its opinion that, upon making such deposits with the applicable trustee and the issuance of certain irrevocable instructions to the trustee, the Refunded Series 2015A Bonds will, under the terms of the resolution under which they were issued, be deemed to have been paid and will no longer be outstanding.

PART 6 — ESTIMATED SOURCES AND USES OF FUNDS

Estimated sources and uses of funds are as follows:

| Sources of Funds | Series 2022A | Series 2022B | Total |
|--|------------------------|------------------------|------------------------|
| Principal Amount..... | \$40,395,000.00 | \$42,720,000.00 | \$83,115,000.00 |
| Plus: Net Original Issue Premium | 271,862.75 | - | 271,862.75 |
| Total Sources | <u>\$40,666,862.75</u> | <u>\$42,720,000.00</u> | <u>\$83,386,862.75</u> |
| Uses of Funds | | | |
| Refunding Escrow Deposit for Refunded Series 2015A | | | |
| Bonds..... | - | \$42,168,232.23 | \$42,168,232.23 |
| Redemption of Series 2020B Bonds..... | \$8,210,177.68 | - | 8,210,177.68 |
| Deposit to Construction Fund..... | 31,936,598.00 | - | 31,936,598.00 |
| Costs of Issuance ¹ | 520,087.07 | 551,767.77 | 1,071,854.84 |
| Total Uses | <u>\$40,666,862.75</u> | <u>\$42,720,000.00</u> | <u>\$83,386,862.75</u> |

¹Includes underwriter’s discount, legal fees and associated costs relating to the Series 2022 Bonds.
Totals may not add due to rounding.

PART 7 — BONDHOLDERS’ RISKS

The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2022 Bonds. Such discussion is not exhaustive, should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2022 Bonds should analyze carefully the information contained in this Official Statement, including the appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which will be available as described in this Official Statement.

General

The Series 2022 Bonds are payable from payments to be made by the College under the Loan Agreement. The ability of the College to comply with its obligations under the Loan Agreement depends primarily upon the ability of the College to continue to attract sufficient tuition-paying students to its educational programs, to obtain sufficient revenues from related activities and to maintain sufficient creditworthiness. The College expects that revenues derived from its ongoing operations, together with other available resources, will at all times be sufficient to make the required payments on the Loan Agreement and the College will covenant under the Loan Agreement to make all such payments when due. There are certain risks, however, which might prevent the College from obtaining sufficient revenues from tuition and other sources to meet all of its obligations, including its obligations under the Loan Agreement. Purchasers of the Series 2022 Bonds should bear in mind that the occurrence of any number of events could adversely affect the ability of the College to generate such revenues. Future economic, demographic and other conditions, including the demand for educational services, the ability of the College to provide the services required by students, the impact of the COVID-19 pandemic, economic developments in the New York area and competition from other educational institutions, together with changes in costs, including but not limited to increased costs resulting from severe weather events and the impact of climate change on College facilities and operations, cost of compliance with laws and regulations, and increased costs of energy, materials and other supplies, may adversely affect revenues and expenses and, consequently, the ability of the College to provide for payments. The future financial condition of the College could also be adversely affected by, among other things, legislation and regulatory actions, and a number of other conditions which are unpredictable.

COVID-19

Any future impact of the COVID-19 pandemic and the scope of any adverse impact on the College from the COVID-19 pandemic and any mitigation efforts cannot be fully determined. The College cannot predict (i) the duration or extent of the COVID-19 pandemic or another outbreak or pandemic; (ii) the nature, duration or extent of any efforts to mitigate the COVID-19 pandemic or another outbreak or pandemic; (iii) what effect COVID-19 or any other outbreak or pandemic-related restrictions or warnings may have on demand for higher education; (iv) whether and to what extent the COVID-19 pandemic may in the future continue to disrupt the State, national or global economy or whether any such disruptions may adversely impact the College’s operations or revenues; or (v) whether any of the foregoing may have a material adverse effect on the financial condition or operations of the College or the ratings on

the Series 2022 Bonds. However, the College currently anticipates that the COVID-19 pandemic and the related responsive measures will not impair the College's ability to pay debt service on the Series 2022 Bonds and to comply with the other terms thereof.

See "PART 8 – THE COLLEGE" herein for information regarding the College's response to the COVID-19 pandemic and the impact of the COVID-19 pandemic on the College's operations and financial condition.

Financial Assistance

The amount of available financial assistance is a significant factor in the decision of many students to attend a particular college or university. Overall, 34% of the College's student body for the 2021-22 academic year receive some form of financial assistance through the College. The level of financial assistance is directly affected by funding levels of federal, state and other financial aid programs. Any significant reduction in the level of financial assistance offered to prospective students could reduce the number of students enrolling at the College, which may have a material adverse effect on the financial condition and operations of the College.

Investment Income

Although the portion of the College's endowment funds without donor restrictions and the payout therefrom are available for debt service payments on the Series 2022 Bonds, no assurance can be given that developments in the securities markets will not have an adverse effect on the market value of those investments and the income generated therefrom.

Fund Raising

The College raises funds to finance its operations and capital development programs from a variety of benefactors. Although it plans to continue those efforts in the future, there can be no assurance that those efforts will be successful. Such efforts may be adversely affected by a number of factors, including general economic conditions and tax law changes affecting the deductibility of charitable contributions, which may have a material adverse effect on the financial condition and operations of the College.

Government Funding

The federal and state governments provide funding to support education, including tuition assistance. These sources of funding and the governmental programs that support them have been and will continue to be subject to modification and revision due to state and federal policy decisions, legislative action and government funding limitations. The financial condition of the College could be adversely affected by these actions and the ability of the College to maintain its creditworthiness will be based on its ability to successfully manage the outcome of any such actions.

Risks as Employer

The College combines a complex mix of tenured and untenured full-time faculty, part-time faculty, technical and clerical support staff and other types of workers in a single operation. As with all large employers, the College bears a wide variety of risks in connection with its employees. These risks include discrimination claims, personal tort actions, work-related injuries, exposure to hazardous materials, interpersonal torts (such as between employees or between employees and students) and other risks that may flow from the relationships between employer and employee or between students and employees. Certain of these risks are not covered by insurance, and certain of them cannot be anticipated or prevented in advance and could have a material adverse effect on the financial condition and operations of the College.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the College. Despite the implementation of network security measures by the College, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware, or computer viruses, or may otherwise be breached due to employee error, malfeasance, or other disruptions. Any such breach could compromise networks, and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the College does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated entities, any such disruption, access, disclosure, or other loss of information could result in reputational damage to the College and may have a material adverse effect on the College's operations and financial condition. Further, as cybersecurity threats continue to evolve, the College may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate, and remediate any

vulnerabilities, or invest in new technology designed to mitigate security risks. The College maintains cyber insurance.

Change in Law

Changes in law may impose new or added financial or other burdens on the operations of the College. Developments may include: (i) legislative or regulatory requirements for maintaining status as an organization exempt from taxation as described in Section 501(c)(3) of the Code; or (ii) challenges to State and local exemptions from real property tax and other taxes. It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of not-for-profit corporations. There can be no assurance that future changes in the laws and regulations will not materially adversely affect the operations and financial condition of the College by requiring it to pay income or real property taxes (or other ad valorem taxes).

Tax-Related Risks

Tax-Exempt Status Change; Event of Taxability

Loss of tax-exempt status by the College could result in loss of the exclusion from federal gross income of interest on the Series 2022A Bonds and defaults in covenants regarding the Series 2022A Bonds and other related tax-exempt debt would likely be triggered. However, loss of tax-exempt status by the College would not cause a mandatory redemption or acceleration on the Series 2022A Bonds nor would it cause a change in the interest rates on the Series 2022A Bonds. The maintenance by the College of its Section 501(c)(3) tax-exempt status depends, in part, upon compliance with general rules in the Code and related United States Treasury regulations regarding the organization and operation of tax-exempt entities, including their operation for charitable and educational purposes and their avoidance of transactions that may cause their assets to inure to the benefit of private individuals. The IRS has indicated that it is giving greater scrutiny to certain tax-exempt organizations, including colleges and universities.

If the College does not comply with certain covenants set forth in the Loan Agreement and the Tax Certificate (defined below) or if certain representations or warranties made by the College in the Loan Agreement or in certain certificates of the College are false or misleading, the interest paid or payable on the Series 2022A Bonds may result in loss of the exclusion from federal gross income of interest on the Series 2022A Bonds retroactive to the date of issuance of the Series 2022A Bonds, regardless of the date on which such noncompliance or misrepresentation is ascertained. In the event that the interest on the Series 2022A Bonds becomes subject to inclusion in gross income for federal income tax purposes, the Resolutions do not provide for payment of any additional interest on the Series 2022A Bonds, the redemption of the Series 2022A Bonds or the acceleration of the payment of principal on the Series 2022A Bonds.

Risk of Audit

The IRS has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. No assurance can be given that the IRS will not commence an audit of the Series 2022A Bonds. Bondholders of the Series 2022A Bonds are advised that, if an audit of the Series 2022A Bonds were commenced, in accordance with its current published procedures, the IRS is likely to treat DASNY as the taxpayer, and the Bondholders of the Series 2022A Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Series 2022A Bonds during the pendency of the audit, regardless of the ultimate outcome.

Additional Indebtedness

Additional Bonds may be issued under the Resolution. Each Series of Bonds will be separately secured under the Resolution from each other Series of Bonds. There is no limit on the amount of additional Bonds that may be issued under the Resolution. See “PART 2 – SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS” herein and “APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT” attached hereto.

In addition, the College may issue, incur or assume additional indebtedness without limitation, subject to compliance with the conditions contained in the loan agreements executed in connection with the Prior DASNY Bonds, which additional indebtedness may be secured or unsecured. See “PART 2 – SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS – Issuance of Additional Indebtedness and Security for Prior DASNY Bonds” and “APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT” attached hereto.

Certain Matters Relating to Enforceability of the Resolution and Loan Agreement

The obligation of the College to make payments on the Loan Agreement will be limited as the obligations of debtors typically are affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws or by equitable principles affecting the enforcement of creditors' rights. If the College commenced a proceeding under the federal Bankruptcy Code, the automatic stay would prohibit owners of the Series 2022 Bonds from commencing or continuing any action to collect any pre-bankruptcy claims against the College under the Loan Agreement. The College may not make any payments under the Loan Agreement during the pendency of the bankruptcy case and may be relieved of any obligation to pay interest accruing after the commencement of the bankruptcy case. Further, the bankruptcy court could authorize the College to obtain credit secured by a senior, priming lien on property of the bankruptcy estate already encumbered by existing liens, but only if the bankruptcy court determines that there is adequate protection of the interests of the holders of those existing liens on the property of the estate on which the senior or equal lien is proposed to be granted. Similarly, the bankruptcy court could approve a plan modifying, eliminating or altering the rights of creditors generally, or any class of them, secured or unsecured. The College might be able to alter the terms of the amounts due under the Loan Agreement as part of its plan of reorganization. If the College were to become a debtor in a bankruptcy case, claims against the College, including claims under the Loan Agreement, would be unsecured claims and would be adjudicated in the bankruptcy case. No assurance can be given as to what percentage of their claims, if any, unsecured creditors would receive in any bankruptcy proceeding involving the College.

If the College should file a plan of reorganization ("Plan"), when confirmed by the court, such Plan binds all creditors who had notice or knowledge of the Plan and discharges all claims against the debtor as provided for in the Plan. No Plan may be confirmed unless certain conditions are met, among which are that the bankruptcy court has determined that the Plan is in the best interests of creditors, is feasible and has been accepted by one class of claims impaired thereunder. Each class of claims has accepted the Plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the Plan are cast in its favor. Even if the Plan is not so accepted, it may be confirmed if the court finds that the Plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly.

In addition, there exists common law authority and authority under State statutes for the ability of the State courts to terminate the existence of a not-for-profit corporation or undertake supervision of its affairs on various grounds, including a finding that such corporation has insufficient assets to carry out its stated charitable purposes or has taken some action which renders it unable to carry out such purposes. Such court action may arise on the court's own motion or pursuant to a petition of the State Attorney General or such other persons who have interests different from those of the general public, pursuant to the common law and statutory power to enforce charitable trusts and to see to the application of their funds to their intended charitable uses.

Secondary Market for the Series 2022 Bonds

There can be no assurance that there will be a secondary market for purchase or sale of the Series 2022 Bonds. From time to time there may be no market for the Series 2022 Bonds depending upon prevailing market conditions, including the financial condition or market position of firms who may make the secondary market, the evaluation of the College's capabilities and the financial condition and results of operations of the College.

No Debt Service Reserve Fund for the Series 2022 Bonds

The Series 2022 Bonds are secured as provided in "PART 2 – SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS." The Resolution permits, but does not require, the establishment of a debt service reserve fund to secure Bonds issued thereunder. There is no debt service reserve fund securing the Series 2022 Bonds. In the event that a debt service reserve fund is established for a Series of Bonds hereafter issued under the Resolution, such debt service reserve fund will secure only such Series of Bonds and will not secure the Series 2022 Bonds.

Revenue Pledge for Prior Secured DASNY Bonds

As security for the Prior Secured DASNY Bonds, the College has granted to DASNY a security interest in its Pledged Revenues, consisting of tuition and fees, which was assigned by DASNY to the applicable trustee. The Series 2022 Bonds will not be secured by a pledge of revenues of the College. See "PART 2 – SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2022 BONDS - Issuance of Additional Indebtedness and Security for Prior DASNY Bonds" herein.

PART 8 — THE COLLEGE

General Information

History of the College

Barnard College has been a distinguished leader in higher education for women for over 125 years and is one of the most sought after private liberal arts colleges in the nation based on the number of applicants received and the College's yield described below. Founded in 1889, the College was the first in New York City, and one of the few in the country, where women could receive the same rigorous liberal arts education available to men. The College was among the pioneers in the late 19th-century crusade to make higher education available to young women and grew out of the idea, first proposed by Columbia University's ("Columbia") tenth president, Frederick A. P. Barnard, that women have an opportunity for higher education at Columbia. In 1900, Barnard was included in the educational system of Columbia with provisions unique among women's colleges; it was governed by its own Trustees, Faculty, and Dean, and was responsible for its own endowment and facilities, while sharing instruction, the library, and the degree of Columbia. Today, Barnard remains an independent liberal arts college for women with its own policies, curriculum, faculty, admission standards, graduation requirements, trustees, endowment and physical plant.

With a 9% acceptance rate and a 69% yield (Fall 2022), Barnard is a highly selective academic institution and one of the most sought after women's colleges in the country; in the College's experience it competes directly with Ivy League institutions for students. Today, Barnard enrolls almost 3,000 academically talented undergraduate women from diverse backgrounds. Barnard's student body includes residents from nearly every state and nearly 58 countries worldwide; 46% of the Fall 2022 entering class identify as students of color, and 9% are non-US citizens or permanent residents. Barnard has a need-blind admissions policy, meets full demonstrated need and 20% of the entering class are Pell Grant recipients (provided to students who display exceptional financial need). Overall, 34% of the student body for the Academic Year 2021-22 receives some form of financial aid. Median SAT scores of incoming first year students for Fall 2022 were 740 for reading and 740 for math.

Barnard offers degrees in more than 50 fields and has 10 academic centers. 74% of classes have fewer than 20 students and the student to faculty ratio is 10:1. All students have the opportunity to conduct original research with practitioners and scholars and Barnard is consistently among the top in producing Fulbright scholars. Barnard is top ranked in graduating women who go on to earn doctoral degrees in STEM-related fields with 34% of the Class of 2021 graduating with STEM majors (compared with approximately 26% nationally). Approximately 36% of the College's underrepresented minorities were STEM majors. After graduation, nearly 95% of graduates are employed or attending graduate/professional schools within six months.

Barnard College is devoted to empowering young women to pursue their passions. Barnard offers a singular combination of:

- Excellence across the arts and sciences
- Innovative curriculum and world class faculty dedicated to teaching, tenured at both Barnard and Columbia
- Tight knit community of students with the vast academic resources of Columbia University (including a diploma from Barnard College, Columbia University)
- New York City's infinite opportunities for internships, jobs, museums and more

Barnard's institutional priorities include:

- Realizing Academic Excellence
- Supporting Student Success
- Fostering an Inclusive Community
- Managing Financial and Infrastructure Challenges and Opportunities in New York City

Barnard's areas of strategic focus include:

- Lifelong Success: jobs and Advanced Degrees
- Social Mobility and Access
- Health and Wellness
- STEM as a Critical Component of the Liberal Arts

Relationship with Columbia University

The College and Columbia are parties to an Intercorporate Agreement (the “Agreement”) which was originally executed in 1900 and has been seamlessly renewed for more than a century. Under the Agreement, Barnard functions as one of Columbia’s four undergraduate colleges and Barnard and Columbia undergraduate students cross-register in courses at both institutions. It provides Barnard students with a diploma from both Barnard and Columbia along with access to Columbia’s resources, including 22 university libraries. Barnard students also participate in Columbia’s NCAA Division 1 athletics through the Columbia-Barnard Athletic Consortium. The Agreement is up for renewal in 2023.

Barnard houses a number of important Columbia undergraduate majors-including architecture, dance, education, theater and urban studies. Under the Agreement’s academic exchange provisions, there have been a significant number of Columbia students taking courses at Barnard and vice versa.

The current Barnard-Columbia relationship is very strong. The College’s substantial investments in (a) major new academic facilities (the Milstein Center and the Diana Center), (b) new academic initiatives that include multiple 4+1 Masters Programs that create an expedited pathway to a Columbia Master’s degree in a number of disciplines; including Engineering, Computer Science, Public Health and International and Public Affairs, and (c) Barnard’s overall increased emphasis on STEM, have all strengthened Barnard’s position in the relationship.

Given the longstanding positive relationship between both institutions and the substantial benefits both Barnard and Columbia realize by sharing programs and services, Barnard has no expectation that its relationship with Columbia will terminate or be substantially modified upon the next renewal in 2023.

Campus Facilities

The Barnard campus is located on the Upper West Side of Manhattan, in the Morningside Heights neighborhood, just blocks from Riverside Drive, with a park parallel to the Hudson River. The campus is located directly across the street from Columbia University, occupies four acres of urban property along Broadway between 116th and 120th Streets in New York City. At the southern end of the campus, four residential buildings form an enclosed quadrangle. Barnard Hall is just north of the “Quad” and contains seminar rooms, classrooms, and faculty offices, as well as dance studios. The Sulzberger Parlor on the third floor is used for meetings and small social events.

The recently completed Cheryl and Philip Milstein Center for Teaching and Learning is a 128,000 square foot state of the art facility that contains a new age library and various Innovative Centers including a Design Center (maker space), the Vagelos Computational Science Center and a Digital Humanities Center. The Milstein Center for Teaching and Learning received the 2019 Library Building Award by the American Institute of Architects and the American Library Association. The Milstein Center achieved LEED Silver Certification by the U.S. Green Building Council.

The Roy & Diana Vagelos Science Center (“R&D Science Center”) (formerly Helen Goodhart Altschul Hall) is devoted primarily to the sciences and mathematics. Milbank Hall occupies the northern end of the campus and houses administrative and academic departments, faculty offices, classrooms, a greenhouse, and the Minor Latham Playhouse, a small, well-equipped modern theater.

The Diana Center is a multi-purpose educational, student services and administrative facility. It includes architecture and painting studios, a 500-seat performance space, black box theatre, student cafe, student dining room and classrooms. The Diana Center received the American Institute of Architects 2011 Honor Award. The Diana Center achieved LEED Gold certification by the U.S. Green Building Council.

In the immediate neighborhood, Barnard maintains additional residence halls, including Plimpton Hall (1235 Amsterdam Ave.) and Elliot Hall (49 Claremont Ave), 600, 616 and 620 West 116th Street, and 217 Manhattan Avenue, which are all apartment buildings. In response to annual 100% occupancy of its residence halls, Barnard entered into a capital lease-purchase agreement in June 2019 for a 48,000 square foot retail and student residence facility at 537 West 121st Street, one block from the Barnard Campus. Ownership will revert to Barnard debt free at the end of a 39-year period. For the Academic Year 2021-22, Barnard’s residency rate was approximately 100%, net of quarantine bed set-asides. In Academic Year 2022-23, Barnard expects to return quarantine housing to standard housing occupancy.

Barnard College Real Estate Assets - Estimated

| <u>Location</u> | <u>Year Built</u> | <u>Occupancy Purpose</u> | <u>Square Footage</u> |
|--|-------------------|---|-----------------------|
| Milbank Hall | 1896 | Administration/ Classrooms | 121,068 |
| Roy & Diana Vagelos Science Center (formerly Helen Goodhart Altschul Hall) | 1969 | Classrooms/Offices | 182,614 |
| Barnard Hall | 1916 | Classrooms/Gym/Pool/Offices | 85,537 |
| Brooks Hall | 1907 | Residence Hall/ Offices | 47,543 |
| Hewitt Hall | 1925 | Residence Hall/ Cafeteria/Offices | 81,135 |
| Reid Hall | 1961 | Residence Hall/Offices | 35,974 |
| Sulzberger Hall | 1988 | Residence Hall/Offices | 151,860 |
| Plimpton Hall | 1968 | Residence Hall/Commercial Tenants | 79,346 |
| 600 West 116th Street | 1907 | Residence Hall/Residential & Commercial Tenants | 95,953 |
| 616 West 116th Street | 1906 | Residence Hall/Offices | 59,180 |
| 620 West 116th Street | 1906 | Residence Hall / Residential Tenants | 59,180 |
| Elliott Hall | 1906 | Residence Hall/Computer Center | 35,403 |
| 601 West 110th Street Lease | N/A | Residence Hall | - |
| Cathedral Garden | 2009 | Residence Hall/Faculty Housing/Community Space | 55,705 |
| 25 Claremont Avenue | N/A | President’s Apartment | 3,000 |
| 49 Claremont | TBD | Computer/Audio Visual Equipment | - |
| Diana Center | 2010 | Student Center/Food Service/Classes/Theatre | 100,000 |
| Interchurch Lease | N/A | Administration | - |
| Main Campus | Various | Infrastructure | - |
| Milstein Center | 2019 | Library/Classrooms/Dining | 128,000 |
| 537 W. 121st Street | Acquired 2020 | Residence Hall/Residential Tenants | 48,000 |

Note: Real Estate Portfolio as of April 2022

Environmental, Social and Governance Considerations

Diversity, Equity & Inclusion (“DEI”) at Barnard

Barnard’s core DEI mission is to rigorously educate and empower students, providing them with the ability to think, discern, and move effectively in the world—a world that is different from when the College was founded. Now more than ever, the success of the College’s mission depends on the extent to which its community is diverse, inclusive, and equitable. The College knows that academic excellence is impossible without the unique perspectives, ideas, approaches, and contributions that come from having the broadest diversity of students, faculty, and staff across the College.

The College’s definition of diversity encompasses structural and social differences that form the basis of inequality in our society, including race, ethnicity, gender, sexuality, socioeconomic class, disability, religion, citizenship status, and country of origin. Moreover, its concern is with how differences in power and possibilities align with social categories and identities, and how these differences distinguish individuals and groups in ways that privilege some and constrain others.

The College aspires to be an inclusive community with all treated equitably and with respect, creating an environment where no voices are silenced and all can thrive. Barnard’s commitment to diversity, inclusion and equity has the potential to disrupt and transform entrenched practices and thinking. Barnard’s goal is to graduate students who are engaged world citizens possessed of discerning intelligence, an understanding of inequality and power, and moral courage.

The College has established its Council on Diversity, Equity and Inclusion (“Diversity Council”) with the following charge:

- Expanding the dialogue about diversity, inclusion, and equity to include the entire Barnard community of students, faculty, staff and alumnae
- Promoting and coordinating campus-wide participation in the College’s diversity and inclusion efforts
- Managing and monitoring the implementation of recommendations from the President’s Task Force on Diversity and Inclusion
- Advising Barnard’s senior leadership on ongoing and new initiatives that create a more diverse and inclusive campus community

The College practices need-blind admissions for domestic first-year, early and regular decision applicants and does not consider a student’s financial need when evaluating the admissions application. The racial, geographic, and socioeconomic diversity of the student body has continued to increase in recent years with 26% of the entering class in Fall 2021 identifying as underrepresented students of color (as compared to the College’s peers, at 23%) and 20% are Pell eligible (compared to 17% of the College’s peers). 55% of the entering class in Fall 2021 identified as students of color and 18% of the entering class identified as first-generation college students. The College’s students come from 45 states and 13% are international. With regards to the College’s faculty, 13% are underrepresented minorities (compared to 9% of the College’s peers).

Climate Change Standards and Carbon Neutrality

Over the past several years, the College has steadily increased its commitment to reducing emissions, championing equitable and inclusive climate responses and equipping its graduates to do the same. As a college for women located in New York City, Barnard believes it has a responsibility to address climate change — especially as it relates to issues surrounding gender, income, and race. Indeed, research is very clear that the consequences of climate change have a disproportionate impact on women, people of color, and those who are most economically disadvantaged in the U.S. and across the world. It is vital that the search for climate solutions include diverse viewpoints and prioritize those who have been and will be most affected.

To that end, the College has issued a Climate Action Vision statement, the result of a campus-wide collaborative effort, that outlines its 360-degree approach that prioritizes the role of women, people of color, and low-income communities in defining new paradigms for climate leadership. The College is currently developing a plan for emissions reductions across all three scopes that meets the New York state and city standards with the goal of carbon neutrality and has worked to green its campus through everything from lawn care to internal reuse programs and organics collection. Barnard joined the NYC Carbon Challenge in 2009 and is proud to be one of the first NYC institutions to reach the initial goal of 30% emissions reductions from 2005 levels. Additionally, in 2017, the College signed the “We Are Still In” pledge, underscoring its efforts to meet the goals of the Paris Climate Agreement. Barnard’s climate action focus falls into three main areas: Barnard’s academics, finance and governance, and campus culture and operations.

Barnard is already home to many programs and initiatives that promote climate action. As part of the greater Columbia University community, its faculty are pioneers in environmental research and are working diligently to help Columbia shape its next steps in this area. Importantly, its faculty are also engaged pedagogues, committed to preparing its students to mitigate the impact of climate change and serve as leaders in this global crisis. Case in point, Barnard graduates have gone on to lead important institutions such as the Natural Resources Defense Council (“NRDC”) and Greenpeace. Moving forward, Barnard is reexamining its general education requirements to explore the possibility of adding a requirement that all Barnard students take coursework centered on the environment, sustainability, and/or climate change.

Barnard is committed to incorporating climate and sustainability into its decision-making, from capital improvements, the endowment, and to routine financial choices. In 2017, Barnard’s Board of Trustees announced that the College would divest direct holdings in its endowment from fossil fuel companies that dispute climate science or otherwise seek to thwart efforts to mitigate the impact of climate change. The College has issued a Climate Science List which evaluates oil and gas companies on their words and deeds with relation to climate science and related actions. The Climate Science List is based on criteria developed by Barnard faculty, students, and staff in consultation with its partners at Fossil Free Indexes (“FFI”) and the Union of Concerned Scientists (“UCS”).

Barnard’s faculty, staff, and students are actively pursuing solutions to the social inequities that women and low-income communities experience due to climate change. Past programming such as Beyond Barnard’s “Dialogues for Change” and “Women, Clothing, and Climate” events explored these intersections.

Additionally, with the renovation and construction of the new R&D Science Center, Barnard will achieve 20% of the GHG (greenhouse gas) reduction needed to reach its net-zero goal for campus emissions.

Governance

Barnard is governed by a self-perpetuating Board of Trustees of no less than 15 members but not more than 40 members. The following committees support the Board of Trustees: Committee on Governance, Committee on Investments, Committee on Audit & Compliance, Committee on Budget & Finance, Compensation Committee, Committee on Development, Committee on Enrollment & Strategic Communications, Committee on Nominations, Committee on Campus Life, Committee on Academic Affairs, Committee on Building, Environment and Technology and the Executive Committee. Through June 30, 2022, the members of the Board of Trustees and officers are as follows:

| <u>Board of Trustees:</u> | <u>Year of Appointment:</u> |
|--|------------------------------------|
| <u>Chair</u> | |
| • Cheryl Glicker Milstein ‘82 P’14 | 1999 |
| <u>Vice Chairs</u> | |
| • Ina R. Drew P’13 | 2013 |
| • Diana T. Vagelos ‘55 | 2003 |
| <u>Trustees</u> | |
| • Sian Leah Beilock, <i>ex officio</i> | |
| • Lee C. Bollinger, <i>ex officio</i> | |
| • Laura Blankfein ‘75 | 2018 |
| • Amy E. Crate ‘94, P’24 | 2021 |
| • Gregor Freund P’20 | 2018* |
| • Nancy A. Garvey ‘71 | 2008* |
| • Karen Goldberg ‘83 P’22 | 2020 |
| • William Helman P’14 | 2018 |
| • Ruth Horowitz ‘83 | 2017 |
| • Karlie Kloss | 2020* |
| • Francine A. LeFrak | 2021 |
| • Vivien Li ‘75 | 2021 |
| • Jyoti Menon ‘01 | 2017 |
| • Sherif Nadar P’21, ‘23 | 2019 |
| • David “Doc” O’Connor P’22 | 2020 |
| • Lida A. Orzeck ‘68 | 2015 |
| • Daphne Fodor Philipson ‘69 | 2019 |
| • Philippa Feldman Portnoy ‘86 | 2018* |
| • Serge Przedborski P’14, ‘17 | 2016 |
| • Dara Richardson-Heron ‘85 | 2018 |
| • Barrie Roman P’20 | 2018 |
| • Ramona E. Romero ‘85 | 2019 |
| • Ann Sacher ‘85 | 2018 |
| • Marcia Lynn Sells ‘81 P’23 | 2017 |

(Table continued on next page and footnotes on next page)

- Nina Shaw ‘76 2020
- Steven Solnick 2014*
- Caroline Bliss Spencer ‘09** 2016
- Ni Jian (Nina Sun) 2012
- Dipak Tanna P’23 2020
- Merryl Tisch ‘77 2018*
- Amy Veltman ‘89 2020

Trustees Emeriti (Non-Voting Members)

- Jolyne Caruso-Fitzgerald ‘81 - *Chair Emerita*
- John L. Furth
- Patricia F. Green ‘62
- Helene L. Kaplan ‘53 - *Chair Emerita*
- Eugene R. McGrath
- Patricia Nadosy ‘68
- Anna Quindlen ‘74 - *Chair Emerita*
- Mary Louise Reid ‘46
- Gayle F. Robinson ‘75
- Frances L. Sadler ‘72

Secretary to the Board of Trustees

- Ciaran Escoffery

* Trustee’s term ended on June 30, 2022.

** Caroline Bliss Spencer is an employee of Goldman Sachs & Co. LLC, the Underwriter of the Series 2022 Bonds.

As of July 1, 2022, the following new trustees were appointed: Maryam Banikarim ‘89, P’21, Vicky Curry, ‘90, Doreen Rachal P’24, Paola “Pao” Ramos ‘09, Kathy Rocklen ‘73, Susan Rovner ‘91, P’23 and Laura Sloate ‘66.

Administration

The President of the College is appointed by the Board of Trustees and, as chief executive officer, is principally responsible for the administration of the College. All other principal executive officers of the College are nominated by the President and appointed by the Board of Trustees. The principal executive officers of the College are as follows:

Sian Leah Beilock, President. Sian Beilock became President of the College in July 2017 after spending twelve years at the University of Chicago. There, she served on the faculty as the Stella M. Rowley Professor of Psychology; as a member of the Committee on Education; and as Executive Vice Provost and an Officer of the University. Sian is one of the world’s leading experts on the cognitive science behind “choking under pressure” and performance anxiety, with a focus on success in math and science for women and girls. She has explored the brain and body factors that influence learning and performance, including how simple psychological strategies can be used to ensure success in everything from test-taking and public speaking to athletics and job interviews. She is the author of two books, the critically-acclaimed *Choke* and *How the Body Knows Its Mind*, which have been published in over a dozen languages. She won the 2017 Troland Award from the National Academy of Sciences, and her recent TED Talk has been viewed over 2 million times. President Beilock earned her Bachelor of Science in cognitive science from the University of California, San Diego, and doctorates of philosophy in both kinesiology and psychology from Michigan State University.

Linda A. Bell, Provost and Dean of Faculty. Linda A. Bell is currently the Provost and Dean of the Faculty at the College, where she is also a Professor of Economics. Prior to joining Barnard, Professor Bell was the Provost and John B. Hurford Professor of Economics at Haverford College. Linda received her Ph.D. from Harvard University, and her bachelor’s degree from the University of Pennsylvania, where she was a distinguished University Scholar. She has served as a consultant to the World Bank and the US Department of Labor and also been active in the American Association of University Professors. Linda is an empirical economist specializing in labor markets and public policy. She has written and lectured extensively on the topic of compensation, union concessions, and hours of work in the US and Europe. Her work has been published in the *Journal of Labor Economics*, *Labour*, *Industrial and Labor Relations Review*, *Economic Journal*, *Economic Letters*, *Proceedings of the ILLR*, and the *Federal Reserve Bank*

Quarterly Review. She has served since 2012 as a Public Board Member on both the Compensation and Audit Committees for BGC, Partners, Inc.

Eileen Di Benedetto, C.P.A., Chief Financial Officer and VP for Finance. Eileen Di Benedetto manages the College's financial operations including budget and planning, financial reporting, general accounting, procurement, payroll, student billing and treasury. She is the staff liaison for several of the College's Board of Trustee Committees including: Audits & Compliance, Budget & Finance, and Investments. Prior to joining Barnard in 2003, Eileen worked for KPMG in its NYC audit practice and as an Assistant Controller for Wasserstein Perella. Eileen is a graduate of Pace University and a certified public accountant.

Leslie Grinage, Dean of the College. Leslie Grinage leads several Barnard departments. Among them are the Deans' Office for Advising and Support, the Registrar's Office, Beyond Barnard, Student Experience and Engagement, Access Barnard, and Residential Life and Housing. Dean Grinage's doctoral research has examined academic advising and student success networks in a small liberal arts environment. Before joining Barnard, Dean Grinage served as the Associate Dean of Students at Davidson College, and the Assistant Dean of Students, Office of Student Conduct, at Duke University. At Davidson College, Grinage oversaw several programs and initiatives, among them orientation, academic access and disability resources, student health and counseling, and worked closely on programming for undocumented students and DACA recipients. She also served as staff liaison to the Teaching, Learning, and Research Committee of the college's Board of Trustees. A first-generation college student herself, Grinage received her Ed.D. in Higher Education Leadership and Policy from Vanderbilt University in 2017, her M.S. in Educational Administration (Student Affairs Administration in Higher Education) from Texas A&M University, and her B.A. in Spanish from Davidson College.

Jennifer Fondiller, VP for Enrollment and Communications. Jennifer Fondiller '88 P'19 has been at Barnard since 2000, leading efforts to identify, attract, counsel, enroll, and retain students from a variety of backgrounds and perspectives. She currently oversees Admissions, Financial Aid, Pre-College programs and works closely with the Provost, Dean of the College and Communications on international and summer program development, public relations, website development, and technology applications. As a member of the College's senior staff, Jennifer assists the President of the College in determining policy and setting strategic goals, specifically around the allocation of financial aid, enrollment modeling, and institutional research. Prior to Barnard, Jennifer held the positions of Director of Admissions at Eugene Lang College at the New School, and Assistant Dean of Admissions at Wesleyan University. In the early '90s she was an academic adviser to the Council on International Educational Exchange in Berlin. Jennifer is a graduate of Barnard and holds a Master of Arts in Higher Education Administration from Teachers College, Columbia University.

Marina Catalozzi, M.D., MSCE, VP for Health and Wellness, Chief Health Officer. Dr. Catalozzi is an expert in qualitative methods and education science. Her research and publications span topics that include adolescent health and health services. Dr. Catalozzi is an Adolescent Medicine specialist and is board-certified in both Pediatrics and Adolescent Medicine. She has an active adolescent medicine practice in Washington Heights and is dedicated to improving the health of the community; she uses a strengths-based approach to adolescent patient care, programming, and research. Dr. Catalozzi earned a bachelor's degree in neuroscience in 1992 from Brown University and her medical degree in 1996 from Brown University School of Medicine as part of the Program in Liberal Medical Education. She completed her internship, residency, and chief residency in pediatrics, as well as her adolescent medicine fellowship at the Children's Hospital of Philadelphia. As a fellow in the Primary Care Research Training Program in Health Resources and Services Administration at the University of Pennsylvania School of Medicine, she earned a Master of Science in Clinical Epidemiology. She joined CUIMC in 2006. She is currently an Associate Professor of Pediatrics at the Vagelos College of Physicians and Surgeons, where she has served as the Pediatric Clerkship Director and Medical Education Scholarly Projects Track Director and co-founded the COVID-19 Student Service Corps. She is also an Associate Professor of Population and Family Health at the Mailman School of Public Health, where she has served as the Director of the General Public Health program, co-lead of the Sexual and Reproductive Health Certificate, and faculty in Mailman's Core Curriculum.

Jennifer Rosales, VP for Inclusion and Engaged Learning, Chief Diversity Officer. Jennifer Rosales provides strategic vision and leadership in cultivating an inclusive campus by advancing a holistic approach to institutional learning. Through the Office for Diversity, Equity and Inclusion, she proactively develops and implements policies and programs that educate and promote diversity, equity, and inclusion as core values of the College. She oversees the Center for Engaged Pedagogy ("CEP") which develops new teaching and learning initiatives, diverse learning contexts and opportunities for interdisciplinary collaboration. She also supervises the Office for Community Engagement and Inclusion ("CEI"), guiding and expanding the college's commitment to working with its neighbors

and the city. Previously she was the inaugural Executive Director of the CEP. She is co-authoring a book, *Media Literacy of the Oppressed: Designing at the Margins* (Routledge forthcoming) and a Co-Principal Investigator on a NSF grant on computing education at Barnard. Formerly, she was the Director of Research and Evaluation at the Center for Social Justice, Georgetown University. Jennifer received her PhD and MA in Media Studies and her BA in History from the University of Southern California.

Laura O’Connell, Associate VP, Facilities and Capital Projects. Laura O’Connell has approximately twenty years of capital projects experience specifically in the higher education and cultural non-profit sectors. Prior to coming to Barnard, Laura has managed multi-million-dollar capital project portfolios both as a director and senior project manager for organizations such as The Public Theater, NYUMC, Teachers College, Vassar College and Columbia University. She is responsible for the Department of Capital Projects, along with all the outside consultants who have been contracted for the College’s larger capital projects. Laura is well-versed in developing overall project strategies, maintaining budgets and supporting the initiative of the College.

Jomysha Delgado Stephen, Executive Vice President and General Counsel. Jomysha Delgado Stephen ‘96 is the Executive Vice President of the College and General Counsel of her alma mater, Barnard College. Jomysha has been a member of the College’s administration since 2003 and serves as both the Chief Administrative and Chief Legal Officer of the College. Jomysha’s portfolio includes the offices of the President, General Counsel, Human Resources, Community Accountability, Response, and Emergency Services (Community Safety), Auxiliary Services and Events Management. Jomysha is a strategic advisor to the President and the Board and works closely with all members of the Senior Staff to set and meet the strategic goals of the College. Jomysha’s legal expertise includes all areas of Higher Education Law with particular focus on board governance, student affairs, academic affairs and faculty matters, institutional compliance, contracts and labor and employment issues. Prior to Barnard, Jomysha practiced Commercial Real Estate Law at Battle Fowler LLP, Paul Hasting Janofsky & Walker LLP and Sonnenschein Nath & Rosenthal LLP. She earned her J.D. from Columbia Law School and her B.A., magna cum laude, from Barnard in Russian Literature and Language. She is an active member of the National Association of College and University Attorneys.

Lisa Yeh, VP of Development and Alumnae Relations. Lisa Yeh P’19 joined the College in January 2018 as VP of Development and Alumnae Relations. She was previously Vice Dean of External Relations and Development at Columbia Business School where she worked for 16 years, with the last 11 in this leadership role. Under Lisa’s leadership, Columbia Business School (the “School”) raised over \$800 million and increased average annual fundraising from \$21 million to \$72 million. Lisa joined the School with over seven years of experience in event planning and fundraising and with six years of experience as a financial analyst in the investment management and insurance industries, beginning her career at USAA. Lisa served on the board of trustees at All Souls School for 14 years, where she was president of the board from 2010 to 2014. Lisa received a BS in Business Administration from San Diego State University, where she graduated cum laude with distinction in finance, and an MBA from St. Mary’s University.

Fundraising

Overall gifts received and new commitments (pledges) exceeded \$58.0 million in fiscal year 2021 as reported in the College’s 2021 audited financial statements. Those gifts and new commitments (pledges) received in excess of the \$58.0 million were not recognizable as revenues as they were deemed to be conditional under accounting principles generally accepted in the United States of America. The quiet phase of the College’s capital campaign, *The Bold Standard: Raising the Bar Campaign*, began in July 2012 and was closed early in November 2021 after having raised \$540 million which exceeded the original \$400 million goal. Fiscal 2022 is projected to be the strongest fundraising year in Barnard’s history with over \$106 million raised, including the largest single gift ever received in Barnard’s history of \$55 million for the R&D Science Center. The following table presents a five-year history of new gifts and commitments (pledges) received as reported in the respective year’s audited financial statements:

Gifts and Pledges

| Fiscal Year | New Gifts/Pledges (\$ in Thousands) |
|-------------|--|
| 2016-17 | \$40,489 |
| 2017-18 | \$27,267 |
| 2018-19 | \$37,078 |
| 2019-20 | \$41,851 |
| 2020-21 | \$58,286 |

Operating Information

Admissions and Student Enrollment

Identified in the table below are the number of first year applications received for admission to the College for the upcoming and past five academic years. Also included are the number of applications accepted and the number of first year fall enrollments. Of note:

- Total applications have grown nearly 35% over the last five years;
- Early decision applications have increased 25% since 2018; and
- 57% of the Class of 2026 admitted through early decision

ADMISSIONS STATISTICS

First Year Fall Admissions

| | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Undergraduate Applications | 7,716 | 7,897 | 9,320 | 9,411 | 10,395 |
| Acceptances | 1,190 | 1,099 | 1,097 | 1,280 | 1,192 |
| Acceptance Ratio | 15% | 14% | 12% | 14% | 12% |
| Matriculants | 603 | 605 | 632 | 690 | 769 |
| Matriculations Ratio | 51% | 55% | 58% | 54% | 65% |

Demand for Barnard is very strong and admission to the College is highly competitive. The College attracts the majority of its students from the pool of college-bound high school graduates in the top 10% of their graduating classes. The College received 12,009 applications for Fall 2022 and accepted 1,048 applications, resulting in a projected 9% acceptance rate. As of June 1, 2022, there were 719 matriculants for the incoming class and a preliminary 69% matriculation ratio.

The table below presents the median SAT scores for the College's entering first year students for the past five academic years. For the first-year class entering in Fall 2022, the median SAT score was 740 for math and 740 for reading.

Median SAT Scores

| | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> |
|---------|------------------|------------------|------------------|------------------|------------------|
| Math | 700 | 700 | 720 | 720 | 750 |
| Reading | 720 | 710 | 715 | 720 | 740 |
| Total | 1,420 | 1,410 | 1,435 | 1,440 | 1,490 |

ENROLLMENT SUMMARY

The following table presents the full time equivalent fall enrollment for the past five academic years.

Fall Enrollment by Academic Year

| | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Full Time Equivalent (FTE) | 2,571 | 2,592 | 2,632 | 2,698 | 2,986 |

The College attracts students from all over the United States as well as from abroad. The table below presents the geographic profile of the College's entering first year class for the past five academic years.

**Geographic Profile of Entering First Year
Students by Percentage of Class***

| | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> |
|---------------------|------------------|------------------|------------------|------------------|------------------|
| New York State | 25% | 26% | 24% | 25% | 27% |
| Other United States | 63% | 62% | 64% | 63% | 64% |
| International | <u>12%</u> | <u>12%</u> | <u>12%</u> | <u>12%</u> | <u>9%</u> |
| Total | 100% | 100% | 100% | 100% | 100% |

*Percentages are rounded to the nearest full percentage.

Student Services Revenue

For the 2021-2022 academic year, full-time tuition and fees at the College are \$59,687, and full room and board charges are \$18,486. Tuition and fees, net of financial aid, accounts for approximately 66% of the College's operating revenue as reported in its 2020-2021 audited financial statements. Total student charges for the 2022-2023 academic year will be \$62,525 for tuition and fees and \$19,364 for full room and board charges. Tuition and Fees and Room and Board charges for the last five academic years are listed below:

STUDENT CHARGES

| | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> |
|------------------|------------------|------------------|------------------|------------------|------------------|
| Tuition and Fees | \$52,662 | \$55,032 | \$57,668 | \$57,479 | \$59,687 |
| Room and Board | <u>16,100</u> | <u>17,225</u> | <u>17,856</u> | <u>17,856</u> | <u>\$18,486</u> |
| Total | \$68,762 | \$72,257 | \$75,524 | \$75,335 | \$78,173 |

Student Financial Aid

The College administers a student aid program through which approximately 35% of the student body receives need-based aid in the form of grants, loans or campus employment. In fiscal year 2021-22, the College provided approximately \$48.1 million in institutional grant aid to students. In addition, Federal and New York State grants were awarded to students from the Pell Program, the Supplemental Educational Opportunity Grants Program, the State's Tuition Assistance Plan and the State's Higher Education Opportunity Grant Program in 2021-22 amounted to approximately \$4.4 million. A summary of the funds provided for scholarships for the Fiscal Years 2017 to 2021 is as follows:

**SOURCES OF UNDERGRADUATE
FINANCIAL AID**
(In Thousands)

| <u>Fiscal Year</u> | <u>Barnard</u> | <u>Federal & State Grants</u> | <u>Total</u> |
|--------------------|----------------|-----------------------------------|--------------|
| 2016-17 | \$38,812 | \$3,396 | \$42,208 |
| 2017-18 | \$39,756 | \$3,374 | \$43,130 |
| 2018-19 | \$42,420 | \$3,719 | \$46,139 |
| 2019-20 | \$41,088 | \$3,435 | \$44,523 |
| 2020-21 | \$37,248 | \$3,657 | \$40,905 |

Financial Aid in fiscal year 2021 was lower than previous years as a result of remote instruction during COVID, and the associated reduction in housing and board fees.

Faculty and Staff

The teaching faculty includes 266 full-time and 98 part-time members for the 2021-22 academic year. Of the full-time tenure-track faculty, approximately 44% are tenured and 97% hold Ph.D., professional or other terminal degrees.

The College maintains a student to faculty ratio of approximately 10 to 1. The following table sets forth the faculty profile for the past five academic years.

FACULTY AND STAFF PROFILES

Faculty Profile

| | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> |
|----------------------|------------------|------------------|------------------|------------------|------------------|
| Full-Time | 223 | 240 | 251 | 259 | 266 |
| Part-Time & Adjuncts | 134 | 114 | 106 | 71 | 98 |
| Total | 357 | 354 | 357 | 330 | 364 |
| FTE | 268 | 278 | 286 | 274 | 286 |
| Tenured | 111 | 115 | 115 | 119 | 118 |

In addition to its 364 (286 FTE) faculty members, the College has approximately 555 (445 FTE) administrative employees, and approximately 256 (234 FTE) facilities and clerical employees covered by collective bargaining agreements.

Employee Relations

The relationships between the College and the various unions have been good. The College is party to five active Collective Bargaining Agreements (the “CBAs”). At present, the College is in negotiations regarding three of those CBAs: (1) TWU Local 264--Safety and Security Division, (2) TWU Local 264-Facilities Services and Residence Halls Departments, and (3) UAW 2110-Barnard Contingent Faculty. A contract was recently reached with 32BJ with an expiration date of April 20, 2026; in that negotiation, the Realty Advisory Board negotiated on behalf of the College. The contract between the College and UAW 2110-Technical, Office, and Professional Union is set to expire on June 30, 2023.

Annual Financial Statement Information

The College’s financial statements are prepared on the accrual basis of accounting. The following table summarizes (aggregating without donor restrictions and with donor restrictions net assets) the College’s statement of activities for the fiscal years ended June 30, 2017 through 2021. The summary is derived from the audited financial statements of the College for such periods, and should be read in conjunction with the College’s audited financial statements as of and for the year ended June 30, 2021, included in Appendix B to this Official Statement.

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Statement of Activities*
Fiscal Year Ended June 30,
(In Thousands)

| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Operating Revenues: | | | | | |
| Student services revenue | \$156,271 | \$164,588 | \$174,071 | \$179,575 | \$161,448 |
| Financial aid allowance | (39,423) | (40,290) | (43,189) | (41,976) | (38,028) |
| Student services revenue, net | 116,848 | 124,298 | 130,882 | 137,599 | 123,420 |
| State appropriations | 184 | 176 | 187 | 185 | 150 |
| Investment return appropriated for operations | 13,884 | 14,645 | 15,658 | 16,441 | 17,675 |
| Other investment income | 1,663 | 1,126 | 1,663 | 2,354 | 271 |
| Federal grants and contracts | 3,177 | 2,944 | 4,217 | 3,356 | 7,491 |
| State grants | 937 | 876 | 962 | 959 | 713 |
| Private gifts and grants | 15,633 | 15,259 | 18,771 | 22,109 | 17,782 |
| Pre-College and rental | 4,541 | 4,863 | 5,081 | 4,811 | 4,753 |
| Other sources | <u>2,166</u> | <u>2,607</u> | <u>2,626</u> | <u>2,042</u> | <u>1,438</u> |
| Total operating revenue | 159,033 | 166,794 | 180,047 | 189,856 | 173,693 |
| Operating Expenses: | | | | | |
| Instruction | 60,263 | 65,465 | 72,260 | 77,012 | 70,907 |
| Research | 4,857 | 4,574 | 5,948 | 4,774 | 5,404 |
| Public service | 382 | 291 | 411 | 407 | 236 |
| Academic administration | 11,363 | 11,314 | 19,879 | 20,448 | 19,346 |
| Student services | 10,888 | 11,223 | 12,589 | 12,948 | 11,646 |
| Institutional support | 35,372 | 37,731 | 36,996 | 39,325 | 41,266 |
| Auxiliary enterprises | <u>34,263</u> | <u>35,384</u> | <u>37,375</u> | <u>40,949</u> | <u>33,271</u> |
| Total operating expenses | 157,388 | 165,982 | 185,458 | 195,863 | 182,076 |
| Excess (Deficiency) of Operating Revenue over Operating Expenses | 1,645 | 812 | (5,411) | (6,007) | (8,383) |
| Non-operating Activities: | | | | | |
| Investment return in excess of amount appropriated for operations | 22,873 | 9,680 | 1,871 | (17,926) | 88,390 |
| Contributions for long term purposes and split interest agreements | 13,453 | 9,953 | 12,756 | 15,099 | 14,501 |
| Contributions and grants for plant improvements | 11,403 | 2,055 | 5,551 | 4,643 | 26,003 |
| Change in value of split interest agreements | (1,314) | 65 | (200) | (964) | 3,399 |
| Change in value of Swaption | - | - | - | - | (1,106) |
| Other components of net periodic benefit cost | - | - | - | (1,489) | (1,569) |
| Gain on disposal of assets | 18 | - | - | - | - |
| Postretirement changes other than net periodic benefit cost | <u>997</u> | <u>2,886</u> | <u>(2,330)</u> | <u>(1,933)</u> | <u>1,441</u> |
| Total non-operating activities | 47,430 | 24,639 | 17,648 | (2,570) | 131,059 |
| Change in net assets | 49,075 | 25,451 | 12,237 | (8,577) | 122,676 |
| Net Assets- Beginning of Year | <u>440,786</u> | <u>489,861</u> | <u>515,312</u> | <u>527,549</u> | <u>518,972</u> |
| Net Assets- End of Year | <u>\$489,861</u> | <u>\$515,312</u> | <u>\$527,549</u> | <u>\$518,972</u> | <u>\$641,648</u> |

* The College adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606") as of and for the year ended June 30, 2019. One of the key provisions under Topic 606 requires an entity to combine two or more contracts entered into at or near the same time with the same customer and account for the contracts as a single contract if certain criteria are met. The College evaluated such criteria and determined that the contracts it has with its students for tuition & fees, housing, meals and health services should be combined into a single contract. Accordingly, such revenues were reported as Student Services Revenue, net for the years ended June 30, 2021, 2020, 2019 and 2018. For comparative purposes, the College has recasted such revenue streams for the year ended June 30, 2017 in the chart above.

Statement of Financial Position

The table below outlines the College’s Statement of Financial Position as of June 30, 2017 through 2021. The table is derived from the audited financial statements of the College for such periods, and should be read in conjunction with, the audited financial statements of the College as of and for the year ended June 30, 2021, included in Appendix B to this Official Statement.

**Statement of Financial Position
Year Ended June 30,
(In Thousands)**

| | <u>2017*</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021**</u> |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$40,591 | \$46,195 | \$28,646 | \$47,308 | \$33,931 |
| Student accounts receivable (net of allowance) | 241 | 230 | 140 | 382 | 650 |
| Student notes receivable (net of allowance) | 1,980 | 1,798 | 1,570 | 1,527 | 1,317 |
| Grants, bequests, and other receivables | 2,992 | 3,648 | 3,824 | 2,390 | 7,097 |
| Pledges receivables, net | 55,740 | 48,793 | 44,198 | 43,578 | 53,084 |
| Other assets | 3,667 | 3,473 | 4,347 | 5,403 | 7,988 |
| Investments | 338,132 | 356,368 | 374,554 | 366,079 | 472,102 |
| Right-of-use assets, operating leases, net | - | - | - | - | 2,904 |
| Right-of-use assets, finance lease, net | - | - | - | 45,996 | 44,785 |
| Funds held by bond trustee | 36,954 | 14,257 | 14,564 | 47,033 | 35,877 |
| Property, plant and equipment, net | <u>204,642</u> | <u>263,099</u> | <u>320,861</u> | <u>270,794</u> | <u>275,222</u> |
| Total Assets | <u>\$684,939</u> | <u>\$737,861</u> | <u>\$792,704</u> | <u>\$830,490</u> | <u>\$934,957</u> |
| Liabilities | | | | | |
| Accounts payable and accrued expenses | \$22,774 | \$18,294 | \$17,884 | \$22,330 | \$25,183 |
| Deferred revenue | 3,367 | 3,831 | 4,233 | 2,715 | 3,565 |
| Liability under split-interest agreements | 5,772 | 5,757 | 5,376 | 5,076 | 4,564 |
| Refundable government loan program | 757 | 582 | 557 | 391 | 278 |
| Postretirement benefit obligation | 24,878 | 24,032 | 28,356 | 32,681 | 33,946 |
| Asset retirement obligations | 2,625 | 2,789 | 2,963 | 3,149 | 3,345 |
| Short-term obligations | - | - | - | 10,000 | - |
| Long-term obligations | 134,905 | 167,264 | 158,580 | 187,435 | 171,031 |
| Lease obligations payable | - | - | <u>47,206</u> | <u>47,741</u> | <u>51,397</u> |
| Total liabilities | <u>\$195,078</u> | <u>\$222,549</u> | <u>\$265,155</u> | <u>\$311,518</u> | <u>\$293,309</u> |
| Net Assets: | | | | | |
| Without donor restrictions | \$117,383 | \$131,341 | \$129,090 | \$117,779 | \$121,300 |
| With donor restrictions | 372,478 | 383,971 | 398,459 | 401,193 | 520,348 |
| Total net assets | <u>\$489,861</u> | <u>\$515,312</u> | <u>\$527,549</u> | <u>518,972</u> | <u>641,648</u> |
| Total liabilities and net assets | <u>\$684,939</u> | <u>\$737,861</u> | <u>\$792,704</u> | <u>\$830,490</u> | <u>\$934,957</u> |

* The College adopted issued Accounting Standards Update (“ASU”) No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (“ASU 2016-14”) as of and for the year ended June 30, 2019. One of the significant changes includes the presentation of two net asset classes classified as “net assets without donor restrictions” and “net assets with donor restrictions.” In general, ASU 2016-14 requires amounts previously reported as unrestricted net assets to be classified as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets to be classified as net assets with donor restrictions. For comparative purposes, the College has recasted the net asset categories for the year ended June 30, 2017 in the chart above.

** In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. The College adopted ASU 2016-02 for the year ended June 30, 2021 using the current period adjustment method which impacted the College’s financial condition but did not have a material impact on the financial statements.

Net Assets

Net assets without donor restrictions were approximately \$121.3 million as of June 30, 2021, and are net assets that are not subject to donor-imposed stipulation.

Net assets with donor restrictions were approximately \$520.3 million as of June 30, 2021. Approximately \$235.9 million of the net assets with donor restrictions are to be maintained in perpetuity in accordance with donor intent and the investment return from such assets is used to support program activities such as financial aid and instruction. The remaining net assets with donor restrictions of approximately \$284.4 million are generally available for program purposes such as financial aid, instruction and plant improvements.

Management Report of Operating Results

For the past five fiscal years, Barnard has grown Student Services Revenue, net from approximately \$116.8 million in Fiscal Year 2017 to approximately \$123.4 million in Fiscal Year 2021. The College reported approximately \$58.3 million in total gifts and pledges in the 2021 audited financial statements. Over the past five years, the College's total net assets have grown from approximately \$489.9 million to approximately \$641.6 million, marking an all-time high value for the College. The growth in net assets is attributable to increased student services and fund-raising revenue, favorable investment performance, and tighter controls on operating expenditures.

As a result of the COVID-19 pandemic, in March 2020, the College asked students not to return to campus after spring break and converted the remainder of the spring semester to a period of virtual learning. Students living in campus residence halls received pro-rated credits for their unused housing and meal plans through the end of the semester, resulting in lost net revenue in excess of \$15.5 million and \$5.0 million, respectively, which would have been included in net student services revenue for the fiscal years ended June 30, 2021 and 2020, respectively. Unlike other institutions, the College did not eliminate or reduce employees' benefits, including retirement plan contributions, as a result of the pandemic. This approach has helped with employee retention as well as not having to increase future projections to add back these benefits.

During the fiscal years ended June 30, 2022, 2021 and 2020, the federal government provided higher education with Higher Education Emergency Relief Funding ("HEERF"), which was allocated under various acts of Congress. The College received the following funding from this aid and all funding had a student and an institutional portion:

- Coronavirus Aid, Relief and Economic Securities Act ("CARES") Act - \$1.7 million
- Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSAA") - \$2.4 million
- American Rescue Plan ("ARP") - \$4.3 million

During the pandemic, the College engaged a high level budget team composed of the President, Provost, Executive Vice President of the College & General Counsel and the CFO & V.P. for Finance along with key Trustees to closely monitor and model the projected impacts of the pandemic on the College's operations. From a cash based approach, the College had positive cash operating results for Fiscal Years 2020 and 2021 and projected positive cash operating results for Fiscal Year 2022. The College budgeted excess revenue over expense (cash basis) to be \$5.58 million for Fiscal Year 2022. Current Fiscal Year 2022 projections, as of March 2022, exceed budgeted expectations by over \$1 million.

Cash and Investments

The College's Cash and Investments for the five fiscal years ending June 30, 2021 as presented in the table below in thousands. As of April 30, 2022, the College's Cash and Cash Equivalents totaled \$85.5 million and Investments totaled \$460.5 million.

Cash and Investments

| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---------------------------|----------------|----------------|----------------|----------------|----------------|
| Cash and Cash Equivalents | \$40,591 | \$46,195 | \$28,646 | \$47,308 | \$33,931 |
| Investments | <u>338,132</u> | <u>356,368</u> | <u>374,554</u> | <u>366,079</u> | <u>472,102</u> |
| Total | \$378,723 | \$402,563 | \$403,200 | \$413,387 | \$506,033 |

Endowment

The Board of Trustee Committee on Investments, composed of highly accomplished professionals in the field, is actively engaged in oversight and management of the endowment including asset allocation, liquidity levels and investment manager performance reviews. All the Committee members have extensive investment risk management experience at some of the world's largest financial institutions.

The College appointed Goldman Sachs and Partners Capital as its Outsourced Chief Investment Officer ("OCIO") in July 2021. Previously the College engaged Strategic Investment Advisors as its OCIO from September 2017 to June 2021 and Investure, LLC from December 2006 to September 2017. Currently, the College's portfolio includes a diversified set of asset types, along with a corresponding diversification of management styles and return expectations. The College's portfolio contains an allocation of investments in alternative asset classes such as absolute return, real estate, and venture capital funds, which take advantage of growth opportunities which are not specifically tied to the typical patterns of the traditional U.S. equity markets. At June 30, 2021, the College's endowment was composed of the following: 7.7% in publicly traded equities, 17.0% in fixed income; 70.4% in alternative investments (real estate, venture capital, private equity and absolute return); and 4.9% in cash and cash equivalents.

The total return on the College's endowment for the year ended June 30, 2021 was 27.8%. Returns for the most recent 3-, 5- and 10-year periods were 10.8%, 10.6% and 8.4%, respectively. The June 30th market value of the endowment and funds designated as endowment, as reported in the respective year's audited financial statements, has grown from \$327.2 million at June 30, 2017 to \$460.5 million at June 30, 2021. Endowment growth has been in large part due to market appreciation, but new gift additions have also played an important role in this gain. As of April 30, 2022, the market value of the College's endowment was \$450.2 million, and this includes investments at Goldman Sachs and Partners Capital as well as private equity legacy assets from the College's former OCIO that will be distributed at a later date.

The Board of Trustees has formally adopted an endowment spending policy to meet the legal and programmatic requirements of the endowment and to provide a relatively predictable and growing stream of revenues for the Operating Budget. The endowment spending policy allows for the annual spending to fall within a band of 4% to 6% of the trailing three-year average of the endowment's market value. Annual spending is approved by the College's Committee on Budget & Finance as part of the overall annual operating budget review. Over the past five fiscal years, the annual endowment spending as a percentage of the June 30th endowment market value has ranged from 3.8% to 4.6%.

ENDOWMENT AND INVESTMENTS SUMMARY

Historical Endowment Performance

| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|-----------------|---------------|---------------|---------------|---------------|---------------|
| Total Endowment | \$327,160,000 | \$345,097,000 | \$363,623,000 | \$356,579,000 | \$460,489,000 |
| Total Return | 12.9% | 7.5% | 5.1% | (1.1)% | 27.8% |

The limitations and restrictions on the College's ability to redeem or sell investments vary by investment type and range from required notice periods for certain limited partnership and hedge funds, to specified terms at inception (generally 10 years) associated with private equity and venture capital interests. Based upon the terms and conditions in effect at June 30, 2021, the College's investment funds can be redeemed or sold as follows:

Investment Liquidity

| | |
|--------------------------|--------------------|
| Daily | \$156,816,000 |
| Monthly | 54,123,000 |
| Quarterly | 112,593,000 |
| Annual | 18,657,000 |
| Lock-up until liquidated | <u>118,300,000</u> |
| Total | \$460,489,000 |

Pension Plans

Full time faculty and administrators of the College are covered under a defined contribution pension plan established with Teachers Insurance and Annuity Association and Fidelity Investments (the “Admin Plan”). Under the Admin Plan, eligible employees may make contributions into the Admin Plan, up to the maximum allowed by the Internal Revenue Code (the “IRC”). For the Admin Plan, the College makes contributions that range from 7% to 15% of eligible compensation.

Employees who are members of Local 2110, United Auto Workers; members of Local 264, Transport Workers Union of America and confidential employees are covered under a defined contribution plan established with Teachers Insurance and Annuity Association (the “Union Plan”). Under the Union Plan, eligible employees may make contributions into the Union Plan up to the maximum allowed by the IRC. For the Union Plan, the College’s contributions range from 2% to 12% of eligible compensation.

The total pension expense for both the Admin Plan and the Union Plan for the year ended June 30, 2021 was \$9.3 million.

In addition to the Admin and Union Plans, the College sponsors unfunded defined benefit postretirement medical plans. For nonunion employees to be eligible for the medical benefits, the employee must be at least 62 years old with at least 10 years of continuous service immediately prior to retirement or a total of age and years of service equal to 80 with a minimum of 15 years of service. For union employees to be eligible for the medical benefits, the employee must be at least 62 years old with at least 10 years of continuous service immediately prior to retirement. At June 30, 2021, the postretirement medical benefit obligation was approximately \$34.0 million which is recognized as an unfunded liability.

Insurance

The College purchases comprehensive insurance coverage in the traditional categories of workers compensation, property and general liability and in categories unique to higher education.

Outstanding Obligations of the College

Long-term obligations of the College at June 30, 2021, in thousands of dollars, are summarized as follows:

Long-Term Obligations

| Issue | Rate | Maturity | Outstanding (000's) |
|---|-------------|-----------------|--------------------------------|
| Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2008 | Variable | 2023 | \$1,690 |
| Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2015A | 2.00%-5.00% | 2046 | 98,725 |
| Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2015B | Variable | 2046 | 11,250 |
| Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2020A | 4.00% | 2049 | 40,555 |
| Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2020B | Variable | 2049 | 2,036 |
| Total | | | \$154,256 |
| Add unamortized bond premium | | | 19,280 |
| Less unamortized bond issuance costs | | | (2,505) |
| Total Long-term obligations | | | \$ 171,031 |

The Series 2008 Bonds are variable rate general unsecured obligations of Barnard and will be fully repaid on July 1, 2022. The interest rate on the Series 2008 Bonds is indexed to LIBOR. The Series 2015B Bonds are variable rate bonds secured by a pledge of revenues consisting of tuition and fees charged by the College to students for academic instruction. The interest rate on the Series 2015B Bonds is indexed to LIBOR, and the Bonds will be fully repaid in July 2023.

The Series 2015A Bonds are fixed rate bonds secured by a pledge of revenues consisting of tuition and fees charged by the College to students for academic instruction. The Series 2020B Bonds are variable rate general unsecured obligations of Barnard. The interest rate on the Series 2020B Bonds is indexed to LIBOR. The College intends to refund \$40,435,000 outstanding principal amount of the Series 2015A Bonds and all of the drawn and outstanding Series 2020B Bonds with proceeds of the Series 2022 Bonds. Upon the refunding of the Series 2020B Bonds, the College will *not* have the ability to draw any of the undrawn portion of Series 2020B Bonds

On March 23, 2021, the College executed a two-year forward swaption with the Royal Bank of Canada as its counterparty. The notional amount of the swaption is \$35.4 million with an effective date of April 1, 2023. The strike price is 2.065%. The swaption was priced at \$1.7 million and is reflected on the College's statement of financial position at the market value of \$.06 million as of June 30, 2021. The market value as of May 25, 2022 was \$2.11 million. The swaption was executed to limit the College's interest rate exposure as it plans for potential new debt issuance in 2023 in connection with planned capital projects, including for construction and renovation of the R&D Science Center. The College has no obligation to issue new debt under this swaption. The swaption only serves to protect the College should it wish to issue new debt.

The College has two lines of credit in place. Both are unsecured and are available to be used for general corporate purposes. The line of credit with JPMorgan Chase is for \$30.0 million through May 29, 2023 and the line of credit with Citizens Bank is for \$5.0 million through March 31, 2023. No amounts are currently drawn under the lines of credit.

Litigation

There are currently no asserted claims, pending litigation to which the College is a party, nor potential litigation, individually or in the aggregate, that would materially affect the ability of the College to pay the principal of and interest on the Series 2022 Bonds when due.

Cybersecurity

The College's dedicated Information Technology team is responsible for maintaining the confidentiality, integrity, and availability of electronic information and manages the projects, tasks, and daily operational work that reduce the College's overall risk profile and improves the security of all students, faculty, staff, and other community members. The team is managed by the Executive Director of Information Technology, who reports to the Associate Vice President, Facilities & Capital Projects

The College's network infrastructure, by design, is configured to protect systems used by the campus community through a variety of security technologies. Strictly defined firewall rules, which are regularly audited by the College's Information Technology team, control what is allowed to come into the campus network.

All faculty and staff computers and file share servers are protected by an industry standard endpoint protection and endpoint detection and response platform that provides advanced protection capabilities. Computers in classrooms and labs are also protected by this platform. In addition, College-owned computers are centrally managed to ensure security patches are deployed in a timely fashion.

All systems have defined user permissions based on access levels required. Security and permissions of users within the College's major enterprise resource planning systems are reviewed on a regular basis. Removal of access to systems is included in the termination workflow for employees.

Access to the College's secured wireless network is handled through a network access control appliance and requires College credentials.

Access to all critical systems hosted on campus requires the use of VPN to connect to the campus network. Central authentication and VPN are protected by Multi-Factor Authentication. Wherever possible, for cloud-based systems, authentication via SAML is required, which, in turn, is protected by Multi-Factor Authentication.

The College partners with third-party vendors for formalized risk assessments, penetration testing, and vulnerability scanning. The College also carries a cyber risk insurance policy.

PART 9 — DASNY

Background, Purposes and Powers

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

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

To carry out its programs, DASNY is authorized to issue and sell negotiable bonds and notes to finance the construction of facilities for such institutions, to issue bonds or notes to refund outstanding bonds or notes, and to lend funds to such institutions. As of March 31, 2022, DASNY had approximately \$59.6 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 475 employees located in four main offices (Albany, New York City, Buffalo and Rochester) and at approximately 39 field sites across the State.

Governance

DASNY is governed by an eleven-member board. Board members include the Commissioner of Education of the State, the Commissioner of Health of the State, the State Comptroller or one member appointed by him or her who serves until his or her successor is appointed, the Director of the Budget of the State, one member appointed by the Temporary President of the State Senate, one member appointed by the Speaker of the State Assembly, and five

members appointed by the Governor, with the advice and consent of the Senate, for terms of three years. The Commissioner of Education of the State, the Commissioner of Health of the State, and the Director of the Budget of the State each may appoint a representative to attend and vote at DASNY meetings. The members of DASNY serve without compensation but are entitled to reimbursement of expenses incurred in the performance of their duties.

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

The current members of DASNY are as follows:

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

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

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

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

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

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

JONATHAN H. GARDNER, ESQ., Buffalo.

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

WELLINGTON Z. CHEN, Queens.

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

LISA A. GOMEZ, Pelham.

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

JOAN M. SULLIVAN, Slingerlands.

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

JANICE McKINNIE, Buffalo.

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

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

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

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

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

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

Mary T. Bassett, MD, MPH., was appointed Commissioner of Health on December 1, 2021. She previously served as Director of the François-Xavier Bagnoud (FXB) Center for Health and Human Rights at Harvard University and FXB Professor of the Practice of Health and Human Rights in the department of Social and Behavioral Sciences

at the Harvard T.H. Chan School of Public Health. Prior to that, she served as Commissioner of the New York City Department of Health and Mental Hygiene, Director for the Doris Duke Charitable Foundation's African Health Initiative and Child Well-Being Prevention Program; and as Deputy Commissioner of Health Promotion and Disease Prevention at the New York City Department of Health and Mental Hygiene. Early in her career, Dr. Bassett served on the medical faculty at the University of Zimbabwe and went on to serve as Associate Director of Health Equity at the Rockefeller Foundation's Southern Africa Office. After returning to the United States, she served on the faculty of Columbia University, including as Associate Professor of Clinical Epidemiology in the Mailman School of Public Health. Dr. Bassett received a B.A. in History and Science from Harvard University, an M.D. from Columbia University's College of Physicians and Surgeons, and an M.P.H. from the University of Washington.

The principal staff of DASNY are as follows:

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

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

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

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

PORTIA LEE is the Managing Director of Public Finance and Portfolio Monitoring. She is responsible for supervising and directing DASNY bond issuance in the capital markets, implementing and overseeing financing programs, overseeing DASNY's compliance with continuing disclosure requirements and monitoring the financial condition of existing DASNY clients. Ms. Lee previously served as Senior Investment Officer at the New York State Comptroller's Office where she was responsible for assisting in the administration of the long-term fixed income portfolio of the New York State Common Retirement Fund, as well as the short-term portfolio, and the Securities

Lending Program. From 1995 to 2005, Ms. Lee worked at Moody's Investors Service where she most recently served as Vice President and Senior Credit Officer in the Public Finance Housing Group. She holds a Bachelor of Arts degree from the State University of New York at Albany.

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

CAROLINE V. GRIFFIN is the Chief of Staff of DASNY. She coordinates policy and operations across all of DASNY's business lines and serves as chief advisor on all DASNY operations. In addition, Ms. Griffin directly manages DASNY's work in communications, marketing, and intergovernmental affairs. She previously served in leadership roles for three New York State governors, managing and overseeing government operations and intergovernmental affairs, as well as serving as chief liaison for the governor's office with federal, state and local elected officials. Ms. Griffin holds a Bachelor of Arts degree in Communications from Boston College.

Claims and Litigation

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

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

Other Matters

New York State Public Authorities Control Board

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

Legislation

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

Environmental Quality Review

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

Independent Auditors

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

PART 10 — LEGALITY OF THE SERIES 2022 BONDS FOR INVESTMENT AND DEPOSIT

Under New York State law, the Series 2022 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 2022 Bonds may be deposited with the State Comptroller to secure deposits of State moneys in banks, trust companies and industrial banks.

PART 11 — NEGOTIABLE INSTRUMENTS

The Series 2022 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 2022 Bonds.

PART 12 — TAX MATTERS

Series 2022A Bonds

Federal Income Taxes

The Internal Revenue Code of 1986 (the “Code”) imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2022A Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2022A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2022A Bonds. Pursuant to the Resolutions, the Loan Agreement and a Tax Certificate dated the date of delivery of the Series 2022A Bonds (the “Tax Certificate”), DASNY and the College have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2022A Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, DASNY and the College have made certain representations and certifications in the Resolutions, the Loan Agreement and the Tax Certificate. In addition, Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel, have relied on the opinion of Bond, Schoeneck & King, PLLC, counsel to the College, as to the status of the College as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code. Co-Bond Counsel will not independently verify the accuracy of those representations and certifications, or that opinion.

In the opinion of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel, under existing law and assuming compliance with the aforementioned covenants, and the accuracy of certain representations and certifications made by DASNY and the College described above, interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Co-Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

State Taxes

Co-Bond Counsel is also of the opinion that under existing law, interest on the Series 2022A Bonds is, by virtue of the Act, exempt from personal income taxation imposed by the State of New York or any political subdivision thereof. Co-Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Series 2022A Bonds nor as to the taxability of the Series 2022A Bonds or the income therefrom under the laws of any state other than the State of New York.

Original Issue Discount

The excess of the principal amount of a maturity of the Series 2022A Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the Series 2022A Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a “Discount Bond” and collectively the “Discount Bonds”) constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2022A Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

Series 2022A Bonds sold at prices in excess of their principal amounts are “Premium Bonds.” An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which offsets the amount of tax-exempt interest and is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Series 2022A Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Series 2022A Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2022A Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2022A Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Co-Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as Appendix E. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2022A Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2022A Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2022A Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2022A Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2022A Bonds may occur. Prospective purchasers of the Series 2022A Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2022A Bonds.

Co-Bond Counsel have not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2022A Bonds may affect the tax status of interest on the Series 2022A Bonds. Co-Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Series 2022A Bonds, or the interest thereon, if any action is taken with respect to the Series 2022A Bonds or the proceeds thereof upon the advice or approval of other counsel.

Series 2022B Bonds

Federal Income Taxes

The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Series 2022B Bonds. The summary is based upon the provisions of the Code, the Treasury Regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect,

all of which are subject to change. Such authorities may be repealed, revoked, or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those described below. The summary generally addresses Series 2022B Bonds held as capital assets within the meaning of Section 1221 of the Code and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Series 2022B Bonds as a hedge against currency risks or as a position in a “straddle,” “hedge,” “constructive sale transaction” or “conversion transaction” for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than original purchasers that acquire Series 2022B Bonds at their initial issue price except where otherwise specifically noted. Potential purchasers of the Series 2022B Bonds should consult their own tax advisors in determining the federal, state, local, foreign and other tax consequences to them of the purchase, holding and disposition of the Series 2022B Bonds.

The Issuer has not sought and will not seek any rulings from the Internal Revenue Service with respect to any matter discussed herein. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax characterizations and tax consequences set forth below.

U.S. Holders

As used herein, the term “U.S. Holder” means a beneficial owner of Series 2022B Bonds that is (a) an individual citizen or resident of the United States for federal income tax purposes, (b) a corporation, including an entity treated as a corporation for federal income tax purposes, created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (c) an estate whose income is subject to federal income taxation regardless of its source, or (d) a trust if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Notwithstanding clause (d) of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to that date that elect to continue to be treated as United States persons also will be U.S. Holders. In addition, if a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) holds Series 2022B Bonds, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If a U.S. Holder is a partner in a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) that holds Series 2022B Bonds, the U.S. Holder is urged to consult its own tax advisor regarding the specific tax consequences of the purchase, ownership and dispositions of the Series 2022B Bonds.

Taxation of Interest Generally

Interest on the Series 2022B Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code and so will be fully subject to federal income taxation. Purchasers will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Series 2022B Bonds. In general, interest paid on the Series 2022B Bonds and recovery of any accrued original issue discount and market discount will be treated as ordinary income to a bondholder, and after adjustment for the foregoing, principal payments will be treated as a return of capital to the extent of the U.S. Holder’s adjusted tax basis in the Series 2022B Bonds and capital gain to the extent of any excess received over such basis.

Recognition of Income Generally

Section 451(b) of the Code provides that purchasers using an accrual method of accounting for U.S. federal income tax purposes may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such purchaser. In this regard, Treasury Regulations provide that, with the exception of certain fees, the rule in section 451(b) will generally not apply to the timing rules for original issue discount and market discount, or to the timing rules for de minimis original issue discount and market discount. Prospective purchasers of the Series 2022B Bonds should consult their own tax advisors regarding any potential applicability of these rules and their impact on the timing of the recognition of income related to the Series 2022B Bonds under the Code.

Original Issue Discount

The following summary is a general discussion of certain federal income tax consequences of the purchase, ownership and disposition of Series 2022B Bonds issued with original issue discount (“Discount Bonds”). A Series 2022B Bond will be treated as having been issued with an original issue discount if the excess of its “stated redemption price at maturity” (defined below) over its issue price (defined as the initial offering price to the public at which a substantial amount of the Series 2022B Bonds of the same maturity have first been sold to the public, excluding bond houses and brokers) equals or exceeds one quarter of one percent of such Series 2022B Bond’s stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of an installment obligation, its weighted average maturity).

A Series 2022B Bond’s “stated redemption price at maturity” is the total of all payments provided by the Series 2022B Bond that are not payments of “qualified stated interest.” Generally, the term “qualified stated interest” includes 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 or certain floating rates.

In general, the amount of original issue discount includible in income by the initial holder of a Discount Bond is the sum of the “daily portions” of original issue discount with respect to such Discount Bond for each day during the taxable year in which such holder held such Discount Bond. The daily portion of original issue discount on any Discount Bond is determined by allocating to each day in any “accrual period” a ratable portion of the original issue discount allocable to that accrual period.

An accrual period may be of any length, and may vary in length over the term of a Discount Bond, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs at the end of an accrual period. The amount of original issue discount allocable to each accrual period is equal to the difference between (i) the product of the Discount Bond’s adjusted issue price at the beginning of such accrual period and its 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 Discount Bond at the beginning of any accrual period is the sum of the issue price of the Discount Bond plus the amount of original issue discount allocable to all prior accrual periods minus the amount of any prior payments on the Discount Bond that were not qualified stated interest payments. Under these rules, holders generally will have to include in income increasingly greater amounts of original issue discount in successive accrual periods.

Holders utilizing the accrual method of accounting may generally, upon election, include in gross income all interest (including stated interest, acquisition discount, original issue discount, de minimis original issue discount, market discount, de minimis market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) on a Series 2022B Bond by using the constant yield method applicable to original issue discount, subject to certain limitations and exceptions.

Market Discount

A holder who purchases a Series 2022B Bond at a price which includes market discount (i.e., at a purchase price that is less than its adjusted issue price in the hands of an original owner) in excess of a prescribed de minimis amount will be required to recharacterize all or a portion of the gain as ordinary income upon receipt of each scheduled or unscheduled principal payment or upon other disposition. In particular, such holder will generally be required either (a) to allocate each such principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a Series 2022B Bond as ordinary income to the extent of any remaining accrued market discount or (b) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such holder on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Tax Reform Act of 1986 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest.

A holder of a Series 2022B Bond who acquires such Series 2022B Bond at a market discount also may be required to defer, until the maturity date of such Series 2022B Bond or the earlier disposition in a taxable transaction, the

deduction of a portion of the amount of interest that the holder paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Series 2022B Bond in excess of the aggregate amount of interest (including original issue discount) includable in such holder's gross income for the taxable year with respect to such Series 2022B Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2022B Bond for the days during the taxable year on which the holder held the Series 2022B Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2022B Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the bondholder elects to include such market discount in income currently as described above.

Bond Premium

A holder of a Series 2022B Bond who purchases such Series 2022B Bond at a cost greater than its remaining redemption amount will have amortizable bond premium. If the holder elects to amortize this premium under Section 171 of the Code (which election will apply to all Series 2022B Bonds held by the holder on the first day of the taxable year to which the election applies and to all Series 2022B Bonds thereafter acquired by the holder), such a holder must amortize the premium using constant yield principles based on the holder's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, and a reduction in basis is required for amortizable bond premium that is applied to reduce interest payments. Purchasers of Series 2022B Bonds who acquire such Series 2022B Bonds at a premium should consult with their own tax advisors with respect to federal, state and local tax consequences of owning such Series 2022B Bonds.

Surtax on Unearned Income

Section 1411 of the Code generally imposes a tax of 3.8% on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this provision in their particular circumstances.

Sale or Redemption of Series 2022B Bonds

A bondholder's adjusted tax basis for a Series 2022B Bond is the price such holder pays for the Series 2022B Bond plus the amount of original issue discount and market discount previously included in income and reduced on account of any payments received on such Series 2022B Bond other than "qualified stated interest" and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a Series 2022B Bond, measured by the difference between the amount realized and the bondholder's tax basis as so adjusted, will generally give rise to capital gain or loss if the Series 2022B Bond is held as a capital asset (except in the case of Series 2022B Bonds acquired at a market discount, in which case a portion of the gain will be characterized as interest and therefore ordinary income).

If the terms of a Series 2022B Bond are materially modified, in certain circumstances, a new debt obligation would be deemed "reissued", or created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those related to the redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. In addition, the defeasance of a Series 2022B Bond under the defeasance provisions of the Resolution could result in a deemed sale or exchange of such Series 2022B Bond.

EACH POTENTIAL HOLDER OF SERIES 2022B BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING (1) THE TREATMENT OF GAIN OR LOSS ON SALE, REDEMPTION OR DEFEASANCE OF THE SERIES 2022B BONDS, AND (2) THE CIRCUMSTANCES IN WHICH SERIES 2022B BONDS WOULD BE DEEMED REISSUED AND THE LIKELY EFFECTS, IF ANY, OF SUCH REISSUANCE.

Non-U.S. Holders

The following is a general discussion of certain United States federal income tax consequences resulting from the beneficial ownership of Series 2022B Bonds by a person other than a U.S. Holder, a former United States citizen or

resident, or a partnership or entity treated as a partnership for United States federal income tax purposes (a “Non-U.S. Holder”).

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act (“FATCA”), payments of principal by the Issuer or any of its agents (acting in its capacity as agent) to any Non-U.S. Holder will not be subject to federal withholding tax. In the case of payments of interest to any Non-U.S. Holder, however, federal withholding tax will apply unless the Non-U.S. Holder (1) does not own (actually or constructively) 10 percent or more of the voting equity interests of the Issuer, (2) is not a controlled foreign corporation for United States tax purposes that is related to the Issuer (directly or indirectly) through stock ownership, and (3) is not a bank receiving interest in the manner described in Section 881(c)(3)(A) of the Code. In addition, either (1) the Non-U.S. Holder must certify on the applicable IRS Form W-8 (series) (or successor form) to the Issuer, its agents or paying agents or a broker under penalties of perjury that it is not a U.S. person and must provide its name and address, or (2) a securities clearing organization, bank or other financial institution, that holds customers’ securities in the ordinary course of its trade or business and that also holds the Series 2022B Bonds must certify to the Issuer or its agent under penalties of perjury that such statement on the applicable IRS Form W-8 (series) (or successor form) has been received from the Non-U.S. Holder by it or by another financial institution and must furnish the interest payor with a copy.

Interest payments may also be exempt from federal withholding tax depending on the terms of an existing federal income tax treaty, if any, in force between the U.S. and the resident country of the Non-U.S. Holder. The U.S. has entered into an income tax treaty with a limited number of countries. In addition, the terms of each treaty differ in their treatment of interest and original issue discount payments. Non-U.S. Holders are urged to consult their own tax advisor regarding the specific tax consequences of the receipt of interest payments, including original issue discount. A Non-U.S. Holder that does not qualify for exemption from withholding as described above must provide the Issuer or its agent with documentation as to his, her, or its identity to avoid the U.S. backup withholding tax on the amount allocable to a Non-U.S. Holder. The documentation may require that the Non-U.S. Holder provide a U.S. tax identification number.

If a Non-U.S. Holder is engaged in a trade or business in the United States and interest on a Series 2022B Bond held by such holder is effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed above (provided that such holder timely furnishes the required certification to claim such exemption), may be subject to United States federal income tax on such interest in the same manner as if it were a U.S. Holder. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (subject to a reduced rate under an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments. For purposes of the branch profits tax, interest on a Series 2022B Bond will be included in the earnings and profits of the holder if the interest is effectively connected with the conduct by the holder of a trade or business in the United States. Such a holder must provide the payor with a properly executed IRS Form W-8ECI (or successor form) to claim an exemption from United States federal withholding tax.

Generally, any capital gain realized on the sale, exchange, retirement or other disposition of a Series 2022B Bond by a Non-U.S. Holder will not be subject to United States federal income or withholding taxes if (1) the gain is not effectively connected with a United States trade or business of the Non-U.S. Holder, and (2) in the case of an individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition, and certain other conditions are met.

For newly issued or reissued obligations, such as the Series 2022B Bonds, FATCA imposes U.S. withholding tax on interest payments and, for dispositions after December 31, 2018, gross proceeds of the sale of the Series 2022B Bonds paid to certain foreign financial institutions (which is broadly defined for this purpose to generally include non-U.S. investment funds) and certain other non-U.S. entities if certain disclosure and due diligence requirements related to U.S. accounts or ownership are not satisfied, unless an exemption applies. An intergovernmental agreement between the United States and an applicable non-U.S. country may modify these requirements. In any event, bondholders or beneficial owners of the Series 2022B Bonds shall have no recourse against the Issuer, nor will the Issuer be obligated to pay any additional amounts to “gross up” payments to such persons, as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges with respect to payments in respect of the Series 2022B Bonds. However, it should be noted that on December 13, 2018, the IRS issued Proposed Treasury Regulation Section 1.1473-1(a)(1) which proposes to remove gross proceeds from the definition of “withholdable payment” for this purpose.

Non-U.S. Holders should consult their own tax advisors with respect to the possible applicability of federal withholding and other taxes upon income realized in respect of the Series 2022B Bonds.

Information Reporting and Backup Withholding

For each calendar year in which the Series 2022B Bonds are outstanding, the Issuer, its agents or paying agents or a broker is required to provide the IRS with certain information, including a holder's name, address and taxpayer identification number (either the holder's Social Security number or its employer identification number, as the case may be), the aggregate amount of principal and interest paid to that holder during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to certain U.S. Holders, including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts and annuities.

If a U.S. Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or under-reports its tax liability, the Issuer, its agents or paying agents or a broker may be required to make "backup" withholding of tax on each payment of interest or principal on the Series 2022B Bonds. This backup withholding is not an additional tax and may be credited against the U.S. Holder's federal income tax liability, provided that the U.S. Holder furnishes the required information to the IRS.

Under current Treasury Regulations, backup withholding and information reporting will not apply to payments of interest made by the Issuer, its agents (in their capacity as such) or paying agents or a broker to a Non-U.S. Holder if such holder has provided the required certification that it is not a U.S. person (as set forth in the second paragraph under "Non-U.S. Holders" above), or has otherwise established an exemption (provided that neither the Issuer nor its agent has actual knowledge that the holder is a U.S. person or that the conditions of an exemption are not in fact satisfied).

Payments of the proceeds from the sale of a Series 2022B Bond to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) may apply to those payments if the broker is one of the following: (i) a U.S. person; (ii) a controlled foreign corporation for U.S. tax purposes; (iii) a foreign person 50-percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a United States trade or business; or (iv) a foreign partnership with certain connections to the United States.

Payment of the proceeds from a sale of a Series 2022B Bond to or through the United States office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

The preceding federal income tax discussion is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the Series 2022B Bonds, including the tax consequences under federal, state, local, foreign and other tax laws and the possible effects of changes in those tax laws.

State Taxes

Co-Bond Counsel is of the opinion that under existing law, interest on the Series 2022B Bonds is, by virtue of the Act, exempt from personal income taxation imposed by the State of New York or any political subdivision thereof. Co-Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Series 2022B Bonds nor as to the taxability of the Series 2022B Bonds or the income therefrom under the laws of any state other than the State of New York.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an impact on the inclusion in gross income of interest on the Series 2022B Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2022B Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or otherwise. It is not possible to predict whether any such legislative or administrative actions or court decisions will occur or have an adverse impact on the federal or state income tax treatment of holders of the Series 2022B Bonds.

Prospective purchasers of the Series 2022B Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Series 2022B Bonds.

IN ALL EVENTS, ALL INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE SERIES 2022B BONDS.

PART 13 — CONSIDERATIONS FOR ERISA AND OTHER U.S. BENEFIT PLAN INVESTORS

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to Title I of ERISA (“ERISA Plans”). Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein (“Qualified Retirement Plans”), and on Individual Retirement Accounts (“IRAs”) described in Section 408(b) of the Code (collectively, “Tax-Favored Plans”). Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA) (“Governmental Plans”), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA) (“Church Plans”), are not subject to ERISA requirements. Additionally, such Governmental and Church Plans are not subject to the requirements of Section 4975 of the Code but may be subject to applicable federal, state or local law (“Similar Laws”) which is, to a material extent, similar to the foregoing provisions of ERISA or the Code. Accordingly, assets of such plans may be invested in the Series 2022 Bonds without regard to the ERISA and Code considerations described below, subject to the provisions of Similar Laws.

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan’s investment be made in accordance with the documents governing the plan, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of ERISA Plans and Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, “Benefit Plans”) and persons who have certain specified relationships to the Benefit Plans (“Parties In Interest” or “Disqualified Persons”), unless a statutory or administrative exemption is available. The definitions of “Party in Interest” and “Disqualified Person” are expansive. While other entities may be encompassed by these definitions, they include, most notably: (1) fiduciary with respect to a plan; (2) a person providing services to a plan; (3) an employer or employee organization any of whose employees or members are covered by the plan; and (4) the owner of an IRA. Certain Parties in Interest (or Disqualified Persons) that participate in a prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory or administrative exemption is available. Without an exemption an IRA owner may disqualify his or her IRA.

Certain transactions involving the purchase, holding or transfer of the Series 2022 Bonds might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Code if assets of the Issuer or the College were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor (the “Plan Assets Regulation”), the assets of the Issuer would be treated as plan assets of a Benefit Plan for the purposes of ERISA and Section 4975 only of the Code if the Benefit Plan acquires an “equity interest” in the Issuer or the College and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on this matter, it appears that the Series 2022 Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation. This determination is based upon the traditional debt features of the Series 2022 Bonds, including the reasonable expectation of purchasers of Series 2022 Bonds that the Series 2022 Bonds will be repaid when due, traditional default remedies, as well as the absence of conversion rights, warrants and other typical equity features.

However, without regard to whether the Series 2022 Bonds are treated as an equity interest for such purposes, though, the acquisition or holding of Series 2022 Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the Issuer, the College, or the Trustee, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan.

Most notably, ERISA and the Code generally prohibit the lending of money or other extension of credit between an ERISA Plan or Tax-Favored Plan and a Party in Interest or a Disqualified Person, and the acquisition of any of the Series 2022 Bonds by a Benefit Plan would involve the lending of money or extension of credit by the Benefit Plan. In such a case, however, certain exemptions from the prohibited transaction rules could be applicable depending on the

type and circumstances of the plan fiduciary making the decision to acquire a Series 2022 Bond. Included among these exemptions are: Prohibited Transaction Class Exemption (“PTCE”) 96-23, regarding transactions effected by certain “in-house asset managers”; PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by “insurance company general accounts”; PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by “qualified professional asset managers.” Further, the statutory exemption in Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provides for an exemption for transactions involving “adequate consideration” with persons who are Parties in Interest or Disqualified Persons solely by reason of their (or their affiliate’s) status as a service provider to the Benefit Plan involved and none of whom is a fiduciary with respect to the Benefit Plan assets involved (or an affiliate of such a fiduciary). There can be no assurance that any class or other exemption will be available with respect to any particular transaction involving the Series 2022 Bonds, or that, if available, the exemption would cover all possible prohibited transactions.

By acquiring a Series 2022 Bond (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a plan, its fiduciary) is deemed to represent and warrant that either (i) it is not acquiring the Series 2022 Bond (or interest therein) with the assets of a Benefit Plan, Governmental plan or Church plan; or (ii) the acquisition and holding of the Series 2022 Bond (or interest therein) will not give rise to a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or Similar Laws. A purchaser or transferee who acquires Series 2022 Bonds with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

Because the Issuer, the College, the Trustee, Underwriters or any of their respective affiliates may receive certain benefits in connection with the sale of the Series 2022 Bonds, the purchase of the Series 2022 Bonds using plan assets of a Benefit Plan over which any of such parties has investment authority or provides investment advice for a direct or indirect fee may be deemed to be a violation of the prohibited transaction rules of ERISA or Section 4975 of the Code or Similar Laws for which no exemption may be available. Accordingly, any investor considering a purchase of Series 2022 Bonds using plan assets of a Benefit Plan should consult with its counsel if the Issuer, the College, the Trustee or the Underwriters or any of their respective affiliates has investment authority or provides investment advice for a direct or indirect fee with respect to such assets or is an employer maintaining or contributing to the Benefit Plan.

Any ERISA Plan fiduciary considering whether to purchase the Series 2022 Bonds on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment and the availability of any of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code and the applicability of Similar Laws.

PART 14 — STATE NOT LIABLE ON THE SERIES 2022 BONDS

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

PART 15 — 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 16 — LEGAL MATTERS

Certain legal matters incidental to the authorization and issuance of the Series 2022 Bonds by DASNY are subject to the approval of Nixon Peabody LLP, New York, New York and D. Seaton and Associates, P.A., P.C. New York,

New York, Co-Bond Counsel, whose approving opinion will be delivered with the Series 2022 Bonds. The proposed form of Co-Bond Counsel's opinion is set forth in Appendix E hereto.

Certain legal matters will be passed upon for the College by its counsel, Bond, Schoeneck & King PLLC, Syracuse, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York.

PART 17 — UNDERWRITING

Goldman Sachs & Co. LLC, as sole Underwriter of the Series 2022 Bonds, has agreed, subject to certain conditions, to purchase the Series 2022 Bonds from DASNY at an aggregate purchase price of \$82,881,795.40 (consisting of the principal amount of the Series 2022 Bonds plus net original issue premium of \$271,862.75 less underwriter's discount of \$505,067.35).

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriter and its affiliates have provided, and may in the future provide, a variety of these services to the issuer and to persons and entities with relationships with the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the issuer. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

PART 18 — VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey Demgen & Moore P.C. will deliver to DASNY its report verifying the mathematical accuracy of the mathematical computations of the adequacy of the cash, the maturing principal amounts and the interest on the Investment Securities deposited with the trustee under the resolution pursuant to which the Refunded Series 2015A Bonds were issued to pay the maturing principal and redemption price of and interest coming due on the Refunded Series 2015A Bonds to the redemption date as described in "PART 5 — THE REFUNDING PLAN." Causey Demgen & Moore P.C. will express no opinion on the reasonableness of the assumptions provided to them, the likelihood that the principal of and interest on the Series 2022B Bonds will be paid as described in the schedules provided to them.

PART 19 — CONTINUING DISCLOSURE

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

During the past five years, the College has not failed to comply, in any material respect, with any previous continuing disclosure undertaking.

PART 20 — RATING

Moody's Investors Service ("Moody's") has assigned a rating of "A3 (stable outlook)" to the Series 2022 Bonds. Such rating reflects only the view of such rating agency and any desired explanation of the significance of such rating and any outlook or other statements given with respect thereto should be obtained from the rating agency at the following address: Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. There is no assurance that such rating will prevail for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such

downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2022 Bonds.

PART 21 — MISCELLANEOUS

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

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

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

The information set forth herein relating to DASNY under the heading “PART 9 – DASNY” has been obtained from DASNY. All other information herein has been obtained by the Underwriter from the College and other sources deemed to be reliable by the Underwriter, and is not to be construed as a representation by DASNY or the Underwriter. In addition, DASNY does not warrant the accuracy of the statements contained herein relating to the College nor does it directly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the College, (2) the sufficiency of security for the Series 2022 Bonds or (3) the value or investment quality of the Series 2022 Bonds.

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

“APPENDIX A – CERTAIN DEFINITIONS,” “APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT,” “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION” and “APPENDIX E – FORM OF APPROVING OPINION OF CO-BOND COUNSEL” have been prepared by Nixon Peabody LLP, New York, New York and D. Seaton and Associates, P.A., P.C., New York, New York, Co-Bond Counsel.

“APPENDIX B – FINANCIAL STATEMENTS OF BARNARD COLLEGE AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS” contains the financial statements of the College as of and for the year ended June 30, 2021, with summarized comparative totals for 2020, which have been audited by Grant Thornton LLP, independent certified public accountants as stated in their report appearing therein.

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

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

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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

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CERTAIN DEFINITIONS

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CERTAIN DEFINITIONS

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

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

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

Annual Administrative Fee means the fee payable during each Bond Year for the general administrative and supervisory expenses of the Issuer in the amount or amounts more particularly described in Schedule B to the Loan Agreement, which is made a part of the Loan Agreement, as such Schedule B may be amended, modified or supplemented by the Issuer with the consent of the Institution.

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

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

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

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

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

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

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

Bond or Bonds when used in connection with the Resolution, means any of the bonds of the Authority authorized and issued pursuant to the Resolution and to a Series Resolution and, when used in connection with the Loan Agreement, means the Authority's Barnard College Revenue Bonds, Series 2022A together with the Authority's Barnard College Revenue Bonds, Series 2022B.

Bond Counsel means a law firm appointed by the Authority with respect to a Series of Bonds, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds.

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

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

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

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

Business Day when used in connection with any particular Series 2015A Bonds means any day which is not a Saturday, Sunday or a day on which the Trustee or banking institutions chartered by the State of New York 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 accruing thereon is compounded on each Valuation Date for such Bond and is payable only at the maturity or prior redemption thereof.

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

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

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

Cost or Costs of the Project means costs and expenses or the refinancing of costs and expenses determined by the Authority to be necessary in connection with a Project, including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) costs and expenses incurred for labor and materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of a Project, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of a Project, which is not paid by a contractor or otherwise

provided for, (iv) the costs and expenses for design, environmental inspections and assessments, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction of a Project, (v) costs and expenses required for the acquisition and installation of equipment or machinery, (vi) all other costs which the Institution shall be required to pay or cause to be paid for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of a Project, (vii) any sums required to reimburse the Institution or the Authority for advances made by them for any of the above items or for other costs incurred and for work done by them in connection with a Project (including interest on moneys borrowed from parties other than the Institution), (viii) interest on the Bonds of a Series, 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 such Project or pursuant to the Resolution or to the Loan Agreement, a Mortgage, a Liquidity Facility, Credit Facility, a Reserve Fund Facility, an Interest Rate Exchange Agreement or a Remarketing Agreement.

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

(i) a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank or a saving and loan association;

(ii) an insurance company or association chartered or organized under the laws of any state of the United States of America;

(iii) the Government National Mortgage Association or any successor thereto;

(iv) the Federal National Mortgage Association or any successor thereto; or

(v) any other federal agency or instrumentality approved by the Authority.

Any such Credit Facility may also constitute a Liquidity Facility if it also meets the requirements of the definition of a Liquidity Facility in the Resolution. There is no Credit Facility for the Series 2015A Bonds upon the initial issuance thereof.

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

Debt Service Reserve Fund means a reserve fund for the payment of the principal and Sinking Fund Installments, if any, of and interest on a Series of Bonds so designated, created and established by the Authority by or pursuant to a Series Resolution. The Authority has not established a Debt Service Reserve Fund in favor of the Series 2015A Bonds.

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

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

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

Event of Default when used in connection with the Resolution, means each event described in Section 11.02 of the Resolution summarized in Appendix D under the heading “**Events of Default**” and, when used in connection with the Loan Agreement, means each event described in Section 9.1 of the Loan Agreement summarized in Appendix C under the heading “**Events of Default and Remedies.**”

Exempt Obligation means:

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

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

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

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

Federal Agency Obligation means:

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

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

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

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

Government Obligation means:

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

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

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

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

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

Institution means Barnard College, 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.

Intercreditor Agreement means an agreement by and among, inter alia, the Authority, the Trustee, and creditors of the Institution, with respect to (i) the relative priorities of the liens upon any Mortgage or Pledged Revenues or other shared collateral, (ii) limitations or conditions upon their respective rights to enforce, foreclose or realize upon such liens, and (iii) the application of any money realized from the enforcement, foreclosure or other realization upon such liens.

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

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

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

(i) a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a savings bank, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank or a savings and loan association;

(ii) an insurance company or association chartered or organized under the laws of any state of the United States of America;

(iii) the Government National Mortgage Association or any successor thereto;

(iv) the Federal National Mortgage Association or any successor thereto; or

(v) any other federal agency or instrumentality approved by the Authority.

A Liquidity Facility may also be a Credit Facility. There is no Liquidity Facility for the Series 2015A Bonds upon the initial issuance thereof.

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

Mortgage means a mortgage granted by the Institution to the Authority in connection with the issuance of a Series of Bonds, if any, in form and substance satisfactory to an Authorized Officer of the Authority, on the Mortgaged Property mortgaged in connection therewith as security for the performance of the Institution's obligations under the Loan Agreement with respect to such Series of Bonds, as such Mortgage may be amended or modified from time to time with the consent of the Authority. No Mortgage secures the Institution's obligations to the Authority under the Loan Agreement relating to the Series 2022 Bonds.

Mortgaged Property means the land or interest therein described in each Mortgage, if any, together with the buildings and improvements thereon or hereafter erected thereon and the furnishings and equipment owned by the Institution located thereon or therein as may be specifically identified in a Mortgage. No Mortgaged Property secures the Institution's obligations to the Authority under the Loan Agreement relating to the Series 2022 Bonds.

Option Bond means any Bond of a Series 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 of a Series, means, as of a particular date, all Bonds of such Series authenticated and delivered under the Resolution and under a Series Resolution except:

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

Parity Indebtedness shall, if applicable with respect to a Series of Bonds, have the meaning given such term in the applicable Loan Agreement.

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

Permitted Collateral means:

- (i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligations;
- (ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations;

(iii) commercial paper that (a) matures within two hundred seventy (270) days after its date of issuance, (b) is rated in the highest short term rating category by at least one 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; and

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

(v) 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 Encumbrances means when used in connection with the Project any of the following:

(i) The lien of taxes and assessments which are not delinquent;

(ii) The lien of taxes and assessments which are delinquent but the validity of which is being contested in good faith unless thereby the property or the interest of the Authority therein may be in danger of being lost or forfeited;

(iii) Minor defects and irregularities in the title to such property which do not in the aggregate materially impair the use of such property for the purposes for which it is or may be reasonably be expected to be held;

(iv) Easements, exceptions or reservations for the purpose of pipelines, telephone lines, telegraph lines, power lines and substations, roads, streets, alleys, highways, railroad purposes, drainage and sewerage purposes, dikes, canals, laterals, ditches, the removal of oil, gas, coal or other minerals, and other like purposes, or for the joint or common use of real property, facilities and equipment, which do not materially impair the use of such property for the purposes for which it is or may be reasonably be expected to be held;

(v) Security interests, liens and other encumbrances to secure the purchase price of any equipment or furnishings; and

(vi) Such other encumbrances, defects, and irregularities to which the prior written consent of the Authority has been obtained.

Permitted Investments means:

(i) Government Obligations;

(ii) Federal Agency Obligations;

(iii) Exempt Obligations;

(iv) uncollateralized certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation and issued by a banking organization authorized to do business in the State;

(v) collateralized certificates of deposit that are (a) issued by a banking organization authorized to do business in the State that has an equity capital of not less than \$125,000,000, whose unsecured senior debt, or debt obligations fully secured by a letter or credit, contract, agreement or surety bond issued by it, are, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, rated by at least one Rating Service in at least the second highest rating category, and (b) fully collateralized by Permitted Collateral;

(vi) commercial paper issued by a domestic corporation rated, at the time an investment therein is made or the same is deposited in any fund or account under the Resolution, in the highest short term rating category by at least one Rating Service and having maturities of not longer than two hundred seventy (270) days from the date of purchase;

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

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

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

Pledged Revenues means tuition and fees charged to students for academic instruction, the right to receive the same and the proceeds thereof. No Pledged Revenues secure the Institution's obligations to the Authority under the Loan Agreement relating to the Series 2022 Bonds.

Prior Pledges means the lien, pledges, charges, encumbrances and security interests, if any, made and given by the Institution on all or a portion of its Pledged Revenues to secure indebtedness existing at the time of issuance of the applicable Series of Bonds and as permitted as a senior lien on such Pledged Revenues pursuant to the applicable Series Resolution. *While no Pledged Revenues secure the Institution's obligations to the Authority under the Loan Agreement relating to the Series 2022 Bonds, in connection with the issuance by the Authority of the Prior Secured DASNY Bonds, the Institution granted to the Authority a security interest in its Pledged Revenues, consisting of tuition and fees.*

Prior Secured DASNY Bonds means the Authority Barnard College Revenue Bonds, Series 2015A and the Authority Barnard College Revenue Bonds, Series 2015B.

Project, when used in the connection with the Resolution, 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 a Series 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 and, when used in connection with the Loan Agreement, 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 the Bonds, as more particularly described in Schedule A to the Loan Agreement.

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

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

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

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

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

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

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

Resolution means the Authority's Barnard College Revenue Bond Resolution, adopted by the Authority March 11, 2015, and together with the Series Resolutions adopted thereunder.

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

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

Series 2015A Bonds means the Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2015A.

Series 2020B Bonds means the Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2020B.

Series 2022 Resolutions means a resolution of the Authority authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to Article II of the Resolution.

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

State means the State of New York.

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

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

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

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

Trustee means the bank or trust company appointed as Trustee for a Series of Bonds pursuant to a Series Resolution or Bond Series Certificate delivered under the Resolution and having the duties, responsibilities and rights provided for in the Resolution with respect to such Series, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant to the Resolution.

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

(i) a percentage or percentages or other function of an objectively determinable interest rate or rates (e.g., a prime lending rate) which may be in effect from time to time or at a particular time or times; or

(ii) a stated interest rate that may be changed from time to time as provided in such Series Resolution or Bond Series Certificate;

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

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

**FINANCIAL STATEMENTS OF BARNARD COLLEGE AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

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Financial Statements and Report of
Independent Certified Public
Accountants

Barnard College

June 30, 2021 and 2020

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Barnard College

Report on the financial statements

We have audited the accompanying financial statements of Barnard College (the "College"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Barnard College as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters*Report on 2020 summarized comparative information*

We have previously audited the College's 2020 financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 28, 2020. In our opinion, the accompanying summarized comparative information as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Grant Thornton LLP

New York, New York
October 22, 2021

Barnard College

STATEMENTS OF FINANCIAL POSITION

**As of June 30, 2021, with Summarized Comparative Totals for 2020
(Dollars in thousands)**

| | 2021 | 2020 |
|---|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 33,931 | \$ 47,308 |
| Student accounts receivable (net of allowance of \$134 and \$101), respectively | 650 | 382 |
| Student notes receivable, net (Note 3) | 1,317 | 1,527 |
| Grants, bequests, and other receivables | 7,097 | 2,390 |
| Pledges receivable, net (Notes 4 and 5) | 53,084 | 43,578 |
| Other assets | 7,988 | 5,403 |
| Investments (Notes 5 and 6) | 472,102 | 366,079 |
| Right-of-use assets, operating leases, net (Note 19) | 2,904 | - |
| Right-of-use assets, finance lease, net (Note 19) | 44,785 | 45,996 |
| Funds held by bond trustee (Notes 5 and 12) | 35,877 | 47,033 |
| Property, plant, and equipment, net (Note 7) | 275,222 | 270,794 |
| | <u>\$ 934,957</u> | <u>\$ 830,490</u> |
| Total assets | | |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 25,183 | \$ 22,330 |
| Deferred revenues | 3,565 | 2,715 |
| Liability under split-interest agreements (Note 5) | 4,564 | 5,076 |
| Refundable government loan program (Note 3) | 278 | 391 |
| Postretirement benefit obligation (Note 10) | 33,946 | 32,681 |
| Asset retirement obligations (Note 8) | 3,345 | 3,149 |
| Short-term debt obligations (Note 11) | - | 10,000 |
| Long-term debt obligations, net (Note 12) | 171,031 | 187,435 |
| Operating lease liabilities (Note 19) | 2,946 | - |
| Finance lease liability (Note 19) | 48,451 | 47,741 |
| | <u>293,309</u> | <u>311,518</u> |
| Total liabilities | | |
| Commitments and contingencies (Notes 5, 12 and 19) | | |
| NET ASSETS (Note 6) | | |
| Without donor restrictions | 121,300 | 117,779 |
| With donor restrictions (Note 16) | 520,348 | 401,193 |
| | <u>641,648</u> | <u>518,972</u> |
| Total net assets | | |
| Total liabilities and net assets | <u>\$ 934,957</u> | <u>\$ 830,490</u> |

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

Barnard College

STATEMENTS OF ACTIVITIES

For the year ended June 30, 2021, with Summarized Comparative Totals for 2020
(Dollars in thousands)

| | 2021 | | | 2020 |
|--|----------------------------|-------------------------|------------|------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| Operating revenue | | | | |
| Student services revenue (Note 12) | \$ 161,448 | \$ - | \$ 161,448 | \$ 179,575 |
| Less: financial aid allowance (Note 12) | (38,028) | - | (38,028) | (41,976) |
| Net student services revenue | 123,420 | - | 123,420 | 137,599 |
| State appropriations | 150 | - | 150 | 185 |
| Investment return appropriated for operations (Note 6) | 3,509 | 14,166 | 17,675 | 16,441 |
| Other investment income | 192 | 79 | 271 | 2,354 |
| Federal grants and contracts | 7,491 | - | 7,491 | 3,356 |
| State grants | 713 | - | 713 | 959 |
| Private gifts and grants | 9,588 | 8,194 | 17,782 | 22,109 |
| Pre-college and rental (Note 13) | 4,753 | - | 4,753 | 4,811 |
| Other sources | 1,250 | 188 | 1,438 | 2,042 |
| Net assets released from restrictions | 15,868 | (15,868) | - | - |
| Total operating revenue | 166,934 | 6,759 | 173,693 | 189,856 |
| Operating expenses (Note 18) | | | | |
| Instruction | 70,907 | - | 70,907 | 77,012 |
| Research | 5,404 | - | 5,404 | 4,774 |
| Public service | 236 | - | 236 | 407 |
| Academic administration | 19,346 | - | 19,346 | 20,448 |
| Student services | 11,646 | - | 11,646 | 12,948 |
| Institutional support | 41,266 | - | 41,266 | 39,325 |
| Auxiliary enterprises | 33,271 | - | 33,271 | 40,949 |
| Total operating expenses | 182,076 | - | 182,076 | 195,863 |
| (Deficiency) excess of operating revenue (under) over operating expenses | (15,142) | 6,759 | (8,383) | (6,007) |
| Nonoperating activities | | | | |
| Investment return in excess of amount appropriated for operations (Note 6) | 9,420 | 78,970 | 88,390 | (17,926) |
| Contributions for long-term purposes and split-interest agreements | - | 14,501 | 14,501 | 15,099 |
| Contributions and grants for plant improvements | - | 26,003 | 26,003 | 4,643 |
| Net assets released from restrictions for plant improvements | 10,477 | (10,477) | - | - |
| Changes in value of split-interest agreements | - | 3,399 | 3,399 | (964) |
| Change in value of Swaption | (1,106) | - | (1,106) | - |
| Other components of net periodic benefit cost (Note 10) | (1,569) | - | (1,569) | (1,489) |
| Postretirement changes other than net periodic benefit cost (Note 10) | 1,441 | - | 1,441 | (1,933) |
| Total nonoperating activities | 18,663 | 112,396 | 131,059 | (2,570) |
| Changes in net assets | 3,521 | 119,155 | 122,676 | (8,577) |
| Net assets - beginning of year | 117,779 | 401,193 | 518,972 | 527,549 |
| Net assets - end of year | \$ 121,300 | \$ 520,348 | \$ 641,648 | \$ 518,972 |

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

Barnard College

STATEMENTS OF CASH FLOWS

For the year ended June 30, 2021, with Summarized Comparative Totals for 2020
(Dollars in thousands)

| | 2021 | 2020 |
|--|------------------|------------------|
| Cash flows from operating activities: | | |
| Changes in net assets | \$ 122,676 | \$ (8,577) |
| Adjustments to reconcile changes in net assets to net cash used in operating activities: | | |
| Change in value of split-interest agreements | (2,887) | 964 |
| Contributions for long-term purposes and split-interest agreements | (13,595) | (14,850) |
| Contributions and grants for plant improvements | (19,182) | (10,302) |
| Change in pledges receivable allowance and discount | 774 | (1,517) |
| Net (appreciation) depreciation in fair value of investments | (105,047) | 1,312 |
| Accretion of asset retirement obligations | 196 | 186 |
| Change in right-of-use assets, operating leases | (2,904) | - |
| Change in operating lease liabilities | 2,946 | - |
| Depreciation expense | 10,419 | 9,898 |
| Depreciation of right-of-use assets, finance lease | 1,211 | 1,210 |
| Amortization expense | (602) | (464) |
| Changes in operating assets and liabilities: | | |
| Student accounts receivable | (268) | (242) |
| Grants, bequests, and other receivables | (4,707) | 1,434 |
| Pledges receivable | (9,667) | 2,078 |
| Other assets | (2,585) | (1,056) |
| Accounts payable and accrued expenses | 2,111 | 3,497 |
| Deferred revenues | 850 | (1,518) |
| Postretirement benefit obligation | 1,265 | 4,325 |
| Finance lease liability | 710 | 535 |
| Net cash used in operating activities | <u>(18,286)</u> | <u>(13,087)</u> |
| Cash flows from investing activities: | | |
| Purchase of investments | (121,037) | (59,163) |
| Proceeds from the sale of investments | 122,335 | 66,326 |
| Building renovations and purchase of equipment | (14,105) | (6,088) |
| Student loans granted | (200) | (158) |
| Student loans repaid | 255 | 297 |
| Net cash (used in) provided by investing activities | <u>(12,752)</u> | <u>1,214</u> |
| Cash flows from financing activities: | | |
| Decrease (increase) in funds held by bond trustees | 11,156 | (32,469) |
| Payment of principal notes and bond payables | (27,240) | (11,500) |
| Proceeds from issuance of debt | 1,438 | 57,065 |
| Debt redemption | - | (6,170) |
| Debt write-off | - | (76) |
| Increase (decrease) in refundable government loan program | 42 | (262) |
| Decrease in liability under split-interest agreements | (512) | (1,205) |
| Contributions for long-term purposes and split-interest agreements | 13,595 | 14,850 |
| Contributions and grants for plant improvements | 19,182 | 10,302 |
| Net cash provided by financing activities | <u>17,661</u> | <u>30,535</u> |
| Net change in cash and cash equivalents | (13,377) | 18,662 |
| Cash and cash equivalents, beginning of year | <u>47,308</u> | <u>28,646</u> |
| Cash and cash equivalents, end of year | <u>\$ 33,931</u> | <u>\$ 47,308</u> |
| Supplemental disclosure of cash flow information: | | |
| Cash paid during the year for interest | \$ 6,470 | \$ 6,458 |
| Capital lease obligation - non-cash | \$ 710 | \$ 535 |
| Property, plant and equipment purchases in accounts payable | \$ (742) | \$ (949) |

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

Barnard College

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020
(Dollars in thousands)

NOTE 1 - ORGANIZATION

Barnard College (the "College") is a not-for-profit independent liberal arts college for women. The College is exempt from federal income taxes under the provisions of Section 501(a) of the Internal Revenue Code ("IRC") as an organization described in Section 501(c)(3).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Net assets of the College and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions

Net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, those restrictions will be met by actions of the College or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets, that is, the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed, are reported as net assets released from restrictions.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid debt instruments with original maturities of 90 days or less other than those cash and cash equivalents held by external investment managers as part of their long-term investment strategies. Cash and cash equivalents are held by the College for operating and capital funding purposes.

Fair Value Measurements

The fair value standard defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction as prescribed by the standard. The standard also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements, based on the transparency of information used in the valuation of the asset or liability as of the measurement date.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

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

- Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. government and agency mortgage-backed securities, and corporate-debt securities.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity instruments and alternative investments. The College also measures certain investments using a net asset value ("NAV") per share for purposes of reporting the fair value of all its underlying investments which: (a) do not have a readily determinable fair value; and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Investments meeting such criteria are exempted from categorization within the fair value hierarchy and related disclosures. Instead, the College separately discloses the information required for assets measured using the NAV practical expedient, and discloses a reconciling item between the total amount of investments categorized within the fair value hierarchy and total investments measured at fair value on the face of the financial statements.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other assets that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, based upon quoted market prices. Alternative investments and institutional funds are stated at estimated fair value, based on NAV, as a practical expedient, reported by the investment managers or general partners. NAV may differ significantly from the values that would have been reported had a ready market for these investments existed. The College reviews and evaluates the values provided by the investment managers or general partners and has determined that the valuation methods and assumptions used in determining the fair value of the alternative investments are reasonable.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

The College invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

All investment transactions are recorded on a trade-date basis.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost or, in the case of gifts, at fair value at the date of the gift. The College capitalizes property, plant, and equipment of \$5,000 or above which have useful lives greater than one year. Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets as follows:

| | |
|-----------------------------------|----------------|
| Buildings | 60 years |
| Building improvements | 20 to 30 years |
| Furniture, fixtures and equipment | 5 to 10 years |

Debt Issuance Costs

Costs incurred for the issuance of debt are deferred and amortized over the life of the outstanding debt to which they pertain. Such costs are presented in the statement of financial position as a direct deduction from the carrying amount of the long-term debt obligation.

Revenue Recognition and Receivables

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), the College recognizes revenue when control of the promised goods or services are transferred to the College's students or outside parties in an amount that reflects the consideration the College expects to be entitled to in exchange for those goods or services. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

ASC 606 also requires disclosures regarding revenue recognition to ensure an understanding as to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The College has identified student services revenue and pre-college and rental revenue as revenue categories subject to the adoption of ASC 606. The College recognizes contracts with customers as goods or services are transferred or provided in accordance with ASC 606.

Student Services Revenue

Student services revenue, net of financial aid, is recognized as revenue over the academic terms to which it relates.

Student accounts receivable are reported at the estimated net realizable amount. The carrying value of student receivables has been reduced by an appropriate allowance for uncollectible accounts, based on historical collection experience, and therefore, approximates net realizable value. Student receivables are written-off when deemed uncollectible and payments subsequently received are recorded as income in the period received.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

Contributions, Grants and Contracts

The College recognizes revenue from contributions, grants and contracts in accordance with Accounting Standards Update ("ASU") 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Accordingly, the College evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the College applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, the College evaluates whether the contribution is conditional, based upon whether the agreement includes both (1) one or more barriers that must be overcome before the College is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Contributions, including unconditional promises to give (pledges), are reported as revenues in the period received or pledged. Pledges, less an allowance for uncollectible amounts, are recorded as receivables at the net present value, determined using a credit-adjusted rate. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any. Restricted pledges are reported as additions to the net assets with donor restrictions. Contributions of cash or other assets that must be used to acquire or construct long-lived assets are reported as net assets with donor restrictions until the assets are placed in service.

Conditional promises to give and intentions to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. As of June 30, 2021 and 2020, the College had outstanding conditional pledges of \$19.1 million and \$27.7 million, respectively. During the years ended June 30, 2021 and 2020, the College received new conditional pledges of approximately \$5.0 million and \$7.2 million, respectively. The College has recorded revenue from conditional promises of approximately \$13.6 million and \$8.5 million for the years ended June 30, 2021 and 2020, respectively, the extent to which the conditions on the pledges have been met.

Revenue from federal and state grants is recognized to the extent that qualifying reimbursable expenses have been incurred over the terms of the respective agreements.

Student Notes Receivable

Student notes receivable are loans to students, which are made from the College's restricted loan funds and the Federal Perkins Loan Program. The notes are reported at their estimated net realizable value.

Deferred Revenues

Deferred revenues consist primarily of student tuition and fee payments that are received for academic periods subsequent to the fiscal year end.

Split-Interest Agreements

The College is the beneficiary of trusts, annuities, and pooled income funds. The College's interest in these split-interest agreements is reported as a contribution in the year received and is calculated as the difference between the fair value of the assets contributed to the College and the estimated liability to the beneficiary. This liability is computed using actuarially determined rates and is adjusted annually. The discount rate used to value split-interest agreements ranged from 0.4% to 8.0% at June 30, 2021 and 2020. The College recorded contributions from new split-interest agreements of approximately \$193 thousand and \$35 thousand for the years ended June 30, 2021 and 2020, respectively. These amounts are included in nonoperating contributions in the accompanying statement of activities. The assets held by the College

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

under these arrangements are included as a component of investments in the accompanying statement of financial position.

Operating and Nonoperating Activities

The statement of activities distinguishes between operating and nonoperating activities. Nonoperating activities consist of investment return in excess of or less than the amount appropriated for operations by the Board of Trustees, the change in value of split-interest agreements, contributions for long-term purposes and split-interest agreements and contributions and grants for plant improvements, postretirement cost other than net periodic benefit cost, the change in value of Swaption, and nonrecurring items.

Categories of Expense

Expenses are reported in functional categories. Each category includes salaries and benefits, supplies, and other expenses, including operation and maintenance of physical plant, interest, and depreciation expense related to the function.

- a. Instruction - includes expenses for all activities that are part of the College's instruction program.
- b. Research - includes all expenses for governmental and privately sponsored research.
- c. Public Service - includes activities established to provide non-instructional services such as the New York State Higher Education Opportunity Program ("HEOP").
- d. Academic Administration - includes expenses incurred to provide administrative support to the instructional program. This category includes the offices of the Provost, Library, and Media Services.
- e. Student Services - includes expenses incurred for the offices of Dean of the College, Admissions, Registrar, Financial Aid Administration, Beyond Barnard and Disability Services. In addition, it includes expenses for student-related activities outside the context of the formal instructional program.
- f. Institutional Support - includes expenses for college-wide activities such as the offices of the President, Finance, Institutional Advancement, Administration, Administrative Computing, General Counsel, Human Resources and Communications. Fundraising expenses totaled approximately \$7.1 million and \$7.4 million for the years ended June 30, 2021 and 2020, respectively.
- g. Auxiliary Enterprises - provides services to students for fees. This category includes Housing, Dining Services, Health and Counseling Services, and the Summer and Pre-college Programs.

Allocation of Certain Expenses

The College allocates operation and maintenance of plant, depreciation, and interest expense on outstanding long-term obligations in the statement of activities, based upon campus square footage.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made in the preparation of the financial statements include the valuation of alternative investments, valuation of liability under split-interest

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

agreements, useful lives of property, plant, and equipment, asset retirement obligations, postretirement benefit obligation, and estimated net realizable value of receivables. Actual results could differ from those estimates.

Accounting for Uncertainty in Income Taxes

The College complies with the provisions of ASC 740-10. ASC 740-10 clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This section provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The College is exempt from federal income taxation. Nevertheless, the College may be subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC.

Management has determined that there are no material uncertain tax positions within its financial statements.

Concentrations of Credit Risk

Cash, cash equivalents, and investments are exposed to interest rate, market, and credit risks. The College maintains its cash and cash equivalents in various bank deposit accounts that may exceed federally insured limits at times. To minimize risk, the College places its cash accounts with high credit quality financial institutions and the College’s investment portfolio is diversified with several investment managers in a variety of asset classes. The College does not anticipate any losses in such accounts.

Reclassifications

Certain prior period amounts have been reclassified in order to conform to the 2021 presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses, or changes in net assets as reflected in the 2020 financial statements.

2020 Summarized Comparative Financial Information

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the College’s audited financial statements as of and for the year ended June 30, 2020, from which the summarized information was derived.

Subsequent Events

The College evaluated subsequent events after the statement of financial position date of June 30, 2021 through October 22, 2021, the date the financial statements were issued.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

Recently Adopted Accounting Pronouncements

In June 2020, the FASB issued ASU No. 2020-05, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2020-05 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use (“ROU”) asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the ROU asset. ASU No. 2020-05 was effective for the College for fiscal year ended June 30, 2021. The adoption did not have a material impact on the College’s financial statements (see Note 19).

Impact of the COVID-19 Pandemic

As a result of the COVID-19 pandemic, in March 2020, Barnard College asked students not to return to campus after spring break and converted the remainder of the spring semester to a period of virtual learning. Students living in on-campus residence halls received pro-rated credits for their unused housing and meal plans through the end of the semester, resulting in lost net revenue in excess of \$15.5 million and \$5.0 million, which would have been included in net student services revenue on the statement of activities for the fiscal years ended June 30, 2021 and 2020, respectively.

During the fiscal years ended June 30, 2021 and 2020, the federal government provided higher education institutions with Higher Education Emergency Relief Funding (“HEERF”), which was allocated under various acts of Congress. The Coronavirus Aid, Relief, and Economic Securities Act (“CARES”) was signed into law on March 27, 2020 and provided the College with total funding of \$1.7 million under HEERF I. The Coronavirus Response and Relief Supplemental Appropriations Act (“CRRSAA”) was signed into law on December 27, 2020 and provided the College with total funding of \$2.4 million under HEERF II. The American Rescue Plan (“ARP”) was signed into law on March 11, 2021 and provided the College with total funding of \$4.3 million under HEERF III. Each of these awards has a student aid portion and an institutional portion.

The Department of Education provided required uses of the funds for both the student portion and institutional portion and until the conditions associated with those requirements are satisfied, revenue cannot be recognized, in accordance with ASU 2018-08.

For the years ended June 30, 2021 and 2020, the College has recognized revenue as follows:

| | Total Award | Revenue Recognized | | | | | | Amount Remaining to be Recognized |
|-----------|-------------|---------------------|-------------|-----------------|-------------|-----------------|-------------|-----------------------------------|
| | | Institutional Share | | Student Share | | TOTAL | | |
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | |
| HEERF I | \$ 1,713 | \$ 856 | \$ - | \$ 857 | \$ - | \$ 1,713 | \$ - | \$ - |
| HEERF II | \$ 2,395 | 1,210 | - | 674 | - | 1,884 | - | 511 |
| HEERF III | \$ 4,264 | - | - | - | - | - | - | 4,264 |
| | | <u>\$ 2,066</u> | <u>\$ -</u> | <u>\$ 1,531</u> | <u>\$ -</u> | <u>\$ 3,597</u> | <u>\$ -</u> | <u>\$ 4,775</u> |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

NOTE 3 - STUDENT NOTES RECEIVABLE, NET

The College makes uncollateralized loans to students, based on financial need. Student loans are funded through a federal government loan program or institutional resources.

At June 30, 2021 and 2020, student notes receivable, net consisted of the following:

| | <u>2021</u> | <u>2020</u> |
|---------------------------------------|-----------------|-----------------|
| Federal government program | \$ 420 | \$ 524 |
| Institutional programs | <u>1,342</u> | <u>1,318</u> |
| | <u>1,762</u> | <u>1,842</u> |
| Less: allowance for doubtful accounts | | |
| Beginning of year | (315) | (427) |
| Increase (decrease) in allowance | <u>(130)</u> | <u>112</u> |
| End of year | <u>(445)</u> | <u>(315)</u> |
| Student notes receivable, net | <u>\$ 1,317</u> | <u>\$ 1,527</u> |

The College participates in the Perkins federal revolving loan program. The availability of funds for loans under the program is dependent on reimbursements to the pool from repayments on outstanding loans. Funds advanced by the Federal government of approximately \$0.3 million and \$0.4 million at June 30, 2021 and 2020, respectively, are ultimately refundable to the government and are classified as a liability in the statement of financial position. In the year ended June 30, 2020, the College repaid \$0.2 million of the funds advanced by the federal government. During the current year, no repayments were made. Outstanding loans cancelled under the program result in a reduction of funds available for loan and a decrease in the liability to the government. At June 30, 2021 and 2020, the following amounts were past due under the student loan programs:

| | <u>In Default < 240 Days (Monthly Installments) or 270 Days (Quarterly Installments)</u> | <u>In Default > 240 Days (Monthly Installments) or 270 Days (Quarterly Installments)</u> | <u>Total Past Due</u> |
|------|---|---|-----------------------|
| 2021 | \$ 77 | \$ 416 | \$ 493 |
| 2020 | <u>\$ 47</u> | <u>\$ 325</u> | <u>\$ 372</u> |

Allowances for doubtful accounts are established, based on prior collection experience and current economic factors which, in management's judgment could influence the ability of loan recipients to repay the amounts per the loan terms. Institutional loan balances are written-off only when they are deemed to be permanently uncollectible.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

NOTE 4 - PLEDGES RECEIVABLE, NET

Pledges receivable at June 30, 2021 and 2020 are as follows:

| | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|
| Amounts expected to be collected in: | | |
| One year or less | \$ 15,390 | \$ 16,347 |
| Two to five years | 30,272 | 26,235 |
| Greater than five years | <u>10,650</u> | <u>3,450</u> |
| | 56,312 | 46,032 |
| Less: | | |
| Discount to present value (using rate of 0.04% - 3.3%) | (2,075) | (1,410) |
| Allowance for uncollectible pledges | <u>(1,153)</u> | <u>(1,044)</u> |
| Pledges receivable, net | <u>\$ 53,084</u> | <u>\$ 43,578</u> |

As of June 30, 2021, 45% of gross pledges receivable were due from two donors. As of June 30, 2020, 67% of gross pledges receivable were due from three donors.

NOTE 5 - INVESTMENTS AND FAIR VALUE

The College's investment objective is to invest its assets in a prudent manner in order to achieve a long-term rate of return sufficient to fund a portion of its spending and to increase investment value equal to or above inflation. The College uses a diversified investment approach incorporating multiple asset classes, strategies, and managers. The Committee on Investments of the College's Board of Trustees oversees the College's investments and authorizes investment decisions.

In addition to equity and fixed income investments, the College may also hold shares or units in institutional funds and alternative investment funds involving hedged, private equity, and real estate strategies. These investments are valued at NAV. Hedged strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedged strategies generally hold securities or other financial instruments for which a ready market exists, and may include stocks, bonds, put or call options, swaps, currency hedges, and other instruments. Private equity funds generally employ buyout, venture capital, and debt-related strategies, often requiring the estimation of fair values by the fund managers in the absence of readily determinable market values. Real estate strategies involve funds whose managers invest primarily in commercial and residential real estate primarily located in the United States.

Investments are held in the following funds:

| | <u>2021</u> | <u>2020</u> |
|---|-------------------|-------------------|
| Trust and pooled life income funds | \$ 11,613 | \$ 9,500 |
| Endowment and designated as endowment funds | <u>460,489</u> | <u>356,579</u> |
| Total | <u>\$ 472,102</u> | <u>\$ 366,079</u> |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

As of June 30, 2021 and 2020, the College had alternative investments of approximately \$382 million and \$295 million, respectively. Alternative investments include private equity partnerships, real estate, and hedged strategies. Underlying securities owned by the alternative investments include certain publicly traded securities that have readily available market values and other investments that are not readily marketable. The agreements underlying participation in those investments may limit the College's ability to liquidate its interests in such investments for a period of time.

At June 30, 2021 and 2020, the College's remaining outstanding commitments to private equity and real estate partnerships/funds approximated \$25.0 million and \$29.0 million, respectively. The private equity partnerships have 1 to 10-year terms remaining for both June 30, 2021 and 2020. As of June 30, 2021 and 2020, the average remaining life of the private equity partnerships was approximately five years.

The following table presents the College's fair value hierarchy for those assets and liabilities measured at fair value at June 30, 2021:

| | Fair Value | Level 1 | Level 2 | Level 3 | Investments at NAV |
|---|-------------------|-------------------|---------------|-----------------|--------------------|
| Financial assets: | | | | | |
| Investments: | | | | | |
| Cash and cash equivalents | \$ 22,021 | \$ 22,021 | \$ - | \$ - | \$ - |
| Domestic bonds | 1,284 | - | - | - | 1,284 |
| Domestic equity funds: | | | | | |
| Small cap | 552 | 552 | - | - | - |
| Mid cap | 468 | 468 | - | - | - |
| Large cap | 27,296 | 6,522 | - | - | 20,774 |
| | <u>51,621</u> | <u>29,563</u> | <u>-</u> | <u>-</u> | <u>22,058</u> |
| International equity funds: | | | | | |
| International equities | 92,077 | 36,019 | - | - | 56,058 |
| | <u>92,077</u> | <u>36,019</u> | <u>-</u> | <u>-</u> | <u>56,058</u> |
| Fixed income: | | | | | |
| U.S. Treasuries | 24,370 | 24,370 | - | - | - |
| Domestic bond/Investment grade | 54,484 | - | - | - | 54,484 |
| | <u>78,854</u> | <u>24,370</u> | <u>-</u> | <u>-</u> | <u>54,484</u> |
| Hedged strategies: | | | | | |
| Credit/event driven | 18,657 | - | - | - | 18,657 |
| Multistrategy | 112,593 | - | - | - | 112,593 |
| | <u>131,250</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>131,250</u> |
| Other types: | | | | | |
| Private equity | 118,063 | - | - | - | 118,063 |
| Real estate | 237 | - | - | - | 237 |
| | <u>118,300</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>118,300</u> |
| Total investments | <u>472,102</u> | <u>89,952</u> | <u>-</u> | <u>-</u> | <u>382,150</u> |
| Other assets: | | | | | |
| Funds held by bond trustee | 35,877 | 35,877 | - | - | - |
| Trusts and other split-interest agreements held by others | 3,700 | - | - | 3,700 | - |
| Swaption | 623 | - | 623 | - | - |
| Total assets | <u>\$ 512,302</u> | <u>\$ 125,829</u> | <u>\$ 623</u> | <u>\$ 3,700</u> | <u>\$ 382,150</u> |
| Liabilities: | | | | | |
| Liabilities under split-interest agreements | \$ 4,564 | \$ - | \$ - | \$ 4,564 | |
| Total liabilities | <u>\$ 4,564</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,564</u> | |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

The following table presents the College's fair value hierarchy for those assets and liabilities measured at fair value at June 30, 2020:

| | Fair Value | Level 1 | Level 2 | Level 3 | Investments at NAV |
|---|--------------------------|--------------------------|--------------------|------------------------|--------------------------|
| Financial assets: | | | | | |
| Investments: | | | | | |
| Cash and cash equivalents | \$ 10,706 | \$ 10,706 | \$ - | \$ - | \$ - |
| Domestic bonds | 1,397 | - | - | - | 1,397 |
| Domestic equity funds: | | | | | |
| Small cap | 460 | 349 | - | - | 111 |
| Mid cap | 342 | 342 | - | - | - |
| Large cap | 17,124 | 5,093 | - | - | 12,031 |
| | <u>30,029</u> | <u>16,490</u> | <u>-</u> | <u>-</u> | <u>13,539</u> |
| International equity funds: | | | | | |
| International equities | 73,736 | 29,320 | - | - | 44,416 |
| | <u>73,736</u> | <u>29,320</u> | <u>-</u> | <u>-</u> | <u>44,416</u> |
| Fixed income: | | | | | |
| U.S. Treasuries | 25,376 | 25,376 | - | - | - |
| Domestic bond/Investment grade | 37,360 | - | - | - | 37,360 |
| | <u>62,736</u> | <u>25,376</u> | <u>-</u> | <u>-</u> | <u>37,360</u> |
| Hedged strategies: | | | | | |
| Credit/event driven | 15,672 | - | - | - | 15,672 |
| Multistrategy | 90,178 | - | - | - | 90,178 |
| | <u>105,850</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>105,850</u> |
| Other types: | | | | | |
| Private equity | 93,410 | - | - | - | 93,410 |
| Real estate | 318 | - | - | - | 318 |
| | <u>93,728</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>93,728</u> |
| Total investments | <u><u>366,079</u></u> | <u><u>71,186</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>294,893</u></u> |
| Other assets: | | | | | |
| Funds held by bond trustee | 47,033 | 47,033 | - | - | - |
| Trusts and other split-interest agreements held by others | 3,087 | - | - | 3,087 | - |
| Total assets | <u><u>\$ 416,199</u></u> | <u><u>\$ 118,219</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 3,087</u></u> | <u><u>\$ 294,893</u></u> |
| Liabilities: | | | | | |
| Liabilities under split-interest agreements | \$ 5,076 | \$ - | \$ - | \$ 5,076 | |
| Total liabilities | <u><u>\$ 5,076</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 5,076</u></u> | |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

Liabilities Under Split-Interest Agreements

The following table presents the College's activities for the years ended June 30, 2021 and 2020, respectively, for assets and liabilities classified in Level 3:

| | 2021 | 2020 |
|--------------------------------------|----------|----------|
| Beginning balance | \$ 5,076 | \$ 5,376 |
| New split-interest agreements | 117 | 18 |
| Payments to beneficiaries | (772) | (965) |
| Terminated split-interest agreements | (372) | (348) |
| Change in fair value | 515 | 995 |
| Ending balance | \$ 4,564 | \$ 5,076 |

Trusts and Other Split-Interest Agreements Held by Others

The College is the beneficiary of other split-interest agreements that are held and administered by others. When the College is not the trustee, perpetual trusts are recorded at the fair value of the assets at the statement of financial position date and beneficial interest in trusts are recorded at the fair value of the assets at the statement of financial position date less the present value of estimated future payments expected to be made to donors and/or other beneficiaries. These assets are included in pledges receivable in the accompanying statement of financial position.

| | 2021 | 2020 |
|----------------------|----------|----------|
| Beginning balance | \$ 3,087 | \$ 3,146 |
| Terminations | (76) | (103) |
| Change in fair value | 689 | 44 |
| Ending balance | \$ 3,700 | \$ 3,087 |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

At June 30, 2021 and 2020, investments valued at NAV are as follows:

| Category | Significant Investment Strategy | NAV in Funds | Number of Funds | 2021 | | Amount of Unfunded Commitments | Redemption Terms | Redemption Restrictions |
|-------------------|---------------------------------|-------------------|-----------------|----------------|--|--------------------------------|---|--------------------------------|
| | | | | Life of Funds | | | | |
| Hedged strategies | Credit/event driven | \$ 18,657 | 1 | N/A | | \$ - | Semi-annually/ 90 days' notice | Illiquid side pocket (\$4,171) |
| Hedged strategies | Multistrategy | 112,593 | 1 | N/A | | - | Quarterly/ 90 days' notice | N/A |
| Fixed income | Domestic bond/ Investment grade | 54,484 | 4 | N/A | | - | Daily and Monthly/30 days' notice | N/A |
| Equities | Large cap | 20,774 | 2 | N/A | | - | Daily and Monthly/30 days' notice | N/A |
| Equities | International equities | 56,058 | 7 | N/A | | - | Daily/0-30 days' notice, Weekly/ 7 days' notice, and Monthly/ 5-30 days' notice | N/A |
| Other | Private equity | 118,063 | 21 | Up to 12/31/29 | | 23,872 | Daily/2 days' notice (1 fund), Annual/180 days' notice (1 fund) and N/A | Illiquid |
| Other | Real estate | 237 | 2 | Up to 12/31/21 | | 1,134 | N/A | Illiquid |
| Other | Domestic bonds | 1,284 | 5 | Up to 2/28/30 | | - | Daily | N/A |
| Total | | \$ 382,150 | 43 | | | \$ 25,006 | | |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

| 2020 | | | | | | | |
|-------------------|---------------------------------|-------------------|-----------------|----------------|--------------------------------|---|--------------------------------|
| Category | Significant Investment Strategy | NAV in Funds | Number of Funds | Life of Funds | Amount of Unfunded Commitments | Redemption Terms | Redemption Restrictions |
| Hedged strategies | Credit/event driven | \$ 15,672 | 1 | N/A | \$ - | Semi-annually/ 90 days' notice | Illiquid side pocket (\$4,293) |
| Hedged strategies | Multistrategy | 90,178 | 1 | N/A | - | Quarterly/ 90 days' notice | N/A |
| Fixed income | Domestic bond/ Investment grade | 37,360 | 4 | N/A | - | Daily and Monthly/30 days' notice | N/A |
| Equities | Large cap | 12,031 | 3 | N/A | - | Daily and Monthly/30 days' notice | N/A |
| Equities | Small cap | 111 | 1 | N/A | - | Daily | N/A |
| Equities | International equities | 44,416 | 7 | N/A | - | Daily/0-30 days' notice, Weekly/ 7 days' notice, and Monthly/ 5-30 days' notice | N/A |
| Other | Private equity | 93,410 | 25 | Up to 12/31/29 | 27,875 | Daily (2 funds) and N/A | Illiquid |
| Other | Real estate | 318 | 2 | Up to 12/31/18 | 1,134 | N/A | Illiquid |
| Other | Domestic bonds | 1,397 | 5 | Up to 6/21/17 | - | Daily | N/A |
| Total | | <u>\$ 294,893</u> | <u>49</u> | | <u>\$ 29,009</u> | | |

NOTE 6 - ENDOWMENT FUNDS

The College's endowment consists of over 900 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the College to function as endowments (quasi-endowments).

The College manages the endowment to obtain multi-year performance (net of fees) that exceeds, on both an absolute and risk-adjusted basis, the performance of several benchmarks over rolling five-year periods. Asset allocation parameters are established for investments with lock-up periods. The strategy allows for a significant allocation to equity-oriented investments offering long-term capital appreciation, diversified across asset classes and managers.

The College has established an endowment spending policy for spending from the endowment for current operations in a manner that maintains the purchasing power of the endowment. The policy's goal is to achieve an average 5% spending rate over time. Annual spending from the endowment is set at 5% of the rolling three-year average of the endowment's market value as of December 31 of the previous year and is approved annually by the Board of Trustees. The College has a total return policy of utilizing its endowment resources. To the extent that the total return requirement for the current year is not achieved by income from investments, the College utilizes prior year's cumulative appreciation of its pooled investment funds.

On September 17, 2010, New York State enacted its version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), referred to as "NYPMIFA," which imposes guidelines on the management and investment of endowment funds. The Board of Trustees of the College has interpreted NYPMIFA as allowing the College to appropriate for expenditure or accumulate so much of an endowment

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

fund as the College determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board of Trustees. The College classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts donated to the permanent endowment; and (c) accumulations of income to the permanent endowment made in accordance with the direction of the applicable donor gift instruments. Accounting guidance associated with the enactment of NYPMIFA as set forth in ASC Topic 958-205-45, *Classification of Donor-Restricted Endowment Funds Subject to UPMIFA*, requires the accumulated unspent earnings of a donor-restricted endowment fund to be classified as net assets with donor restrictions until appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Board of Trustees considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the College and the donor-restricted endowment fund;
- General economic conditions;
- The possible effects of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the College;
- The investment policies of the College; and
- Where appropriate, alternatives to spending from donor-restricted endowment funds and the possible effects on the College.

Endowment and quasi-endowment funds consisted of the following at June 30, 2021 and 2020, excluding split-interest agreements and pledges of approximately \$5.3 million and \$3.7 million, respectively:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|-------------------|---------------------------------------|------------------------------------|-------------------|
| Fiscal year 2021: | | | |
| Donor restricted | \$ - | \$ 404,868 | \$ 404,868 |
| Board designated | 55,621 | - | 55,621 |
| | <u>\$ 55,621</u> | <u>\$ 404,868</u> | <u>\$ 460,489</u> |
| Total | | | |
| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
| Fiscal year 2020: | | | |
| Donor restricted | \$ - | \$ 310,424 | \$ 310,424 |
| Board designated | 46,155 | - | 46,155 |
| | <u>\$ 46,155</u> | <u>\$ 310,424</u> | <u>\$ 356,579</u> |
| Total | | | |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

Changes in the endowment funds for the fiscal years ended June 30, 2021 and 2020 were as follows:

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|-------------------------------|---------------------------------------|------------------------------------|-------------------|
| Balance at June 30, 2020 | \$ 46,155 | \$ 310,424 | \$ 356,579 |
| Investment return, net | 12,929 | 93,136 | 106,065 |
| Contributions | 46 | 15,474 | 15,520 |
| Appropriation for expenditure | <u>(3,509)</u> | <u>(14,166)</u> | <u>(17,675)</u> |
| Balance at June 30, 2021 | <u>\$ 55,621</u> | <u>\$ 404,868</u> | <u>\$ 460,489</u> |
| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
| Balance at June 30, 2019 | \$ 48,472 | \$ 315,151 | \$ 363,623 |
| Investment return, net | (190) | (1,295) | (1,485) |
| Contributions | 29 | 10,853 | 10,882 |
| Appropriation for expenditure | <u>(2,156)</u> | <u>(14,285)</u> | <u>(16,441)</u> |
| Balance at June 30, 2020 | <u>\$ 46,155</u> | <u>\$ 310,424</u> | <u>\$ 356,579</u> |

For the years ended June 30, 2021 and 2020, investment expenses of approximately \$1.7 million and \$2.2 million, respectively, were netted against investment return.

NOTE 7 - PROPERTY, PLANT, AND EQUIPMENT, NET

Property, plant, and equipment, net consisted of the following at June 30, 2021 and 2020:

| | <u>2021</u> | <u>2020</u> |
|-------------------------------------|-------------------|-------------------|
| Land | \$ 1,234 | \$ 1,234 |
| Buildings and building improvements | 420,768 | 414,283 |
| Furniture, fixtures, and equipment | 35,122 | 33,782 |
| Construction in progress | <u>12,042</u> | <u>5,258</u> |
| | 469,166 | 454,557 |
| Less accumulated depreciation | <u>(193,944)</u> | <u>(183,763)</u> |
| Total | <u>\$ 275,222</u> | <u>\$ 270,794</u> |

Depreciation expense was approximately \$10.4 million and \$9.9 million for the years ended June 30, 2021 and 2020, respectively.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

NOTE 8 - ASSET RETIREMENT OBLIGATIONS

The College accrues for costs related to legal obligations to perform certain activities in connection with the retirement, disposal, or abandonment of assets. The College has identified asbestos abatement and lead paint exposure as conditional asset retirement obligations. Asbestos and lead paint abatement costs are estimated using a per-square-foot estimate.

Using a discount rate of 6.25%, the present value of the initial obligation amounted to \$1.4 million. As of June 30, 2021 and 2020, the obligation amounted to approximately \$3.3 million and \$3.1 million, respectively.

NOTE 9 - RETIREMENT PLANS

Full-time faculty and administrators of the College are covered under a defined contribution pension plan established with Teachers Insurance and Annuity Association and Fidelity Investments (the "Admin Plan"). Under the Admin Plan, eligible employees may make contributions into the Plan, up to the maximum allowed by the IRC. For the Admin Plan, the College contributed either 12% or 15% (as defined by the Admin Plan) for employees hired before July 2012, 9% or 12% (as defined by the Admin Plan) for those employees hired between July 2012 and January 2019, and 7% or 10% (as defined by the Admin Plan) for those employees hired after January 2019.

Employees who are members of Local 2110, United Auto Workers; members of Local 264, Transport Workers Union of America; and confidential employees are covered under a defined contribution plan established with Teachers Insurance and Annuity Association (the "Union Plan"). Under the Union Plan, eligible employees may make contributions into the Union Plan, up to the maximum allowed by the IRC. For the Union Plan, the College's contributions range from 2% to 12% of eligible compensation. Total pension expense for both plans for the years ended June 30, 2021 and 2020 was \$9.0 million and \$9.3 million, respectively.

NOTE 10 - POSTRETIREMENT MEDICAL PLANS

In addition to providing pension benefits, the College sponsors unfunded postretirement medical plans. For nonunion employees to be eligible for the medical benefits, the employee must be at least 62 years old with at least 10 years of continuous service immediately prior to retirement or a total of age and years of service equal to 80 with a minimum of 15 years of service. For union employees to be eligible for the medical benefits, the employee must be at least 62 years old with at least 10 years of continuous service immediately prior to retirement.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

The following tables identify the accumulated postretirement medical benefit obligation, the postretirement benefit obligation recognized in the accompanying statement of financial position, the net periodic postretirement medical benefit cost recognized in the accompanying statement of activities, and the related assumptions:

| | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|
| Change in benefit obligation: | | |
| Benefit obligation, beginning of year | \$ 32,681 | \$ 28,356 |
| Service cost | 1,590 | 1,377 |
| Interest cost | 966 | 1,048 |
| Plan participants' contributions | 19 | 5 |
| Special termination benefit | - | 16 |
| Actuarial (gain) loss | (838) | 2,359 |
| Benefits paid | <u>(472)</u> | <u>(480)</u> |
| Postretirement benefit obligation, end of year | <u>\$ 33,946</u> | <u>\$ 32,681</u> |
| Change in plan assets: | | |
| Fair value of plan assets, beginning of year | \$ - | \$ - |
| Employer contributions | 453 | 475 |
| Plan participants' contributions | 19 | 5 |
| Benefits paid | <u>(472)</u> | <u>(480)</u> |
| Fair value of plan assets, end of year | <u>\$ -</u> | <u>\$ -</u> |

Net periodic benefit cost reported as operating expense for the years ended June 30, 2021 and 2020 included the following components:

| | <u>2021</u> | <u>2020</u> |
|--|-----------------|-----------------|
| Service cost | \$ 1,590 | \$ 1,377 |
| Interest cost | 966 | 1,048 |
| Amortization of prior year cost | 96 | 97 |
| Recognized actuarial loss | 507 | 329 |
| Recognition of special termination benefit | <u>-</u> | <u>16</u> |
| Net periodic postretirement medical benefit cost | <u>\$ 3,159</u> | <u>\$ 2,867</u> |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

Postretirement cost other than net periodic benefit cost for the years ended June 30, 2021 and 2020 is as follows:

| | <u>2021</u> | <u>2020</u> |
|---|-----------------------------|-----------------------------|
| Postretirement cost other than net periodic benefit cost | \$ (1,441) | \$ 1,933 |
| Weighted-average discount rate used to determine benefit obligations at June 30, | 3.00% | 3.00% |
| Weighted-average discount rate used to determine net period benefit cost for the fiscal year ended June 30, | 3.00% | 3.75% |
| | <u>Union / Nonunion</u> | <u>Union / Nonunion</u> |
| Assumed healthcare cost trend rates: | | |
| Healthcare cost trend rate | 6.25%/6.25% | 6.5%/6.5% |
| Healthcare cost trend assume to decline | 4.50%/4.50% | 4.5%/4.5% |
| Ultimate trend rate achieved | 2029 | 2029 |

The effect of a 1% change in trend rates on total service, interest cost, and the postretirement benefit obligation is as follows:

| | <u>1% Increase</u> | <u>1% Decrease</u> |
|---|--------------------|--------------------|
| Effect on total service and interest cost component | \$ 362 | \$ (293) |
| Effect on postretirement benefit obligation | 3,545 | (2,934) |

The items not yet recognized as a component of net periodic benefit cost are as follows:

| | <u>2021</u> | <u>2020</u> |
|----------------------|------------------------|------------------------|
| Net actuarial loss | \$ 6,775 | \$ 8,120 |
| Prior service credit | 374 | 471 |
| Total | <u>\$ 7,149</u> | <u>\$ 8,591</u> |

The College makes contributions to the postretirement medical plans equal to the benefits paid on a pay-as-you-go basis. For faculty and administrators, the contributions are deposited into a health reimbursement account on behalf of the retiree. For the years ending June 30, 2022 through June 30, 2031, the College expects to make contributions to and benefit payments from the plans, net of Medicare subsidy, as follows:

| | |
|-------------------|----------|
| 2022 | \$ 1,113 |
| 2023 | 1,241 |
| 2024 | 1,404 |
| 2025 | 1,477 |
| 2026 | 1,580 |
| 2027 through 2031 | 9,821 |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

NOTE 11 - SHORT-TERM DEBT OBLIGATIONS

The College has one unsecured revolving line of credit agreement with JPMorgan Chase for \$30.0 million. As of June 30, 2021 and 2020, the College had outstanding borrowings of \$0.0 million and \$10.0 million, respectively. Amounts borrowed under this facility bear interest based at LIBOR plus 70 basis points. The interest rate charged on the outstanding borrowing at June 30, 2020 was 2.4%. This line of credit is set to expire on May 30, 2022.

As of June 30, 2021, the College had an unsecured credit facility for \$5.0 million with RBS Citizens, with no outstanding borrowing. Amounts borrowed under this facility bear interest based on LIBOR plus 175 basis points. This line of credit is set to expire on March 31, 2022.

NOTE 12 - LONG-TERM DEBT OBLIGATIONS

Long-term debt obligations consist of the following:

| | <u>2021</u> | <u>2020</u> |
|---|--------------------------|--------------------------|
| Dormitory Authority of the State of New York, Barnard College Revenue Bonds, Series 2008. Interest at variable rates, due serially to 2023 | \$ 1,690 | \$ 2,520 |
| Dormitory Authority of the State of New York, Barnard College Revenue Bonds, Series 2015A. Interest at 2.00% to 5.00%, due serially to 2046 | 98,725 | 102,185 |
| Dormitory Authority of the State of New York, Series 2015B. Interest at variable rates, due in 2046 | 11,250 | 24,200 |
| Dormitory Authority of the State of New York, Series 2020A. Interest at 4%, due serially to 2049 | 40,555 | 40,555 |
| Dormitory Authority of the State of New York, Series 2020B. Interest at variable rates, due in 2049 | <u>2,036</u> | <u>-</u> |
| Total | 154,256 | 169,460 |
| Add: unamortized bond premium | 19,280 | 20,021 |
| Less: unamortized bond issuance costs | <u>(2,505)</u> | <u>(2,046)</u> |
| Total long-term obligations | <u>\$ 171,031</u> | <u>\$ 187,435</u> |

On July 11, 2007, the College entered into a loan agreement with the Dormitory Authority of the State of New York to issue \$32.6 million in Dormitory Authority of the State of New York Barnard College Insured Revenue Bonds, Series 2007B ("DASNY 2007B Bonds") to pay for a portion of the costs of the construction of the Diana Center and other projects. The loan was a general and unsecured obligation of the College. The DASNY 2007B Bonds were insured variable rate bonds. On April 30, 2008, due to the downgrading of the bond insurer, the College elected to enter into a loan agreement with the Dormitory Authority of the State of New York to issue \$28.0 million in Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2008 ("DASNY 2008 Bonds"). Proceeds from the DASNY 2008 Bonds along with approximately \$5.5 million from the College were used to refund and defease the outstanding DASNY 2007B Bonds. The DASNY 2008 Bonds are a general and unsecured obligation of the College. The DASNY 2008 Bonds were originally secured by a \$28.4 million irrevocable direct pay letter of credit with

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

RBS Citizens, N.A., which was scheduled to expire on April 23, 2011. On October 1, 2009, the College entered into a Bond Purchase and Continuing Covenants Agreement (“Purchase Agreement”) with RBS Citizens, N.A., whereby RBS Citizens, N.A. purchased the \$27.5 million outstanding DASNY 2008 Bonds. In addition, the letter of credit provided by RBS Citizens, N.A. was canceled. Under the terms of the Purchase Agreement, the interest payments are now based on a combination of weekly LIBORs and a fixed fee from RBS Citizens, N.A. The average interest rates on the DASNY 2008 Bonds were approximately 1.9% and 3.0% in fiscal years 2021 and 2020, respectively.

In March 2015, the College entered into a new loan agreement with the Dormitory Authority of the State of New York to issue \$109.0 million in Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2015A (“DASNY 2015A Bonds”). The proceeds of the DASNY 2015A Bonds financed a portion of the costs of the construction of a new approximately 133,000 gross square foot multipurpose facility at the College, as well as other campus-wide renovations and maintenance projects (“The Milstein Center and other projects”); refund and defease all of the outstanding DASNY 2004 Bonds; and refund and defease a portion of the DASNY 2007A Bonds and pay the costs of issuance for the DASNY 2015A Bonds. No redemption premiums were paid on these refundings as both the DASNY 2004 Bonds and the DASNY 2007A Bonds were redeemed at par.

In May 2015, the College entered into a new loan agreement with the Dormitory Authority of the State of New York to issue up to \$36.2 million in Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2015B (“DASNY 2015B Bonds”). The proceeds of the DASNY 2015B Bonds were used to finance a portion of the costs of The Milstein Center and other projects. The DASNY 2015B Bonds were issued as Draw-Down Bonds, which means the Purchaser, Citizens Funding Corp., funded the DASNY 2015B Bonds in installments, based on the financing needs of the College. At June 30, 2021 and 2020, \$11.3 million and \$24.2 million, respectively, of the DASNY 2015B Bonds were outstanding. The average interest rate on the DASNY 2015B Bonds were approximately 1.0% and 2.1% for fiscal years 2021 and 2020, respectively.

The DASNY 2015A Bonds and the DASNY 2015B Bonds are both secured by the pledge and assignment of tuition and fees charged to students for academic instruction by the College (the “Pledged Revenues”). Additionally, the College has entered into certain financial covenants with the DASNY in relation to the DASNY 2015A Bonds and the DASNY 2015B Bonds. The College was in compliance with these covenants as of June 30, 2021 and 2020.

In February 2020, the College entered into a new loan agreement with the Dormitory Authority of the State of New York to issue \$40.5 million in Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2020A (“DASNY 2020A Bonds”). The proceeds of the DASNY 2020A Bonds will finance improvement of facilities located on the College’s Morningside campus, refund and defease the remaining outstanding DASNY 2007A Bonds, and pay the costs of issuance for the DASNY 2020A Bonds. No redemption premiums were paid on this refunding as the DASNY 2007A Bonds were redeemed at par. The DASNY 2020A Bonds are an unsecured obligation of the College.

In October 2020, the College entered into a new loan agreement with the Dormitory Authority of the State of New York to issue \$40.5 million in Dormitory Authority of the State of New York Barnard College Revenue Bonds, Series 2020B (“DASNY 2020B Bonds”). The proceeds of the DASNY 2020B Bonds will be used to finance campus wide projects. The DASNY 2020B Bonds were issued as Draw-Down Bonds, which means that the Purchaser, People’s United Muni Finance Corp., will fund the DASNY 2020B Bonds in installments, based on the financing needs of the College. The interest rate on the DASNY 2020B Bonds will be variable and based on a monthly LIBOR rate with a 1% LIBOR Floor. The DASNY 2020B Bonds will be a general and unsecured obligation of the College.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

In accordance with the provisions of the loan agreements for the DASNY 2007A, DASNY 2008, DASNY 2015A, DASNY 2020A, the College is required to deposit construction and reserve funds with the trustee. These funds with a fair value of approximately \$35.9 million and \$47.0 million at June 30, 2021 and 2020, respectively, were held in cash and U.S. governmental securities and are included in funds held by bond trustee in the accompanying statement of financial position.

The College capitalized bond issuance costs incurred in support of certain capital improvement projects. Total bond issuance costs capitalized as of June 30, 2021 and 2020 were approximately \$2.5 million and \$2.0 million, respectively, and are included as an offset to the carrying value of the debt to which it relates in the accompanying statement of financial position. The College is amortizing the deferred issuance costs along with bond premiums over the life of the bonds. Amortization expense for the years ended June 30, 2021 and 2020 was \$0.6 million and \$0.5 million, respectively.

On March 23, 2021, the College executed a two-year forward swaption with the Royal Bank of Canada as its counterparty. The notional amount of the swaption is \$35,357,500 with an effective date of April 1, 2023. The strike price is 2.065%. The swaption was priced at \$1.7 million and is reflected on the College's statement of financial position at the market value of \$0.6 million as of June 30, 2021. The swaption was executed to limit the College's interest rate exposure as it plans for potentially new debt in 2023. The College has no obligation to issue new debt under this swaption. The swaption only serves to protect the College should it wish to issue new debt.

Projected debt service payments on the long-term obligations as of June 30, 2021, for five years subsequent to June 30, 2021 and thereafter, are as follows:

| <u>Fiscal</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------|-------------------|------------------|-------------------|
| 2022 | \$ 4,505 | \$ 6,584 | \$ 11,089 |
| 2023 | 4,645 | 6,386 | 11,031 |
| 2024 | 5,175 | 6,194 | 11,369 |
| 2025 | 5,465 | 5,948 | 11,413 |
| 2026 | 5,725 | 5,687 | 11,412 |
| Thereafter | 128,741 | 63,175 | 191,916 |
| | <u>\$ 154,256</u> | <u>\$ 93,974</u> | <u>\$ 248,230</u> |

Interest payments included in the above chart for the DASNY 2008 Bonds, DASNY 2015B Bonds, and DASNY 2020B Bonds were calculated on the basis of an assumed interest rate of 2% to 4% per annum and will be held for duration.

Interest expense for the years ended June 30, 2021 and 2020 amounted to approximately \$8.9 million and \$8.5 million, respectively.

NOTE 13 - STUDENT SERVICES REVENUE

The College has various revenue streams that revolve mainly around student enrollment and instruction. Revenue is generated mainly through tuition, housing and meals and various fees associated with enrollment in the College. Generally, enrollment and instructional services are billed when a course or term begins, and paid within 30 days of the bill date.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

In the following tables, revenue is disaggregated by type of service provided:

| <u>For the Year Ended June 30, 2021:</u> | <u>Tuition and Fees</u> | <u>Housing</u> | <u>Meals</u> | <u>Health Services</u> | <u>Total</u> |
|--|-------------------------|------------------|-----------------|------------------------|-------------------|
| Student services revenue | \$ 151,969 | \$ 4,439 | \$ 1,973 | \$ 3,067 | \$ 161,448 |
| Less: financial aid allowance | <u>(35,795)</u> | <u>(1,046)</u> | <u>(465)</u> | <u>(722)</u> | <u>(38,028)</u> |
| Net student services revenue | <u>\$ 116,174</u> | <u>\$ 3,393</u> | <u>\$ 1,508</u> | <u>\$ 2,345</u> | <u>\$ 123,420</u> |
| | | | | | |
| <u>For the Year Ended June 30, 2020:</u> | <u>Tuition and Fees</u> | <u>Housing</u> | <u>Meals</u> | <u>Health Services</u> | <u>Total</u> |
| Student services revenue | \$ 148,423 | \$ 20,072 | \$ 8,182 | \$ 2,898 | \$ 179,575 |
| Less: financial aid allowance | <u>(34,694)</u> | <u>(4,692)</u> | <u>(1,913)</u> | <u>(677)</u> | <u>(41,976)</u> |
| Net student services revenue | <u>\$ 113,729</u> | <u>\$ 15,380</u> | <u>\$ 6,269</u> | <u>\$ 2,221</u> | <u>\$ 137,599</u> |

The College has taken a portfolio approach in determining whether student aid should apply across tuition and fees, housing, and meals. The College awards student aid on a need-blind basis, factoring in the total cost of attendance including tuition, fees, room and board, and the students expected ability to contribute towards such charges. Accordingly, student aid has been applied against all student services revenues.

Deferred revenue at June 30, 2021 and 2020 was \$2.0 million and \$1.7 million, respectively, and represents the College's performance obligation to transfer future enrollment and instructional services to students. For the years ended June 30, 2021 and 2020, the College recognized revenue of \$1.1 million and \$0.8 million, respectively, from amounts that were included in deferred revenues at the beginning of the years. The changes in deferred revenues were caused by normal timing differences between the satisfaction of performance obligations and customer payments.

The College has elected, as a practical expedient, not to disclose additional information about unsatisfied performance obligations for contracts with customers that have an expected duration of one year or less.

NOTE 14 - PRE-COLLEGE AND RENTAL REVENUES

Pre-college and rental revenues are non-student revenue sources for the College generated primarily from the College's pre-college programs and the rental of its classrooms and residential buildings.

The following is a summary of revenues by category:

| | <u>2021</u> | <u>2020</u> |
|-----------------------------|-----------------|-----------------|
| Rental revenue | \$ 3,977 | \$ 3,234 |
| Pre-college program revenue | <u>776</u> | <u>1,577</u> |
| | <u>\$ 4,753</u> | <u>\$ 4,811</u> |

Pre-college program and rental revenues are recognized over the terms of the related programs or rental agreements, respectively. The terms of the rental agreements range from 1 to 15 years. Management has elected the practical expedient permitted under ASC 606 not to disclose information about remaining performance obligations related to pre-college programs, as these contracts have original terms that are one year or less.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

NOTE 15 - INTERCORPORATE AGREEMENT

An intercorporate agreement between the College and Columbia University provides for payment for the exchange of certain services between the two institutions. These services include cross-registration for students, college services, faculty exchange, athletics, and certain special services and support costs.

The statement of activities include expenses in the amount of approximately \$6.0 million and \$6.9 million for the years ended June 30, 2021 and 2020, respectively, for services provided under the terms of the agreement.

NOTE 16 - NET ASSETS

Net assets with donor restrictions are available for the following purposes at June 30, 2021 and 2020:

| | 2021 | 2020 |
|------------------------------------|------------|------------|
| Instruction, research, and library | \$ 232,862 | \$ 205,976 |
| Financial aid | 234,950 | 159,041 |
| Plant improvements | 48,358 | 32,212 |
| Gifts to be designated | 4,178 | 3,964 |
| | \$ 520,348 | \$ 401,193 |

As of June 30, 2021 and 2020, net assets in perpetuity was approximately \$235,865 and \$219,633, respectively, which consisted of endowment corpus and pledges.

NOTE 17 - AVAILABLE RESOURCES AND LIQUIDITY

The College regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The College has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities, receivables, and two unsecured lines of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the College considers all expenditures related to its ongoing activities of instruction, research and public service as well as the conduct of services undertaken to support those activities. Student notes receivables are not included in the analysis as principal and interest on these loans are used to solely to make new loans, and are therefore, not available to meet current operating needs.

In addition to the financial assets available to meet general expenditures over the next 12 months, the College anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2021 and 2020
(Dollars in thousands)

As of June 30, 2021 and 2020, the following tables show the total financial assets held by the College and the amounts of those financial assets that could readily be made available within one year of the date of the statement of financial position to meet general expenditures:

| Financial Assets at Year End: | 2021 | 2020 |
|---|-------------------|-------------------|
| Cash and cash equivalents | \$ 33,931 | \$ 47,308 |
| Student accounts receivable, net | 650 | 382 |
| Student notes receivable, net | 1,317 | 1,527 |
| Grants, bequests, and other receivables | 7,097 | 2,390 |
| Pledges receivable, net | 53,084 | 43,578 |
| Investments | 472,102 | 366,079 |
| Funds held by bond trustee | 35,877 | 47,033 |
| | <u>\$ 604,058</u> | <u>\$ 508,297</u> |

| Financial Assets and Liquidity Resources Available to Meet General Expenditures Over the Next 12 Months: | 2021 | 2020 |
|---|-------------------|-------------------|
| Financial Assets: | | |
| Cash and cash equivalents | \$ 33,931 | \$ 47,308 |
| Student accounts receivable, net | 650 | 382 |
| Grants, bequests, and other receivables | 7,097 | 2,390 |
| Pledges receivable, net | 15,390 | 16,347 |
| Payout on donor-restricted endowment for use over the next 12 months | 15,157 | 15,283 |
| Payout on quasi-endowments for use over the next 12 months | 3,755 | 2,392 |
| Investments not encumbered by donor restrictions but require board approval | 51,866 | 43,763 |
| | <u>127,846</u> | <u>127,865</u> |
| Liquidity Resources: | | |
| Line of credit available | 35,000 | 25,000 |
| | <u>\$ 162,846</u> | <u>\$ 152,865</u> |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

NOTE 18 - EXPENSES

Operating expenses are reported in the statement of activities by functional classification. The College's expenses by natural classification were as follows for the year ended June 30, 2021:

| | 2021 | | | | | | | | 2020 Summarized Totals | |
|--------------------------------|-------------|----------|-------------------|----------------------------|---------------------|--------------------------|----------------------------------|--------------------------|------------------------------|------------|
| | Instruction | Research | Public Service | Academic Administration | Student Services | Institutional Support | Operations and Maintenance | Auxiliary Enterprises | | Total |
| Salaries | \$ 39,150 | \$ 1,553 | \$ 154 | \$ 7,242 | \$ 6,832 | \$ 18,575 | \$ 11,949 | \$ 3,330 | \$ 88,785 | \$ 93,388 |
| Benefits | 15,309 | 392 | 66 | 2,568 | 2,600 | 9,060 | 4,341 | 1,156 | 35,492 | 32,706 |
| Total compensation | 54,459 | 1,945 | 220 | 9,810 | 9,432 | 27,635 | 16,290 | 4,486 | 124,277 | 126,094 |
| Direct facilities expenses | 4,365 | 911 | - | 2,331 | 524 | 1,109 | (23,119) | 13,879 | - | 1,479 |
| Depreciation and accretion | 2,909 | 489 | - | 2,581 | 325 | 801 | - | 4,721 | 11,826 | 11,292 |
| Interest | 1,500 | 174 | - | 2,753 | 876 | 337 | - | 3,267 | 8,907 | 8,543 |
| Utilities | - | - | - | - | - | - | 2,553 | - | 2,553 | 3,054 |
| Payment to Columbia University | 5,997 | - | - | - | - | - | - | - | 5,997 | 6,891 |
| Study abroad | 34 | - | - | - | - | - | - | - | 34 | 3,521 |
| Food services | - | - | - | - | - | - | - | 2,894 | 2,894 | 8,290 |
| Supplies, services and other | 1,643 | 1,885 | 16 | 1,871 | 489 | 11,384 | 4,276 | 4,024 | 25,588 | 26,699 |
| 2021 Total | \$ 70,907 | \$ 5,404 | \$ 236 | \$ 19,346 | \$ 11,646 | \$ 41,266 | \$ - | \$ 33,271 | \$ 182,076 | \$ 195,863 |
| 2020 Total | \$ 77,012 | \$ 4,774 | \$ 407 | \$ 20,448 | \$ 12,948 | \$ 39,325 | \$ - | \$ 40,949 | \$ 195,863 | |

NOTE 19 - COMMITMENTS AND CONTINGENCIES

The College is a defendant in various lawsuits. Management of the College is of the opinion that the ultimate resolution of these matters will not have a material adverse effect on the College's financial position.

The College receives significant federal and state grants which are subject to audit by federal agencies. Management is of the opinion that disallowances, if any, would not have a significant effect on the financial position or changes in net assets of the College.

At the end of fiscal year 2020, the College leased a building under a lease classified as the College's only capital lease.

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

The leased building will be amortized on a straight-line basis over 39 years. The interest rate related to the lease obligation is 4.2% and the maturity date is June 2058. Future minimum lease payments under the capital lease obligation at June 30, 2021 are as follows:

Year Ending June 30:

| | | |
|---|----|----------------------|
| 2022 | \$ | 1,756 |
| 2023 | | 1,818 |
| 2024 | | 1,881 |
| 2025 | | 1,947 |
| 2026 | | 2,015 |
| Thereafter | | <u>119,587</u> |
| Total minimum lease payments | | 129,004 |
| Less: amount representing interest | | <u>(80,553)</u> |
| Finance lease liability at year end | \$ | <u><u>48,451</u></u> |

Supplemental balance sheet information related to financial lease at June 30, 2021:

| | | |
|--------------------------|----|----------------------|
| ROU asset | \$ | 47,205 |
| Accumulated amortization | | <u>(2,420)</u> |
| | \$ | <u><u>44,785</u></u> |

The College assesses contracts at inception to determine whether an arrangement includes a lease, which conveys the College's right to control the use of an identified asset for a period of time in exchange for consideration. The College has several non-cancellable operating leases for building space used for student housing and administration, and equipment, for which ROU assets and lease liabilities are recorded in the accompanying fiscal year 2021 statement of financial position. The College measures its lease assets and liabilities using the risk-free rate of return selected based on the term lease. The College considered the likelihood of exercising renewal or termination terms in measuring the ROU assets and liabilities. The College has included renewal periods in its assessment of lease terms when provided for in the lease. The College's lease payments are based on fixed payments. There are no variable or short-term leases. The leases contain no termination options or residual value guarantee.

Supplemental balance sheet information related to operating leases at June 30, 2021:

| | | |
|--------------------------|----|---------------------|
| ROU asset | \$ | 5,022 |
| Accumulated amortization | | <u>(2,118)</u> |
| | \$ | <u><u>2,904</u></u> |

| | |
|--|-----------|
| Weighted-average remaining lease term: | 3.6 years |
| Weighted-average discount rate: | 2.25% |

Barnard College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**June 30, 2021 and 2020
(Dollars in thousands)**

Year Ending June 30:

| | | |
|---|----|------------------------|
| 2022 | \$ | 1,813 |
| 2023 | | 361 |
| 2024 | | 162 |
| 2025 | | 162 |
| 2026 | | 162 |
| Thereafter | | <u>433</u> |
| Total lease obligation, gross | | 3,093 |
| Less: amounts representing interest rates from 1.79% to 2.81% | | <u>(147)</u> |
| Total lease liability | | <u><u>\$ 2,946</u></u> |

Rental expense for the years ended June 30, 2021 and 2020 totaled approximately \$3.0 million and \$2.2 million, respectively. During the current year, there were no new lease agreements.

The components of lease cost for the year ended June 30, 2021 are as follows:

| | | |
|-------------------------------|-----------|---------------------|
| Operating lease cost | \$ | 2,196 |
| Finance lease cost | | |
| Amortization of ROU assets | | 1,210 |
| Interest on lease liabilities | | <u>2,407</u> |
| Total lease cost | <u>\$</u> | <u><u>5,813</u></u> |

Supplemental cash flow information related to leases for the year ended June 30, 2021 is as follows:

| | | |
|--|----|-------|
| Cash paid for amounts included in the measurement of lease liabilities | | |
| Operating cash flows from operating leases | \$ | 2,204 |
| Operating cash flows from finance lease | | 1,697 |

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SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

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SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The following is a brief summary of certain provisions of the Loan Agreement. 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.

Representations

The Authority makes the following representations:

(a) The Authority is duly established and validly existing under the provisions of the Act and has full legal right, power and authority to execute, deliver and perform each of the Resolution, the Loan Agreement, the other documents to which the Authority is a party as set forth in Schedule F of the Loan Agreement (collectively, the “Issuer Documents”) and the other documents contemplated thereby. Each of the Issuer Documents and the other documents contemplated thereby has been duly authorized, executed and delivered by the Authority.

(b) Neither the execution and delivery of any of the Issuer Documents or the other documents contemplated thereby, nor the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions of any of the Issuer Documents or the other documents contemplated thereby will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of the Act, any other law or ordinance of the State or any political subdivision thereof, the Authority’s by-laws, as amended, or any statutory restriction or any agreement or instrument to which the Authority is a party or by which it is bound, or result in the creation or imposition of any Lien of any nature upon any of the Property of the Authority under the terms of the Act or any such law, ordinance, restriction, agreement or instrument.

(c) Each of the Issuer Documents and the other documents contemplated thereby constitutes a legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditor’s rights generally, and subject to usual principles of equity.

(Section 2.1)

The Institution makes the following representations:

(a) The Institution is a not-for-profit education corporation duly organized and validly existing under the laws of the State, is in good standing under the laws of the State and has full legal right, power and authority to execute, deliver and perform its obligations under each of the Loan Agreement, the other documents to which the Institution is a party as set forth in Schedule E of the Loan Agreement (collectively, the “Institution Documents”) and the other documents contemplated thereby. Each of the Institution Documents and the other documents contemplated thereby has been duly authorized, executed and delivered by the Institution.

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

(c) Neither the execution and delivery of any of the Institution Documents or the other documents contemplated thereby nor the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions of any of the Institution Documents or the other documents contemplated thereby will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any law or ordinance of the State or any political subdivision thereof, the Institution’s charter or by-laws, as amended, or any corporate restriction or any agreement or instrument to which the Institution is a party or by which it is bound which would have a material adverse effect on the Institution or the transaction, or result in, except as contemplated by the

Institution Documents, the creation or imposition of any Lien of any nature upon any of the Property of the Institution under the terms of any such law, ordinance, charter, by-laws, restriction, agreement or instrument.

(d) There is no action, suit, investigation or proceeding pending or, to the knowledge of the Institution, threatened against the Institution or any properties or rights of the Institution before any court, arbitrator or administrative or governmental body which might result in any materially adverse change in the business, condition or operations of the Institution or which might materially adversely affect the ability of the Institution to comply with the Loan Agreement or other Institution Documents.

(e) The design, construction, renovation, equipping and operation of the Project and any contracts and agreements relating thereto do conform or will conform with all applicable Governmental Requirements.

(f) Each of the Institution Documents and the other documents contemplated thereby to which the Institution is a party constitutes a valid and binding obligation of the Institution enforceable against the Institution in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditor's rights generally, and subject to general principles of equity.

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

(Section 2.2)

Covenants

The Institution makes the following covenants:

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

(b) The Institution shall at all times, to the extent permitted by law, defend, preserve and protect all of the rights of the Authority and the Bondholders under the Resolution against all claims and demands of all persons whomsoever.

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

with applicable, laws, rules and regulations and each of the provisions of the Loan Agreement and shall meet the requirements of the Act and furnishes such other certificates and documents as the Authority may reasonably request.

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

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

(f) (i) The Institution, whenever requested by the Authority, shall provide and certify or cause to be provided and certified subject to legal restrictions, if any, such information concerning the Institution, its finances and other related topics as the Authority from time to time reasonably determines to be necessary or desirable, including information reasonably necessary or desirable to enable the Authority to make any reports or obtain any approvals required by law, governmental regulation or the Resolution to effect any of the transactions contemplated by the Loan Agreement or the Resolution.

(ii) The Institution shall, if and when requested by the Authority, provide to the Authority reports with respect to the status of the construction of the Project. The Institution shall also furnish to the Authority: (i) annually, not later than 120 days after the end of the Institution's fiscal year, copies of the Institution's audited financial statements and (ii) such other statements, reports and schedules describing the finances, operation and management of the Institution and such other information as the Authority may from time to time reasonably request.

(iii) The Institution shall deliver to the Authority each year no later than 120 days after the end of the Institution's fiscal year a Certificate signed by the Treasurer, Chief Financial Officer or the President of the Institution in the form attached to the Loan Agreement as Exhibit B (as such form may from time to time be revised by the Authority), together with other statistical information required by the Authority.

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

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

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

(g) The Institution shall comply with (i) all Governmental Requirements which, if not complied with, could adversely affect the Institution, its operations or financial condition or title to its properties in any material respect, and (ii) any requirement of an insurance company providing insurance to the Institution. Anything contained in this paragraph (g) to the contrary notwithstanding, the Institution shall have the right to contest the validity of any Governmental Requirement or the application thereof at the Institution's sole cost and expense. During such contest, compliance with the contested Governmental Requirement may be deferred by the Institution, provided that prior to commencing any action or proceeding, administrative or judicial, contesting the Governmental Requirement, the Institution notifies the Authority of the Institution's intention to contest such Governmental Requirement and, if the Authority requests, shall furnish to the Authority moneys or other security, satisfactory to the Authority, securing compliance with the contested Governmental Requirement and payment of all interest, penalties, fines, fees and

expenses resulting from or in connection with such contest or the failure of the Institution to comply with the contested Governmental Requirement. Any such action or proceeding instituted by the Institution shall be commenced as soon as is reasonably possible after the assertion of the applicability to the Project or any part thereof, of the contested Governmental Requirement by a governmental authority, and shall be prosecuted to final adjudication or other final disposition with reasonable dispatch. Notwithstanding the furnishing of any bond, deposit or other security, the Institution promptly shall comply with any such Governmental Requirement and compliance shall not be deferred if at any time the Project, or any part thereof, to which such contested Governmental Requirement relates, would be in substantial danger by reason of the Institution's noncompliance with such Governmental Requirement of being sold, attached, forfeited, foreclosed, transferred, conveyed, assigned or otherwise subjected to any proceeding, equitable remedy, lien, charge, fee or penalty that would impair (i) the interests or security of the Authority under the Loan Agreement or under the Resolution, (ii) the ability of the Authority to enforce its rights under the Loan Agreement or under the Resolution, (iii) the ability of the Authority to fulfill the terms of any covenants or perform any of its obligations under the Loan Agreement or under the Resolution or (iv) the ability of the Institution to fulfill the terms of any covenants or perform any of its obligations under the Loan Agreement.

(h) (i) The Institution, throughout the term of the Loan Agreement, shall not permit or create or suffer to be permitted or created any Lien upon the Project or any part thereof by reason of any labor, services or materials rendered or supplied or claimed to be rendered or supplied with respect to the Project or any part thereof.

(ii) Notwithstanding the provisions of subsection (i) of this paragraph (h), the Institution may in good faith contest any such Lien and, in such event, the Institution may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless, by the Institution's nonpayment of any such item or items, the Project or any part thereof may be subject to loss or forfeiture, in which event the Institution shall promptly secure payment of all such unpaid items by filing a bond thereby causing such Lien to be removed or by taking such other actions as may be satisfactory to protect the Project. Mechanics' Liens shall be discharged or bonded within ninety (90) days following the Institution's receipt of notice of the filing or perfection thereof.

(i) With respect to the Project or any portion thereof, so long as any of the Bonds are outstanding, the Project or portion thereof shall not be used for sectarian religious instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination.

(j) The Institution shall not transfer, sell or convey any interest in the Project or any part thereof or interest therein, including development rights unless (a) the Institution provides a Favorable Opinion of Bond Counsel addressed to the Authority and the Trustee relating to such action and (b) the transfer, sale or conveyance is a Permitted Disposition.

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

(Section 2.3)

Financing and Refinancing of Project

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

(b) The Institution agrees that, whether or not there are sufficient moneys available to it under the provisions of the Resolution and under the Loan Agreement, the Institution shall complete the acquisition, design, construction, reconstruction, rehabilitation and improving or otherwise providing and furnishing and equipping of the Project, substantially in accordance with the description in the Loan Agreement and, if applicable in the Official Statement or other offering document. The Authority makes no representation, express or implied, that the net proceeds of the Bonds will be sufficient to pay all costs to complete the Project. In the event that the moneys in the

Construction Fund are not sufficient to pay in full all costs of the Project, the Institution agrees to pay all such sums as may be in excess of the moneys available therefor and necessary to complete the Project.

(Section 3.1)

Loan of Bond Proceeds

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

(Section 4.1)

Loan Payments and Other Amounts Payable

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

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

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

(iii) On each Loan Repayment Date, Loan Repayments in the amount determined in the manner set forth in Schedule D, subject to adjustment from time to time as a result of events including, but not limited to, prepayment.

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

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

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

(vii) Promptly after notice from the Authority, but in any event not later than fifteen (15) days after such notice is given, the amount set forth in such notice as payable to the Authority (A) for the Issuer Fee then unpaid, (B) to reimburse the Authority for payments made by it pursuant to paragraph h of the section of the Loan Agreement summarized herein under the heading "Loan Payments and Other Amounts Payable" and any expenses or liabilities incurred by the Authority pursuant to the Loan Agreement, (C) to reimburse the Authority for any external costs or expenses incurred by it attributable to the issuance of the

Bonds or the financing or construction of a Project, including but not limited to any fees or other amounts payable by the Authority under a Remarketing Agreement, a Credit Facility or a Liquidity Facility, (D) for the costs and expenses incurred by the Authority to compel full and punctual performance by the Institution of all the provisions of the Loan Agreement or the Resolution in accordance with the terms thereof and (E) for the fees and expenses of the Trustee and any paying agent in connection with performance of their duties under the Resolution; and,

(viii) Promptly upon demand by the Trustee, (a copy of which shall be furnished to the Authority), all amounts required to be paid by the Institution as a result of an acceleration pursuant to the section of the Loan Agreement summarized herein under “Events of Default and Remedies.”

(m) In addition to the Loan Payments pursuant to paragraph (a) of the section of the Loan Agreement summarized herein under the heading “Loan Payments and Other Amounts Payable”, throughout the Loan Term, the Institution shall pay to the Authority as additional loan payments, within fifteen (15) days of the receipt of demand therefor, an amount equal to the sum of the out-of-pocket expenses of the Authority actually incurred (i) by reason of the Authority’s financing of the Project, or (ii) in connection with the carrying out of the Authority’s duties and obligations under the Issuer Documents, the payment of which is not otherwise provided for under the Loan Agreement; or (iii) on account of any payments made by the Authority for the purpose of fulfilling the Institution’s obligations under the Loan Agreement, including, but not limited to, the Loan Agreement.

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

(o) Subject to the provisions of the Loan Agreement and the Resolution, the Institution shall receive a credit against the amount required to be paid by the Institution during a Bond Year pursuant to paragraph (a)(iii) of the section of the Loan Agreement summarized herein under the heading “Loan Payments and Other Amounts Payable” on account of any Sinking Fund Installments if, prior to the date notice of redemption is given pursuant to the Resolution with respect to Bonds to be redeemed through any Sinking Fund Installments during the next succeeding Bond Year, either (i) the Institution delivers to the Trustee for cancellation one or more Bonds and maturity to be so redeemed or (ii) the Trustee, at the written 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 subdivision Section 5.06(c) of the Resolution during such Bond Year. The amount of the credit shall be equal to the principal amount of the Bonds so delivered.

(p) The Authority directs the Institution, and the Institution agrees, to make the payments required by paragraphs (a)(iii), (a)(iv), (a)(vi), and (a)(viii) of the section of the Loan Agreement summarized herein under the heading “Loan Payments and Other Amounts Payable” directly to the Trustee for deposit and application in accordance with Section 5.05 of the Resolution, the payments required by paragraphs (a)(ii) and (a)(vii)(E) of “Loan Payments and Other Amounts Payable” herein directly to the Trustee for deposit in the Construction Fund or other fund established under the Resolution, as directed by the Authority, and the payments required by paragraphs (a)(i), (a)(v), (a)(vii) (A),(B),(C) and (D) and (b) of the section of the Loan Agreement summarized herein under the heading “Loan Payments and Other Amounts Payable” directly to the Authority.

(q) Notwithstanding any provisions in the Loan Agreement to the contrary (except as otherwise specifically provided for in this subdivision), all moneys paid by the Institution to the Trustee pursuant to the Loan Agreement or otherwise held by the Trustee (other than moneys received by the Trustee pursuant to paragraphs (a)(ii) (a)(vi) and (a)(vii)(E)) shall be applied in reduction of the Institution’s indebtedness to the Authority under the Loan Agreement, first, with respect to interest and, then, with respect to the principal amount of such indebtedness, but only to the extent that, with respect to interest on such indebtedness, such moneys are applied by the Trustee for the payment of interest on Outstanding Bonds, and, with respect to the principal of such indebtedness, such moneys have been applied to, or are held for, payments in reduction of the principal amount of Outstanding Bonds and as a result thereof Bonds have been paid or deemed to have been paid in accordance with Section 12.01(b) of the Resolution. Except as otherwise provided in the Resolution and the preceding sentence of this paragraph (f), the Trustee shall hold such moneys in trust in accordance with the applicable provisions of the Resolution for the sole and exclusive benefit of the Holders of Bonds, regardless of the actual due date or applicable payment date of any payment to the Holders of Bonds.

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

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

(Section 4.2)

Obligations of the Institution Under the Loan Agreement Unconditional

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

(Section 4.3)

Payment of Additional Moneys in Prepayment of Bonds

The Institution, 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 provided that the Institution has given the Authority written notice of its intention to make any such voluntary payment at least two (2) business days prior to making the payment. In the event of a voluntary payment, the amount so paid shall be deposited in the Debt Service Fund and applied in accordance with Section 5.06 of the Resolution or held by the Trustee for the payment of Bonds in accordance with Section 12.01(b) of the Resolution. Upon any voluntary payment by the Institution, the Authority agrees to direct the Trustee in writing to purchase or redeem Bonds in accordance with the Resolution or to give the Trustee irrevocable instructions in writing in accordance with Section 12.01(b) of the Resolution with respect to such Series of Bonds; provided, however, that in the event such voluntary payment is sufficient to pay all amounts then due under the Loan Agreement and 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 Section 12.01(b) of the Resolution, the Authority agrees, in accordance with the instructions of the Institution, to direct the Trustee in writing to purchase or redeem all Bonds Outstanding, or to cause all Bonds Outstanding to be paid or to be deemed paid in accordance with Section 12.01(b) of the Resolution.

(Section 4.4)

Rights and Obligations of the Institution upon Prepayment of Bonds

In the event the Bonds shall have been paid in full prior to the termination of the Loan Agreement, or provision for such payment shall have been made in accordance with the Resolution, the Authority, at the sole cost of

the Institution, shall deliver to the Institution appropriate terminations, discharges or releases of any security interest relating to the Project or under the Resolution.

(Section 4.5)

Security Interest

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

(Section 4.6)

Assignment to Trustee and Institution Consent

The Authority will pledge and assign its rights to and interest in the Loan Agreement, and in all amounts payable by the Institution to the Trustee pursuant to the section of the Loan Agreement summarized herein under the heading "Loan Payments and Other Amounts Payable" and all other provisions of the Loan Agreement (other than Unassigned Rights and except for the moneys and investments from time to time in the Rebate Fund), to the Trustee as security for the payment of the principal of, and premium, if any, and interest on the Bonds. The Institution acknowledges and consents to such pledge and assignment by the Authority. Notwithstanding the foregoing, (1) all indemnities contained in the Loan Agreement shall, subsequent to such pledge and assignment, continue to run to the Authority for its benefit; and (2) both the Trustee and the Authority shall each have the right to enforce Events of Default arising from violations of Article 8 of the Loan Agreement.

(Section 4.7)

Financing Statements

The Institution shall file, or cause to be filed, all UCC Financing Statements required to be filed on the date of issuance of the Bonds. The Institution further irrevocably appoints the Trustee as the Institution's lawful attorney-in-fact and agent, to prepare and execute any UCC-1 Financing Statements or UCC-3 Amendments or Assignments on the Institution's behalf in accordance with the requirements of the Resolution to protect the Authority's and the Trustee's security interests in payments made pursuant to the Loan Agreement and any assignment thereof, and on the Institution's behalf, to file such Financing Statements in any appropriate public office. The Institution shall be responsible for the reasonable costs incurred by the Trustee and the Authority in filing all continuation statements under the Loan Agreement.

(Section 4.8)

Maintenance and Modifications of Project by Institution

(t) The Institution agrees that, throughout the term of the Loan Agreement, it shall, at its own expense, hold, operate and maintain the Project in a careful, prudent and economical manner, and keep the same, with the appurtenances and every part and parcel thereof, in good repair, working order and safe condition and shall from time to time make all necessary and proper repairs, replacements and renewals so that at all times the operation of the Project may be properly and advantageously conducted. The Institution shall have the right to remove or replace any type of fixtures, furnishings and equipment in the Project which may have been financed by the proceeds of the sale of the Bonds provided that such fixtures, furnishings and equipment continue to be used for purposes permitted under the Tax Certificate or as otherwise permitted in a Favorable Opinion of Bond Counsel delivered by the Institution to the Authority and the Trustee.

(u) The Institution further agrees that it shall pay at its own expense all extraordinary costs of maintaining, repairing and replacing the Project except insofar as funds are made available therefor from proceeds of insurance, condemnation or eminent domain awards.

(Section 5.1)

Use and Control of the Project

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

(Section 5.2)

Liens, Utilities and Access

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

(Section 5.3)

Damage or Condemnation

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

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

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

(Section 6.1)

Reliance by Trustee

The Trustee shall be entitled to rely on any instructions given by the Institution pursuant to the terms of the Loan Agreement and the Institution shall indemnify the Trustee for the consequences of all actions taken pursuant to any such instructions provided that the Trustee, at the time the instructions were given, reasonably believed in good faith that such instructions were genuine and signed by an Authorized Officer of the Institution; provided however, that any instructions given by the Institution pursuant to this section shall relate only to the Loan Agreement and shall

not constitute instructions to the Trustee to act or refrain from acting under the Resolution (which latter instructions may be given only by the parties authorized to do so under the Resolution in the manner provided therein).

(Section 7.3)

Compliance with Resolution

The Institution approves of and agrees to the provisions of the Resolution. The Institution agrees to do all things within its power in order to enable the Authority to comply with all requirements and to fulfill all covenants of the Resolution which require the Institution to comply with requests or obligations so that the Authority will not be in default in the performance of any covenant, condition, agreement or provision of the Resolution.

(Section 7.5)

Investment of Funds

The Institution acknowledges that the Authority shall direct the investment of moneys held under the Resolution as provided therein and that no representation or warranty has been made by the Authority with respect to interest rates on, or the amount to be earned as a result of, any such investment. The Authority shall regularly consult with the Institution regarding any investments of funds being held in the Construction Fund. Neither the Authority nor the Trustee shall have any liability arising out of or in connection with the making of any investment authorized by the provisions of Article VI of the Resolution in the manner provided therein, for any depreciation in value of any investment or for any loss, direct or indirect, resulting from any such investment. The Authority agrees that it shall direct the making of investments as permitted by the Resolution as soon as practicable when moneys are legally available therefor.

(Section 7.6)

Tax Representations

The Institution represents and warrants that (i) it is an organization described in Section 501(c)(3) of the Code and it is not a “private foundation” as defined in Section 509 of the Code; (ii) it has received a letter from the Internal Revenue Service to that effect; (iii) such letters has not been modified, limited or revoked; (iv) it is in compliance with all terms, conditions and limitations, if any, contained in such letter; (v) the facts and circumstances which form the basis of such letter continue substantially to exist as represented to the Internal Revenue Service; (vi) it is not aware of any action, pending or threatened, that calls its status as represented in clause (i) into question; and (vii) it is exempt from federal income taxes under Section 501(a) of the Code.

(Section 8.1)

Tax Covenants

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

(Section 8.2)

Tax Exemption

(d) The Authority and the Institution covenant that they (i) will comply with the provisions of the Code required to preserve the exclusion from gross income of interest on the Tax-Exempt Bonds for Federal income tax purposes, and (ii) shall not take or omit to take any action if such action or omission would cause the interest in the Tax-Exempt Bonds to be includable in gross income under Section 103 of Code.

(e) Partly in furtherance of the foregoing, the Authority and the Institution are entering into a Tax Certificate with respect to matters of federal tax law pertaining to the Tax-Exempt Bonds. The Tax Certificate, including the amendment provisions thereof, will be treated as incorporated by reference in the Loan Agreement. The Authority and the Institution each covenant that it will not take any action or fail to take any action which would cause any of its representations contained in the Tax Certificate to be untrue and shall comply with all its covenants contained in the Tax Certificate, unless the Authority or the Institution, as applicable, provides the other party with a Favorable Opinion of Bond Counsel relating to the taking or failing to take such action or the failing to comply with its covenants under the Tax Certificate.

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

(d) The Authority shall calculate rebate amount and shall retain in the Authority's possession, so long as required by the Code, copies of all documents, reports and computations made by the rebate analyst in connection with the calculation of earnings and the rebate of all or a portion thereof to the Department of the Treasury of the United States of America, which shall be subject at all reasonable times to the inspection of the Institution and its agents and representatives, any of whom may make copies thereof. Upon written request therefor from the Institution, the Authority shall as soon as practicable provide the Institution with a copy of any such document, report or computation. The Authority shall also provide the Institution with a copy of all documents or reports filed with the Department of Treasury of the United States of America relating to the rebate of earnings.

(e) These provisions shall survive the termination of the Loan Agreement or defeasance of the Bonds.

(Section 8.3)

Restricted Gifts

(f) The Institution agrees that it shall deliver to the Authority a certificate of an Authorized Officer of the Institution satisfactory to an Authorized Officer of the Authority setting forth and representing (i) the amount of Restricted Gifts theretofore received in connection with the Project, (ii) that all of such amount has been or will be spent on the Project or will be otherwise applied in a manner for which the Institution provides a Favorable Opinion of Bond Counsel addressed to the Authority and the Trustee; (iii) that such amount shall not be reimbursed from the proceeds of the sale of the Bonds, (iv) whether the Institution reasonably expects to receive while Bonds are Outstanding any additional Restricted Gifts, and (v) such other matters as may be required to determine whether issuance of the Bonds will comply with the requirements of the Code.

(g) If, prior to completion of construction of the Project, the Institution receives any Restricted Gift therefor, the Institution shall, to the extent not inconsistent with the terms of such Restricted Gift, to the extent such moneys will exceed the amount necessary to complete the Project, pay such amount to the Trustee for deposit to the Debt Service Fund (consistent with the requirements of the Tax Certificate, if any) or apply such amount in a manner for which Institution provides a Favorable Opinion of Bond Counsel addressed to the Authority and the Trustee. If, after completion of the construction of the Project, the Institution receives any Restricted Gift, the Institution shall deliver a like amount to the Trustee for deposit to the Debt Service Fund (consistent with the requirements of the Tax Certificate, if any) or apply such amount in a manner for which the Institution provides the Authority and the Trustee with a Favorable Opinion of Bond Counsel.

(h) The Institution represents, warrants and covenants that it has expended or will expend on the Project, from sources other than proceeds of the issuance of the Bonds, an amount equal to the amount of Restricted Gifts received and reasonably expected to be received by it in the future from pledges or otherwise and no such moneys will be pledged as collateral for the Bonds or is otherwise expected to be used to pay the principal of or interest on the Bonds. For purposes of this paragraph, it is understood that the Institution may name all or part of the Project in honor of a donor or donors in recognition of pledges, contributions or services of the donor or donors that are unrelated to the Costs of the Project, and amounts pledged or contributed by the donor or donors for purposes unrelated to the Costs of the Project will not be considered to have been raised for purposes of constructing or equipping the Project.

(Section 8.4)

Events of Default and Remedies

(i) As used in the Loan Agreement the term “Event of Default” shall mean:

(i) the Institution shall default in the timely payment of any amount payable pursuant to the section of the Loan Agreement summarized herein under the heading “Loan Payments and Other Amounts Payable” or the payment of any other amounts required to be delivered or paid by or on behalf of the Institution in accordance with the Loan Agreement and the Resolution, and such default continues for a period in excess of seven (7) days; or

(ii) the Institution defaults in the due and punctual performance of any other covenant contained in the Loan Agreement (other than those designated in subparagraph (i) of this section) or breaches any representation made in the Loan Agreement and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the Institution by the Authority or the Trustee; provided, however, that, if in the determination of the Authority such default cannot be corrected within such thirty (30) day period but can be corrected by appropriate action, it shall not constitute an Event of Default if corrective action is instituted by the Institution within such period and is diligently pursued until the default is corrected and in any event, not to exceed ninety (90) days; or

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

(iv) the Institution shall (A) be generally not paying its debts as they become due, (B) file, or consent by answer or otherwise to the filing against it of a petition under the United States Bankruptcy Code or under any other bankruptcy or insolvency law of any jurisdiction, (C) make a general assignment for the benefit of its general creditors, (D) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any substantial part of its property, (E) be adjudicated insolvent or be liquidated, (F) take corporate action for the purpose of any of the foregoing or (G) shall admit in writing its inability to pay its debts generally as they become due; or

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

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

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

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

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

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

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

(j) Upon the occurrence of an Event of Default, the Authority may take any one or more of the following actions:

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

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

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

(iv) take any action necessary to enable the Authority to realize on its Liens under the Loan Agreement or by law, and any other action or proceeding permitted by the terms of the Loan Agreement or by law.

(k) All rights and remedies in the Loan Agreement given or granted to the Authority are cumulative, non-exclusive and in addition to any and all rights and remedies that the Authority may have or may be given by reason of any law, statute, ordinance or in equity 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, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

(l) 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 paragraph (b) of this section 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.

(m) Notwithstanding any assignment of this Agreement to the Trustee, the Authority reserves the right to direct the Trustee to take any actions authorized by clauses (ii), (iii) and (iv) of subsection (b) of this section as shall be necessary to enforce the Authority's Unassigned Rights.

(Section 9.1)

Agreement to Pay Attorneys' Fees and Other Expenses

In the event the Institution should default under any of the provisions of the Loan Agreement and the Authority or the Trustee should employ attorneys or other professionals or incur other out-of-pocket expenses for the collection of amounts payable under the Loan Agreement or the enforcement of performance or observance of any obligations or agreements on the part of the Institution contained in the Loan Agreement (or in the case of the Trustee

under the Resolution), the Institution shall, on demand therefor, pay the reasonable fees of such attorneys or other professionals and such other reasonable out-of-pocket expenses so incurred to the Authority or the Trustee.

(Section 9.2)

No Additional Waiver Implied by One Waiver

In the event any agreement contained in the Loan Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach under the Loan Agreement.

(Section 9.3)

Termination

The Loan Agreement shall remain in full force and effect until no Bonds are Outstanding and until all other payments, expenses and fees payable under the Loan Agreement by the Institution shall have been made or provision made for the payment thereof; provided, however, that Section 7.8 and 9.2 of the Loan Agreement and the liabilities and the obligations of the Institution to provide reimbursement for or indemnification against expenses, costs or liabilities made or incurred pursuant to Sections 4.2(a)(vii), 4.2(b), 4.2(c), 4.2(h), 5.6, and 7.1 of 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 Institution 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 Institution to the Authority pursuant to the Loan Agreement.

(Section 10.1)

Payments to the Institution

The Authority shall, as soon as practicable after receipt of moneys paid to the Authority by the Trustee pursuant to Section 12.01 of the Resolution (other than Section 12.01(e) thereof), pay such moneys to the Institution after deducting therefrom the amount, if any, then owed to the Authority by the Institution pursuant to the Loan Agreement.

(Section 10.2)

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

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SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

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

Resolution and Bonds Constitute a Contract

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

(Section 1.03)

Assignment of Certain Rights and Remedies to the Trustee

With respect to each Series of Bonds, as security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Outstanding Bonds of such Series and for the performance of each other obligation of the Authority under the Resolution and under a Series Resolution, the Authority may, and upon the happening of an Event of Default under the Resolution, shall, grant, pledge and assign to the Trustee all of the Authority's estate, right, title, interest and claim in, to and under the applicable Loan Agreement or the applicable Mortgage, together with all rights, powers, security interests, privileges, options and other benefits of the Authority under such Loan Agreement or Mortgage, including, without limitation, the immediate and continuing right to receive, enforce and collect (and to apply the same in accordance with the Resolution) all Revenues, insurance proceeds, sale proceeds and other payments and other security now or hereafter payable to or receivable by the Authority under such Loan Agreement or Mortgage, and the right to make all waivers and agreements in the name and on behalf of the Authority, as Trustee for the benefit of the Holders of a Series of Bonds, and to perform all other necessary and appropriate acts under such Loan Agreement or Mortgage, including but not limited to the right to declare the indebtedness under such Loan Agreement immediately due and payable and to foreclose, sell or otherwise realize upon the applicable Pledged Revenues or the Mortgage, subject to the following conditions, that (i) the Holders of such Bonds, if any, shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions thereof to be performed by the Authority and (ii) unless and until the Trustee is assigned the applicable Loan Agreement and Mortgage, the Trustee shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions contained in such Loan Agreement and Mortgage to be performed by the Authority (except to the extent of actions undertaken by the Trustee in the course of its performance of any such covenant or provision), (iii) with respect to a Mortgage granted by the Institution to the Authority in connection with a Series of Bonds, any grant, pledge and assignment to the Trustee of the Authority's estate, right, title, interest and claim, in, to and under such Mortgage shall secure only the payment of the principal and Redemption Price of and interest on the Outstanding Bonds of such Series. Until such election is made, the Authority shall remain liable to observe and perform all the conditions and covenants, in the applicable Loan Agreement and Mortgage provided to be observed and performed by it. Upon any such grant, pledge or assignment contemplated by the Resolution, the Authority may retain the right to (i) the payment of any fees, costs and expenses of the Authority payable pursuant to the applicable Loan Agreement, (ii) the indemnities provided thereby and payments made pursuant

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

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

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

If applicable, at or prior to the initial issuance and delivery of a Series of Bonds, upon delivery to the Trustee of evidence in writing from Authorized Officers of the Authority and the applicable creditors of the Institution with respect to such Series of Bonds to the effect that the Intercreditor Agreement among the Authority, such creditor(s) and the Trustee is in form and substance satisfactory to them (which may be evidenced by the execution thereof by the Authority and such creditor(s)), an Authorized Officer of the Trustee shall, upon determination by the Trustee that such Intercreditor Agreement is in form and substance satisfactory to it (which determination by the Trustee shall not be unreasonably withheld or delayed), execute and deliver to the Authority and such creditor(s) such Intercreditor Agreement. In addition, an Authorized Officer of the Trustee shall execute and deliver to the Authority and such creditor(s) such amendments to or supplements of such Intercreditor Agreement as may be requested by an Authorized Officer of the Authority

(Section 1.04)

Authorization and Issuance of Bonds

Additional Obligations

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

(Section 2.05)

Redemption of Bonds

Authorization of Redemption

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

(Section 4.01)

Redemption at the Election or Direction of the Authority

In the case of any redemption of Bonds of a Series other than as summarized in the following paragraph, the Authority shall give to the Trustee and each applicable Facility Provider written notice of its election or direction to redeem, of the Series and of the principal amounts of the Bonds of each maturity of such Series and Sub-Series to be

redeemed. The Series, Sub-Series, maturities and principal amounts thereof to be redeemed at the election or direction of the Authority shall be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in the Resolution or in the Series Resolution authorizing such Series or the applicable Bond Series Certificate. Such notice shall be given to the Trustee and each applicable Facility Provider at least forty-five (45) days prior to the date on which such Bonds are to be redeemed, or such lesser number of days as shall be acceptable to the Trustee. Unless the notice of redemption required by the Resolution provides that the redemption is subject to the condition that moneys for payment of the Redemption Price is available on the redemption date, such notice shall not be given with respect to Bonds to be redeemed pursuant to provisions of the Resolution summarized herein unless prior to the date such notice is to be given the Authority shall have paid or caused to be paid to the Trustee an amount which, in addition to other amounts available therefor held by the Trustee, is sufficient to redeem, on the redemption dates at the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, all of the Bonds of such Series to be so redeemed. For purposes of determining the amount required to be paid pursuant to the preceding sentence when Variable Interest Rate Bonds are to be redeemed, it shall be assumed that for any period for which the rate at which such Bonds will bear interest is unknown such Bonds bear interest at the Maximum Rate established therefore by the Series Resolution authorizing such Bonds or the Bond Series Certificate applicable thereto.

(Section 4.02)

Redemption Other Than at Authority's Election or Direction

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

(Section 4.03)

Selection of Bonds to Be Redeemed

Unless otherwise provided in the Series Resolution authorizing the issuance of a Series of Bonds or the Bond Series Certificate relating to such Bonds, in the event of redemption of less than all of the Outstanding Bonds of like Series, Sub-Series, maturity and tenor, the Trustee shall assign to each Outstanding Bond of the Series, Sub-Series, maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw such Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as provided in provisions of the Resolution summarized herein) which end in the same digit or in the same two digits. In case, upon any drawing by groups, the total principal amount of Bonds drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond for redemption. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; **provided, however**, that only so much of the principal amount of each such Bond of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued shall be redeemed as shall equal the lowest denomination in which the Bonds of such Series are authorized to be issued for each number assigned to it and so selected.

For purposes of the Resolution as summarized herein, the lowest denomination in which a Capital Appreciation Bond is authorized to be issued shall be the lowest Accreted Value authorized to be due at maturity on

such Bonds and the lowest denomination in which a Deferred Income Bond is authorized to be issued shall be the lowest Appreciated Value on the Interest Commencement Date authorized for such Bonds.

(Section 4.04)

Notice of Redemption

Whenever Bonds of a Series are to be redeemed, the Trustee shall give notice of the redemption of such Bonds in the name of the Authority which notice shall specify: (i) the Bonds to be redeemed which shall be identified by the designation of the Bonds given in accordance with the Resolution, the maturity dates and interest rates of the Bonds to be redeemed and the date such Bonds were issued; (ii) the numbers and other distinguishing marks of the Bonds to be redeemed, including CUSIP numbers; (iii) the redemption date; (iv) the Redemption Price; (v) of each such Bond, the principal amount thereof to be redeemed; (vi) the date of publication, if any, of the notice of redemption; (vii) that such Bonds will be redeemed at the principal corporate trust office of the Trustee giving the address thereof and the name and telephone number of a representative of the Trustee to whom inquiries may be directed; (viii) that no representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in such notice and that an error in a CUSIP number as printed on such Bond or as contained in such notice shall not affect the validity of the proceedings for redemption; and (ix) if the Authority's obligation to redeem the Bonds is subject to one or more conditions, a statement to that effect that describes the conditions to such redemption.

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

Such notice shall further state that on such date there shall become due and payable upon each Bond of a Series to be redeemed the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, and that, from and after such date, payment having been made or provided for, interest thereon shall cease to accrue. Such notice shall be given by mailing a copy of such notice not less than thirty (30) days nor more than forty-five (45) days prior to the redemption date or, in the case of Variable Interest Rate Bonds or Option Bonds, such shorter period as shall be established by the Series Resolution authorizing such Bonds or the Bond Series Certificate relating thereto, but in no event less than fifteen (15) days prior to the redemption date. Such notice shall be sent by first class mail, postage prepaid, to the registered owners of the Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than ten (10) Business Days prior to the date such notice is given. Upon giving such notice the Trustee shall promptly certify to the Authority that it has mailed or caused to be mailed such notice to the Holders of the Bonds to be redeemed in the manner provided in the Resolution. Such certificate shall be conclusive evidence that such notice was given in the manner required by the Resolution. The failure of any Holder of a Bond of a Series to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of such Bonds. If directed in writing by an Authorized Officer of the Authority, the Trustee shall also give such notice by publication thereof once in an Authorized Newspaper, such publication to be not less than thirty (30) days nor more than forty-five (45) days prior to the redemption date or, in the case of Variable Interest Rate Bonds or Option Bonds, such shorter period as shall be established by the Series Resolution authorizing such Bonds or the Bond Series Certificate relating thereto, but in no event less than fifteen (15) days prior to the redemption date; **provided, however**, that such publication shall not be a condition precedent to such redemption, and failure to so publish any such notice or a defect in such notice or in the publication thereof shall not affect the validity of the proceedings for the redemption of the Bonds.

(Section 4.05)

Payment of Redeemed Bonds

Notice having been given by mail in the manner provided in the Resolution, the Bonds of a Series or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender of such Bonds, other than Book Entry Bonds of like Series, Sub-Series, maturity and tenor to be redeemed in part, at the office or

offices specified in such notice, and, in the case of Bonds presented by other than the registered owner, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. Payment of the Redemption Price shall be made, upon the request of the registered owner of one million dollars (\$1,000,000) or more in principal amount of Bonds to be redeemed, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has, at the time such Bond is surrendered to the Trustee, directed in writing the Trustee to wire such Redemption Price. If there shall be drawn for redemption less than all of the principal amount of a registered Bond of a Series, the Authority shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of such registered Bond so surrendered, Bonds of like Series, Sub-Series, maturity and tenor in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all Bonds of a Series or portions thereof of any like Series, Sub-Series, maturity and tenor to be redeemed, together with interest accrued and unpaid thereon to the redemption date, shall be held by the Trustee and Paying Agents so as to be available therefor on such date and if notice of redemption shall have been mailed as aforesaid, then, from and after the redemption date, interest on such Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds shall no longer be considered to be Outstanding under the Resolution. If such moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(Section 4.06)

Purchase of Purchased Bonds

Whenever Bonds are to be purchased at the election of the Institution, written notice thereof and of the Bonds of the Series and maturity to be so purchased having been given by the Institution to the Authority, the Trustee, and each applicable Facility Provider, the Trustee shall select the particular Bonds of such Series and maturity to be so purchased in the same manner as provided in the Resolution for the selection of Bonds to be redeemed in part. Promptly thereafter the Trustee shall give notice of the purchase of the Bonds at the times and in the manner provided in the Series Resolution authorizing such Bonds or the Bond Series Certificate related thereto. The Trustee shall not give such notice unless prior to the date such notice is given, the Institution has caused to be delivered to the Trustee the written consent to such purchase of the Authority. All such purchases may be subject to conditions to the Institution's obligation to purchase such Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been given in the manner required by the Series Resolution authorizing the Bonds to be so purchased or the Bond Series Certificate relating thereto, then, if sufficient money to pay the purchase price of such Bonds is held by the Trustee, the purchase price of the Bonds or portions thereof so called for purchase shall become due and payable on the date set for purchase, upon presentation and surrender of such Bonds (other than Book Entry Bonds) to be purchased at the office or offices specified in such notice, and, in the case of Bonds presented by other than the registered owner, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney. Payment of the purchase price of other than Book Entry Bonds shall be made, upon the request of the registered owner of one million dollars (\$1,000,000) or more in principal amount of Bonds to be so purchased, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has prior to the purchase date directed in writing the Trustee to wire such purchase price. Bonds so purchased shall be considered to be Outstanding and each such Bond so purchased that is not a Book Entry Bond shall be registered in the name or at the direction of the Institution.

(Section 4.07)

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

Pledge of Revenues

The proceeds from the sale of a Series of Bonds, the applicable Revenues, the Authority's security interest in the applicable Pledged Revenues, if any, and, except as otherwise provided in the Resolution, all funds and accounts established by the Resolution, other than the Arbitrage Rebate Fund, are pursuant to the Resolution, subject to the adoption of a Series Resolution, pledged and assigned by the Resolution to the Trustee as security for the payment of the principal and Redemption Price of and interest on such Series of Bonds, all in accordance with the provisions of

the Resolution and thereof. The pledge made by the Resolution shall relate only to the Bonds of a Series authorized by such Series Resolution and no other Series of Bonds and such pledge shall not secure any such other Series of Bonds. The pledge made by the Resolution is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of a Series of Bonds, the applicable Revenues, the Authority's security interest in the applicable Pledged Revenues, if any, and all funds and accounts established by the Resolution and by a Series Resolution which are pledged by the Resolution shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds of each Series shall be special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of such Series of Bonds, the applicable Revenues, the Authority's security interest in the applicable Pledged Revenues, if any, and the funds and accounts established by the Resolution and pursuant to a Series Resolution and which are pledged by the Resolution as provided in the Resolution, which pledge shall constitute a first lien thereon, subject to any Prior Pledges and permitted Parity Indebtedness.

(Section 5.01)

Establishment of Funds and Accounts

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

Construction Fund;

Debt Service Fund; and

Arbitrage Rebate Fund.

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 and 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 a Series Resolution or required thereby to be created shall be held in trust for the benefit of the Holders of Bonds of a Series, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided in the Resolution, unless otherwise provided in the applicable Series Resolution; **provided, however**, that (i) the proceeds derived from the remarketing of Option Bonds tendered or deemed to have been tendered for purchase in accordance with the Series Resolution authorizing the issuance of such Bonds or the Bond Series Certificate relating to such Bonds or derived from a Liquidity Facility relating to such Bonds, and any fund or account established by or pursuant to such Series Resolution for the payment of the purchase price of Option Bonds so tendered or deemed to have been tendered, shall not be held in trust for the benefit of the Holders of Bonds other than such Option Bonds and are pledged by the Resolution for the payment of the purchase price of such Option Bonds and (ii) any fund or account established by or pursuant to such Series Resolution for repayment of advances made under a Liquidity Facility for payment of the purchase price of Option Bonds, shall not be held in trust for the benefit of the Holders of Bonds other than such Option Bonds and may be pledged to the provider or such Liquidity Facility.

(Section 5.02)

Application of Moneys in the Construction Fund

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

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

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

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

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

Upon receipt by the Trustee of a certificate relating to the completion of a Project, the moneys, if any, then remaining in the Construction Fund relating to such Project, after making provision in accordance with the direction of an Authorized Officer of the Authority for the payment of any Costs of Issuance and Costs of the Project in connection with such Project which are then unpaid, shall be paid or applied by the Trustee as follows and in the following order of priority:

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

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

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

(Section 5.04)

Deposit of Revenues and Allocation Thereof

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

First: To the Debt Service Fund (i) in the case of Revenues received during the period from the beginning of each Bond Year until December 31 thereof, the amount, if any, necessary to make the amount in the Debt Service Fund equal to (a) the interest on Outstanding Bonds of a Series payable on or prior to the next succeeding January 1, including the interest estimated by the Authority to be payable on any Variable Interest Rate Bond of a Series on and prior to the next succeeding January 1, assuming that such Variable Interest Rate Bond will bear interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds then bear interest, plus one percent (1%) per annum, (b) the Sinking Fund Installments of Outstanding Option Bonds of a Series and Variable Interest Rate Bonds of a Series payable on or prior to the next succeeding January 1 and (c) the purchase price or Redemption Price of Outstanding Bonds of a Series theretofore contracted to be purchased or called for redemption pursuant to the provisions of the Resolution summarized under the heading section entitled “**Debt Service Fund**” in this Appendix D 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 provisions of the Resolution summarized under the heading section entitled “**Debt Service Fund**” in this Appendix D on or prior to the next succeeding July 1, plus accrued interest thereon to the date of purchase or redemption;

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

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

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

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

(Section 5.05)

Debt Service Fund

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

- (i) the interest due and payable on all Outstanding Bonds of a Series on such interest payment date;
- (ii) the principal amount due and payable on all Outstanding Bonds of a Series on such interest payment date; and
- (iii) the Sinking Fund Installments or other amounts related to a mandatory redemption, if any, due and payable on such interest payment date on Outstanding Bonds of a Series.

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

(b) Notwithstanding the provisions of the Resolution summarized in paragraph (a) above, the Authority may, at any time subsequent to the first day of July of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with moneys on deposit in the Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds of a Series to be redeemed from such Sinking Fund Installment. Any Term Bond so purchased and any Term Bond purchased by the Institution and delivered to the Trustee in accordance with a Loan Agreement shall be canceled upon receipt thereof by the Trustee and evidence of such cancellation shall be given to the Authority. The principal amount of each Term Bond so canceled shall be credited against the Sinking Fund Installment due on such date; **provided, however**, that such Term Bond is canceled by the Trustee prior to the date on which notice of redemption is given.

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

(Section 5.06)

Arbitrage Rebate Fund

The Trustee shall deposit to the Arbitrage Rebate Fund any moneys delivered to it by the Institution for deposit therein and, notwithstanding any other provisions of the Resolution, shall transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Authority, moneys on deposit in any other funds held by the Trustee under the Resolution at such times and in such amounts as shall be set forth in such directions.

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

of the Authority determines to be in excess of the amount required to be so rebated shall be deposited to any fund or account established under the Resolution in accordance with the written direction of such Authorized Officer.

The Authority shall periodically determine the amount which may be required by the Code to be rebated to the Department of the Treasury of the United States of America with respect to a Series of Bonds and direct the Trustee to (i) transfer from any other of the funds and accounts held by the Trustee under the Resolution and deposit to the Arbitrage Rebate Fund such amount as the Authority shall have determined to be necessary in order to enable it to comply with its obligation to rebate moneys to the Department of the Treasury of the United States of America with respect to such Series of Bonds and (ii) if and to the extent required by the Code, pay out of the Arbitrage Rebate Fund to the Department of the Treasury of the United States of America the amount, if any, required by the Code to be rebated thereto.

(Section 5.07)

Application of Moneys in Certain Funds for Retirement of Bonds

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

(Section 5.08)

Transfer of Investments

Whenever moneys in any fund or account established under the Resolution or under a Series Resolution are to be paid in accordance with the Resolution to another such fund or account, such payment may be made, in whole or in part, by transferring to such other fund or account investments held as part of the fund or account from which such payment is to be made, whose value, together with the moneys, if any, to be transferred, is at least equal to the amount of the payment then to be made; **provided, however**, that no such transfer of investments would result in a violation of any investment standard or guideline applicable to such fund.

(Section 5.09)

Security for Deposits and Investment of Funds

Security for Deposits

All money held under the Resolution by the Trustee shall be continuously and fully secured, for the benefit of the Authority and the Holders of a Series of Bonds, by direct obligations of the United States of America or obligations the principal of and interest on which are guaranteed by the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; **provided, however**, (a) that if the securing of such money is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it shall not be necessary for the Trustee or any Paying Agent to give security for the deposit of any money with them pursuant to the debt service fund provisions or the defeasance provisions of the Resolution and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price

of or interest on a Series of Bonds, or for the Trustee to give security for any money which shall be represented by obligations purchased or other investments made under the provisions of the Resolution as an investment of such money.

(Section 6.01)

Investment of Funds and Accounts

(a) Money held under the Resolution by the Trustee, if permitted by law, shall, as nearly as may be practicable, be invested by the Trustee, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority (which direction shall specify the amount thereof to be so invested), in Government Obligations, Federal Agency Obligations, or Exempt Obligations; **provided, however**, that each such investment shall permit the money so deposited or invested to be available for use at the times at which the Authority reasonably believes such money will be required for the purposes of the Resolution.

(b) In lieu of the investments of money in obligations summarized in paragraph (a) above, the Trustee shall, to the extent permitted by law, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority, invest money in the Construction Fund in any Permitted Investment, **provided, however**, that each such investment shall permit the money so deposited or invested to be available for use at the times at which the Authority reasonably believes such money will be required for the purposes of the Resolution; provided, further, that (x) any Permitted Collateral required to secure any Permitted Investment shall have a market value, determined by the Trustee or its agent periodically, but no less frequently than weekly, at least equal to the amount deposited or invested including interest accrued thereon, (y) the Permitted Collateral shall be deposited with and held by the Trustee or an agent of the Trustee approved by an Authorized Officer of the Authority, and (z) the Permitted Collateral shall be free and clear of claims of any other person.

(c) Permitted Investments purchased as an investment of money in any fund or account held by the Trustee under the provisions of the Resolution shall be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof shall be retained in, credited or charged, as the case may be, to such fund or account.

(d) In computing the amount in any fund or account held by the Trustee under the provisions of the Resolution, each Permitted Investment shall be valued at par or the market value thereof, plus accrued interest, whichever is lower.

(e) Notwithstanding anything to the contrary in the Resolution, the Authority, in its discretion, may direct the Trustee to, and the Trustee shall, sell, present for redemption or exchange any investment held by the Trustee pursuant to the Resolution and the proceeds thereof may be reinvested as provided in provisions of the Resolution summarized herein. Except as otherwise provided in the Resolution, the Trustee shall sell at the best price obtainable, or present for redemption or exchange, any investment held by it pursuant to the Resolution whenever it shall be necessary in order to provide money to meet any payment or transfer from the fund or account in which such investment is held. The Trustee shall advise the Authority and the Institution in writing, on or before the fifteenth (15th) day of each calendar month, of the amounts required to be on deposit in each fund and account under the Resolution and of the details of all investments held for the credit of each fund and account in its custody under the provisions of the Resolution as of the end of the preceding month and as to whether such investments comply with the provisions summarized in paragraphs (a), (b) and (c) above. The details of such investments shall include the par value, if any, the cost and the current market value of such investments as of the end of the preceding month. The Trustee shall also describe all withdrawals, substitutions and other transactions occurring in each such fund and account in the previous month.

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

(Section 6.02)

Particular Covenants

Payment of Principal and Interest

The Authority shall pay or cause to be paid the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on every Bond of each Series on the date and at the places and in the manner provided in such Bonds according to the true intent and meaning thereof.

(Section 7.01)

Further Assurance

The Authority, at any and all times, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, pledges and assignments by the Resolution and by the Series Resolution created or made or intended to be created or made, or which the Authority may hereafter become bound to pledge or assign.

(Section 7.04)

Accounts and Audits

The Authority shall keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Authority, shall be subject to the inspection of the Institution, the Trustee or of any Holder of a Bond or his representative duly authorized in writing. The Trustee shall annually prepare a report which shall be furnished to the Authority, to each Facility Provider and to the Institution. Such report shall include at least: a statement of all funds (including investments thereof) held by such Trustee and the Authority pursuant to the provisions of the Resolution and of each Series Resolution; a statement of the Revenues collected in connection with the Resolution and with each Series Resolution; and complete and correct entries of the Authority's transactions relating to each Series of Bonds. A copy of such report shall, upon receipt of a written request therefor, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond or any beneficial owner of a Book Entry Bond requesting the same.

(Section 7.05)

Creation of Liens

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

(Section 7.06)

Enforcement of Duties and Obligations of the Institution

The Authority shall take all legally available action to cause the Institution to perform fully all duties and acts and comply fully with the covenants of the Institution required by the Loan Agreement in the manner and at the

times provided in such Loan Agreement; **provided, however**, that the Authority may (i) delay, defer or waive enforcement of one or more provisions of such Loan Agreement (other than provisions requiring the payment of money or the delivery of securities to the Trustee for deposit to any fund or account established under the Resolution) if the Authority determines such delay, deferment or waiver will not materially adversely affect the interests of the Holders of the Bonds of such Series and (ii) at any time prior to the occurrence of an event of default under the Resolution, annul any declaration that the indebtedness under such Loan Agreement is immediately due and payable and, if prior to the entry of a final judgment or decree in any action or proceeding instituted on account of an event of default under such Loan Agreement, discontinue such action or proceeding if the Institution shall have cured each event of default under such Loan Agreement.

(Section 7.07)

Deposit of Certain Moneys in the Construction Fund

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

(Section 7.08)

Offices for Payment and Registration of Bonds

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

(Section 7.09)

Amendment of Loan Agreement

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

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

For the purposes of the paragraph summarized herein, the purchasers of Bonds of a Series, whether purchasing as underwriters, Remarketing Agent or otherwise for resale, may upon such purchase consent to an amendment, change, modification, alteration, termination or waiver permitted by the paragraph summarized herein in the manner provided in the Resolution, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; **provided, however**, that, if such consent is given by a purchaser who is purchasing as an underwriter or Remarketing Agent or for resale, the nature of the amendment, change, modification, alteration, termination or waiver and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the initial offering, reoffering or resale of the Bonds of such Series.

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

For the purposes of the paragraph summarized herein, a Series of Bonds shall be deemed to be adversely affected by an amendment, change, modification, alteration or termination of the Loan Agreement or the waiver of any provision thereof if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, Bonds of any particular Series would be adversely affected in any material respect by any amendment, change, modification, alteration, termination or waiver and any such determination shall be binding and conclusive on the Institution, the Authority and all Holders of Bonds of such Series.

For all purposes of the paragraph summarized herein, the Trustee shall be entitled to rely upon an opinion of counsel, which counsel shall be satisfactory to the Trustee, with respect to whether any amendment, change, modification, alteration, termination or waiver adversely affects the interests of any Holders of Bonds of a Series then Outstanding in any material respect.

(Section 7.11)

Notice as to Event of Default under Loan Agreement

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

(Section 7.12)

Series Resolutions and Supplemental Resolutions

Modification and Amendment without Consent

Notwithstanding any other provisions of the Resolution, the Authority may adopt at any time or from time to time Series Resolutions or Supplemental Resolutions for any one or more of the following purposes, and any such Series Resolution or Supplemental Resolution shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority:

- (a) To provide for the issuance of a Series of Bonds pursuant to the provisions of the Resolution and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;
- (b) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds of a Series, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Resolution;
- (c) To prescribe further limitations and restrictions upon the issuance of Bonds of a Series and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;
- (d) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of the Resolution, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Resolution;
- (e) To confirm, as further assurance, any pledge under the Resolution or under a Series Resolution, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Resolution, or any Series Resolution, of the Revenues, or any pledge of any other moneys, securities or funds;
- (f) To modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respects, provided that such modifications shall not be effective until after all Bonds of a Series of Bonds Outstanding as of the date of adoption of such Supplemental Resolution or Series Resolution shall cease to be Outstanding, and all Bonds of such Series issued under such resolutions shall contain a specific reference to the modifications contained in such subsequent Resolutions;
- (g) To modify or amend a Project; or
- (h) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in the Resolution or to insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent with the Resolution as theretofore in effect, or to modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respect, provided that such modification shall not adversely affect the interests of the Bondholders of a Series in any material respect.

(Section 9.01)

Supplemental Resolutions Effective With Consent

The provisions of the Resolution or of a Series Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of the Holders of a Series of Bonds in accordance with and subject to the provisions of the Resolution, such Supplemental Resolution to become effective

upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution upon its becoming effective.

(Section 9.02)

General Provisions Relating to Series Resolutions and Supplemental Resolutions

The Resolution shall not be modified or amended in any respect except in accordance with and subject to the provisions of the Resolution. Nothing contained in the Resolution shall affect or limit the rights or obligations of the Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of the Resolution summarized under the heading “**Further Assurance**” above or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere provided or permitted in the Resolution to be delivered to the Trustee or any Paying Agent.

A copy of every Series Resolution and Supplemental Resolution adopted by the Authority, when filed with the Trustee, shall be accompanied by an opinion of Bond Counsel stating that such Series Resolution or Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution and is valid and binding upon the Authority and enforceable in accordance with its terms. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution and each applicable Facility Provider upon its becoming effective.

The Trustee is authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the provisions of the Resolution and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on the opinion of Bond Counsel that such Series Resolution or Supplemental Resolution is authorized or permitted by the provisions of the Resolution.

No Series Resolution or Supplemental Resolution changing, amending or modifying any of the rights or obligations of the Trustee or of any Paying Agent or of a Facility Provider shall become effective without the written consent of the Trustee, Paying Agent or Facility Provider affected thereby.

(Section 9.03)

Amendments of Resolution

Powers of Amendment

Any modification or amendment of the Resolution or of any Series Resolution that modifies or amends the rights and obligations of the Authority and of the Holders of a Series of Bonds under the Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in the Resolution and summarized in the following paragraph, (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding of such Series at the time such consent is given or (ii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the Series, maturity and interest rate entitled to such Sinking Fund Installment, Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond of a Series or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds of a Series the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of the provisions of the Resolution summarized in this paragraph, a Series shall be deemed to be affected by a modification or amendment of the Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, the Bonds of a particular Series or maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds of such Series. The Trustee may receive an opinion of counsel, including an opinion of Bond Counsel, as conclusive evidence as to whether the Bonds of any particular Series or maturity would be so affected by any such modification

or amendment of the Resolution. The Trustee shall transmit a copy of such Supplemental Resolution to the Institution upon its becoming effective.

(Section 10.01)

Consent of Bondholders

The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Resolution summarized in the preceding paragraph to take effect when and as provided in the Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Holders of a Series of Bonds affected thereby for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Authority to such Bondholders (but failure to mail such copy and request to any particular Bondholder shall not affect the validity of the Supplemental Resolution when consented to as provided in the Resolution). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds of a Series specified in provisions of the Resolution summarized in the preceding paragraph and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been mailed as provided in the Resolution as provided below. Each such consent shall be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds of a Series with respect to which such consent is given, which proof shall be such as is permitted by the Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Resolution shall be conclusive proof that the consents have been given by the Holders of the Bonds of a Series described in the certificate or certificates of the Trustee. Any consent given by the Holder of a Bond of a Series shall be binding upon such Bondholder giving such consent and, anything in the Resolution to the contrary notwithstanding, upon any subsequent Holder of such Bond and of any Bond issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by such Bondholder giving such consent or a subsequent Holder of such Bond by filing with the Trustee, prior to the time when the written statement of the Trustee provided for in the Resolution is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds of a Series shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that the Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive evidence that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds of each Series and will be effective as provided in the Resolution, shall be given to such Bondholders by the Trustee at the direction of the Authority by mailing such notice to such Bondholders and, at the discretion of the Authority, by publishing the same at least once not more than ninety (90) days after the Holders of the required percentages of such Bonds of a Series shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee provided for in the Resolution is filed (but failure to publish such notice shall not prevent such Supplemental Resolution from becoming effective and binding as provided in the Resolution). The Authority shall file with the Trustee proof of the mailing of such notice, and, if the same shall have been published, of the publication thereof. A transcript, consisting of the papers required or permitted by the Resolution to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Trustee, each Paying Agent and the Holders of such Series of Bonds upon the filing with the Trustee of proof of the mailing of such notice or at the expiration of thirty (30) days after the filing with the Trustee of the proof of the first publication of such last mentioned notice, if such notice is published, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such thirty (30) day period; **provided, however**, that the Authority, the Trustee and any Paying Agent during such thirty (30) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their reasonable discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

For the purposes of these provisions of the Resolution, the purchasers of the Bonds of a Series, whether purchasing as underwriters or remarketing agent for resale or otherwise, upon such purchase, may consent to a modification or amendment permitted by the Resolution in the manner provided in the Resolution, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; **provided, however**, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series.

(Section 10.02)

Modifications by Unanimous Consent

The terms and provisions of the Resolution and the rights and obligations of the Authority and of the Holders of the Bonds of a Series may be modified or amended in any respect upon the adoption and filing with the Trustee by the Authority of a copy of a Supplemental Resolution certified by an Authorized Officer of the Authority and the Holders of all of the Bonds then Outstanding of a Series, such consent to be given as provided in the Resolution, except that no notice to the Bondholders either by mailing or publication shall be required.

(Section 10.03)

Consent of Facility Provider

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

(Section 10.07)

Defaults and Remedies

Events of Default

An event of default shall exist under the Resolution and under a Series Resolution (referred to in the Resolution as an “Event of Default”) if:

- (a) With respect to a Series of Bonds, payment of the principal, Sinking Fund Installments or Redemption Price of any such Bond shall not be made by the Authority when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or
- (b) With respect to a Series of Bonds, payment of an installment of interest on any such Bond shall not be made by the Authority when the same shall become due and payable; or
- (c) With respect to a Series of Bonds, the Authority shall default in the due and punctual performance of any covenants contained in the Series Resolution authorizing the issuance thereof to the effect that the Authority shall comply with the provisions of the Code applicable to such Bonds necessary to maintain the exclusion of interest therein from gross income under Section 103 of the Code and shall not take any action which would adversely affect the exclusion of interest on such Bonds from gross income under Section 103 of the Code and, as a result thereof, the interest on the Bonds of such Series shall no longer be excludable from gross income under Section 103 of the Code; or

(d) With respect to a Series of Bonds, the Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Resolution or in the Bonds of such Series or in a Series Resolution on the part of the Authority to be performed and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Authority by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of such Series, or if such default is not capable of being cured within thirty (30) days, if the Authority fails to commence within said thirty (30) days and diligently prosecute the cure thereof; or

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

(Section 11.02)

Acceleration of Maturity

Upon the happening and continuance of any Event of Default specified in the Resolution, other than an Event of Default specified in provisions of the Resolution summarized in paragraph (c) under the heading “**Events of Default**” above, then and in every such case the Trustee upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of a Series shall, by notice in writing to the Authority, declare the principal of and interest on all of the Outstanding Bonds of such Series to be due and payable. At the expiration of thirty (30) days after notice of such declaration has been given, such principal and interest shall become and be immediately due and payable, anything in the Resolution or in a Series Resolution or in the Bonds of a Series to the contrary notwithstanding. At any time after the principal of the Bonds of a Series shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, the Trustee may, with the written consent of the Holders of not less than twenty-five per centum (25%) in principal amount of such Series of Bonds not then due by their terms and then Outstanding, by written notice to the Authority, annul such declaration and its consequences if: (i) moneys shall have accumulated in the Debt Service Fund sufficient to pay all arrears of interest, if any, upon all of the Outstanding Bonds of such Series (except the interest accrued on such Bonds since the last interest payment date); (ii) moneys shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and any Paying Agent; (iii) all other amounts then payable by the Authority under the Resolution and under a Series Resolution (other than principal amounts payable only because of a declaration and acceleration under the Resolution) shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Resolution or in such Series Resolution or in such Bonds (other than a default in the payment of the principal of such Bonds then due only because of a declaration under the Resolution) shall have been remedied to the reasonable satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

(Section 11.03)

Enforcement of Remedies

Upon the happening and continuance of any Event of Default specified in the Resolution, then and in every such case, the Trustee may proceed, and upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of a Series, shall proceed (subject to the provisions of the Resolution relating to the compensation of the Trustee or any Paying Agent) to protect and enforce its rights and the rights of the Bondholders under the Resolution or under the applicable Series Resolution or under the laws of the State by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained under the Resolution or under any Series Resolution or in aid or execution of any power in the Resolution or therein granted, or for an accounting against the Authority as if the Authority were the trustee of an

express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Resolution and under a Series Resolution the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Authority for principal or interest or otherwise under any of the provisions of the Resolution or of a Series Resolution or of a Series of Bonds, with interest on overdue payments of the principal of or interest on such Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the Resolution and under a Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Authority but solely as provided in the Resolution, in a Series Resolution and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

(Section 11.04)

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds of a Series shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Resolution, or for any other remedy under the Resolution unless such Holder previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of such Series shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Resolution or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are declared by the Resolution in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Resolution or for any other remedy under the Resolution and in equity or at law. It is understood and intended that no one or more Holders of the Bonds of a Series secured by the Resolution and by a Series Resolution shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Resolution or to enforce any right under the Resolution except in the manner provided in the Resolution, and that all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of the Outstanding Bonds of such Series. Notwithstanding any other provision of the Resolution, the Holder of any Bond of a Series shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond on the stated maturity expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

(Section 11.08)

Defeasance

Defeasance

(a) If the Authority shall pay or cause to be paid to the Holders of Bonds of a Series the principal, Sinking Fund Installments, if any, or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, in the Resolution, and in the applicable Series Resolution and Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged to such Series of Bonds and all other rights granted by the Resolution to such Series of Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Authority, and all moneys or other securities held by it pursuant to the Resolution and to the applicable Series Resolution which are not required for the payment or redemption of Bonds of such Series shall be paid or delivered by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Facility Provider

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

(b) Bonds for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the Resolution. All Outstanding Bonds of a Series or any maturity within such Series or a portion of a maturity within such Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in provisions of the Resolution summarized in the preceding paragraph (a) if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Resolution notice of redemption on said date of such Bonds, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on said Bonds of a Series on and prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses, if any, appearing on the registration books, and, if directed by an Authorized Officer of the Authority, by publication, at least twice, at an interval of not less than seven (7) days between publications, in an Authorized Newspaper, a notice to the Holders of such Bonds that the deposit required by clause (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Resolution and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds. The Authority shall give written notice to the Trustee of its selection of the Series and maturity the payment of which is to be made in accordance with the Resolution. The Trustee shall select which Bonds of such Series, Sub-Series and maturity payment of which shall be made in accordance with the Resolution in the manner provided in the Resolution. Neither the Defeasance Securities nor moneys deposited with the Trustee pursuant to the provisions of the Resolution summarized in this paragraph nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds; **provided, however**, that any moneys received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date of the Resolution, as the case may be; provided further, that money and Defeasance Securities may be withdrawn and used by the Authority for any purpose upon (i) the simultaneous substitution therefor of either money in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide money which without regard to reinvestment, together with the money, if any, held by or deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (ii) receipt by the Trustee of a letter or other written report of a firm of independent certified public accountants verifying the accuracy of the arithmetical computations which establish the adequacy of such money and Defeasance Securities for such purpose. Any income or interest earned by, or increment to, the investment of any such moneys so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required hereinabove to pay the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then,

the balance thereof to the Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(c) For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Defeasance Securities and moneys, if any, in accordance with provisions of the Resolution summarized in clause (ii) of the second sentence of the preceding paragraph (b), the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate permitted by the terms thereof; **provided, however**, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such Maximum Interest Rate for any period, the total amount of moneys and Defeasance Securities on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy provisions of the Resolution summarized in clause (ii) of the second sentence of the preceding paragraph (b), the Trustee shall, if requested by the Authority, pay the amount of such excess as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

(d) Option Bonds shall be deemed to have been paid in accordance with provisions of the Resolution summarized in clause (ii) of the second sentence of the preceding paragraph (b) only if, in addition to satisfying the requirements of clauses (i) and (iii) of such sentence, there shall have been deposited with the Trustee moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; **provided, however**, that if, at the time a deposit is made with the Trustee pursuant to provisions of the Resolution summarized in the preceding paragraph (b), the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph (d). If any portion of the moneys deposited with the Trustee for the payment of the principal of and premium, if any, and interest on Option Bonds is not required for such purpose, the Trustee shall, if requested by the Authority, pay the amount of such excess as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Facility Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Facility Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the Institution, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

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

(Section 12.01)

Provider Provisions

Credit Facility Provider as Holder

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

(Section 14.08)

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FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

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FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

To Be Rendered By Each Of
Nixon Peabody LLP and D. Seaton and Associates P.A., P.C.

July 13, 2022

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

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$40,395,000 aggregate principal amount of Barnard College Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds") and \$42,720,000 aggregate principal amount of Barnard College Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds" and, together with the Series 2022A Bonds, the "Series 2022 Bonds"), by the Dormitory Authority of the State of New York (the "Authority"), a body corporate and politic constituting a public benefit corporation of the State of New York, created and existing under and pursuant to the Constitution and statutes of the State of New York, including the Dormitory Authority Act, being Title 4 of Article 8 of the Public Authorities Law of the State of New York, as amended to the date hereof, including, without limitation, by the Healthcare Financing Consolidation Act, being Title 4-B of the Public Authorities Law of the State of New York, as amended to the date hereof (the "Act"). We have also examined such certificates, documents, records and matters of law as we have deemed necessary for the purpose of rendering the opinions hereinafter set forth.

The Series 2022 Bonds are issued under and pursuant to the Act, the Barnard College Revenue Bond Resolution, adopted on March 11, 2015 (the "Resolution"), the Series Resolution Authorizing the Issuance of Up To \$150,000,000 Barnard College Revenue Bonds, adopted May 11, 2022, relating to the Series 2022A Bonds (the "Series 2022A Resolution") and the Series Resolution Authorizing the Issuance of Up To \$150,000,000 Barnard College Revenue Bonds, adopted May 11, 2022, relating to the Series 2022B Bonds (the "Series 2022B Resolution" and, together with the Series 2022A Resolution, the "Series Resolutions"). Said resolutions are herein collectively referred to as the "Resolutions." Unless otherwise defined herein, capitalized terms used herein have the respective meanings given to them in the Resolutions.

The Series 2022 Bonds are part of an issue of bonds of the Authority (the "Bonds") which the Authority has established and created under the terms of the Resolution and is authorized to issue from time to time for the purposes authorized by the Act and the Resolution, as then in effect, and without limitation as to amount, except as provided in the Resolutions or as may be limited by law.

The Authority is authorized to issue Bonds, in addition to the Series 2022 Bonds, only upon the terms and conditions set forth in the Resolution and such Bonds, when issued will, with the Series 2022 Bonds, be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the Resolution. Except as otherwise provided in the applicable Series Resolutions, each Series of Bonds will be separately secured from each other Series of Bonds under the Resolution by the pledge and assignment to the Trustee of the applicable Revenues and the funds and accounts established pursuant to the applicable Series Resolution.

The Series 2022 Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 or integral multiples thereof. The Series 2022 Bonds are each numbered consecutively from one upward in order of issuance. The Series 2022 Bonds are dated the date hereof and mature on July 1 and bear interest, payable January 1, 2023 and semiannually thereafter on January 1 and July 1 of the years and at the respective principal amounts and rates set forth in the Bond Series Certificate. The Series 2022 Bonds are subject to redemption and purchase in lieu of optional redemption prior to maturity as provided in the Resolutions.

The Series 2022 Bonds are being issued to (i) pay costs of the project, which consists of various projects on the College's Morningside Campus, (ii) retire certain outstanding indebtedness of the College and (iii) pay costs of issuance of the Series 2022 Bonds.

The Authority and the College have entered into a Loan Agreement, dated as of July 13, 2022 (the "Loan Agreement"), by which the College is required to make payments sufficient to pay, when due, the principal and Redemption Price of and interest on the Outstanding Bonds, including the Series 2022 Bonds as well as certain of the Authority's annual administrative expenditures and costs.

We are of the opinion that:

1. The Authority is a body corporate and politic constituting a public benefit corporation of the State of New York, with the right and lawful authority and power to adopt the Resolutions and to issue the Series 2022 Bonds thereunder.

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

3. The Series 2022 Bonds have been duly and validly authorized and issued in accordance with the Constitution and statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Series 2022 Bonds are legal, valid and binding special obligations of the Authority payable as provided in the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions and are entitled to the equal benefits of the Resolutions and the Act.

4. The Authority has the right and lawful authority and power to enter into the Loan Agreement and the Loan Agreement has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms.

5. The Internal Revenue Code of 1986, as amended (the "Code") sets forth certain requirements that must be met subsequent to the issuance and delivery of the Series 2022A Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2022A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2022A Bonds. The Authority has covenanted in the Series 2022A Resolution and the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code (the "Tax Certificate") and the College has covenanted in the Loan Agreement and the Tax Certificate to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2022A Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the College have made certain representations and certifications in the Tax Certificate. We have also relied on the opinion of counsel to the College as to the status of the College as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code. We have not independently verified the accuracy of those certifications and representations or that opinion.

Under existing law and assuming compliance with the tax covenants described herein, and the accuracy of the aforementioned representations and certifications, interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

6. Under existing law, interest on the Series 2022 Bonds is, by virtue of the Act, exempt from personal income taxation imposed by the State of New York or any political subdivision thereof.

Except as stated in paragraphs 5 and 6 above, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of, or the accrual or receipt of interest on, the Series 2022 Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Series 2022 Bonds, or the interest thereon, if any action is taken with respect to the Series 2022 Bonds or the proceeds thereof upon the advice or approval of other counsel.

We have examined an executed Series 2022A Bond and an executed Series 2022B Bond and, in our opinion, the respective forms of said Bonds and their execution are regular and proper.

The opinions contained in paragraphs 2, 3 and 4 above are qualified to the extent that the enforceability of the Resolutions, the Loan Agreement and the Series 2022 Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or as to the availability of any particular remedy.

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

Very truly yours,

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FORM OF CONTINUING DISCLOSURE AGREEMENT

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AGREEMENT TO PROVIDE CONTINUING DISCLOSURE

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

Barnard College Revenue Bonds,
Series 2022A (Tax-Exempt)
Series 2022B (Federally Taxable)

This **AGREEMENT TO PROVIDE CONTINUING DISCLOSURE** (the “Disclosure Agreement”), dated as of July 13, 2022 is executed and delivered by the Barnard College (the “Obligated Person”), U.S. Bank Trust Company, National Association, 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) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the extension of instructions received from the parties hereto through use of the DAC system and are not intended to constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Obligated Person or anyone on the Obligated Person’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Resolution (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Obligated Person for the prior fiscal year, certified by an independent certified public accountant 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” as used in this Disclosure Agreement is defined in the Rule as a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Force Majeure Event” means: (i) acts of God, war or terrorist action; (ii) failure or shutdown of the Electronic Municipal Market Access System maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“Issuer” means the Dormitory Authority of the State of New York, as issuer of the Bonds.

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

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the Issuer and the Obligated Person in connection with the Bonds, as listed on Exhibit A, dated June 29, 2022.

“Trustee” means U.S. Bank Trust Company, National Association, and its successors and assigns.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Obligated Person shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 165 days after the end of each fiscal year of the Obligated Person, commencing with the fiscal year ending June 30, 2022, such date and each anniversary thereof, the “Annual Filing Date.” Promptly upon receipt of an electronic copy of the Annual Report, Audited Financial Statements and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report and Audited Financial Statements to the MSRB through its Electronic Municipal Market Access

(“EMMA”) System for municipal securities disclosures. The Annual Report and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report, Audited Financial Statements and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Obligated Person of its undertaking to provide the Annual Report and Audited Financial Statements pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall, not later than two (2) business days prior to the Annual Filing Date, either: (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report, Audited Financial Statements and the Certification, or (ii) instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report, Audited Financial Statements and Certification by 6:00 p.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report and Audited Financial Statements, a Failure to File Event shall have occurred and the Obligated Person irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-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, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Section 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to the Section 4(c) of this Disclosure Agreement:
 1. “Principal and interest payment delinquencies;”
 2. “Non-Payment related defaults, if material;”
 3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
 4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
 5. “Substitution of credit or liquidity providers, or their failure to perform;”
 6. “Adverse tax opinions, IRS notices or other material events affecting the tax status of the security;”
 7. “Modifications to rights of securities holders, if material;”

8. “Bond calls, if material, and tender offers;”
 9. “Defeasances;”
 10. “Release, substitution, or sale of property securing repayment of the securities, if material;”
 11. “Rating changes;”
 12. “Bankruptcy, insolvency, receivership or similar event of the Obligated Person;”
 13. “Merger, consolidation, or acquisition involving the Obligated Person, sale of all or substantially all of the assets of the Obligated Person or the entry into an agreement to undertake such an action or the termination thereof, if material;”
 14. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
 15. “Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material;” and
 16. “Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Obligated Person pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. “amendment to continuing disclosure undertaking;”
 2. “change in obligated person;”
 3. “notice to investors pursuant to bond documents;”
 4. “certain communications from the Internal Revenue Service;”
 5. “secondary market purchases;”
 6. “bid for auction rate or other securities;”
 7. “capital or other financing plan;”
 8. “litigation/enforcement action;”
 9. “change of tender agent, remarketing agent, or other on-going party;”
 10. “derivative or other similar transaction;” and
 11. “other event-based disclosures;”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed

by the Obligated Person pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
 2. “change in fiscal year/timing of annual disclosure;”
 3. “change in accounting standard;”
 4. “interim/additional financial information/operating data;”
 5. “budget;”
 6. “investment/debt/financial policy;”
 7. “information provided to rating agency, credit/liquidity provider or other third party;”
 8. “consultant reports;” and
 9. “other financial/operating data.”
- (viii) provide the Obligated Person evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Obligated Person may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, the Trustee and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

Each Annual Report shall contain:

(a) Annual Financial Information with respect to the Obligated Person shall include operating data and financial information of the type included in the Official Statement in “PART 8 – THE COLLEGE” under the headings “Operating Information” and “Annual Financial Statement Information” relating to: (1) *admissions and student enrollment*, similar to that set forth in the tables titled “First Year Fall Admissions” and “Median SAT Scores” under the heading “ADMISSIONS STATISTICS” and the tables titled “Fall Enrollment by Academic Year” and “Geographic Profile of Entering First Year Students by Percentage of Class” under the heading “ENROLLMENT SUMMARY”; (2) *tuition, fees and other student charges* similar to that set forth in the table titled “STUDENT CHARGES”; (3) *student financial aid*, similar to that set forth in the table titled “SOURCES OF UNDERGRADUATE FINANCIAL AID”; (4) *faculty*, similar to that set forth in the table titled “Faculty Profile” under the heading “FACULTY AND STAFF PROFILES”; (5) *employee relations*, including material information about union contracts, similar to that set forth under the heading “*Employee Relations*” and, unless such information is included in the audited financial statements of the College, retirement plans, similar to that set forth under the heading “*Pension Plans*”; (6) *investments*, similar to that set forth in the table titled “Cash and Investments” under the heading “*Cash and Investments*,” and in the tables titled “Historical Endowment Performance” and “Investment Liquidity” under the heading “ENDOWMENT AND INVESTMENTS SUMMARY,” unless such information is included in the audited financial statements of the College; (7) *plant values*, unless such information is included in the audited financial statements of the College; (8) *outstanding long-term obligations*, similar to that set forth in the table titled “Long-Term Obligations” under the heading “*Outstanding Obligations of the College*,” unless such information is included in the audited financial statements of the Obligated Person; and (9) *fundraising*, similar to

that set forth in the table titled “Gifts and Pledges” under the heading “Fundraising,” together with (b) a narrative explanation, if necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial and operating data concerning the Obligated Person and in judging the financial and operating condition of the Obligated Person; and

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles (“GAAP”) or alternate accounting principles as described in the Official Statement will be included in the Annual Report. If Audited Financial Statements are not available, then unaudited financial statements, prepared in accordance with GAAP or alternate accounting principles as described in the Official Statement, will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Obligated Person is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available from the MSRB internet website. If the document incorporated by reference is a Final Official Statement, it must be available from the MSRB. The Obligated Person will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

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

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any

other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving the Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

The Obligated Person shall, in a timely manner not in excess of ten business days after its occurrence, notify the Trustee and the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Obligated Person or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Obligated Person or the Disclosure Representative, such notified party will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Obligated Person determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in subsection (a) or by the Obligated Person as prescribed in subsection (b) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB, in accordance with Section 2(e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers.

Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference in the Annual Reports, Audited Financial Statements, Notice Event notices and Voluntary Reports, the Obligated Person shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations.

The Obligated Person acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Obligated Person, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Obligated Person acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Obligated Person may instruct the Disclosure Dissemination Agent to file Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Obligated Person may instruct the Disclosure Dissemination Agent to file Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Obligated Person is obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Obligated Person from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Section 7, or including any other information in any Annual Report, Audited Financial Statements, Failure to File Event notice or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement. If the Obligated Person chooses to include any information in any Annual Report, Audited Financial Statements, Failure to File Event notice or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement or to file Voluntary Event Disclosure or Voluntary Financial Disclosure, the Obligated Person shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statement, Voluntary Financial Disclosure, Voluntary Event Disclosure, Failure to File Event notice or Notice Event notice.

SECTION 8. Termination of Reporting Obligation.

The obligations of the Obligated Person and the Disclosure Dissemination Agent under this Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Obligated Person is no longer the Obligated Person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent.

The Obligated Person has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement pursuant to the Disclosure Dissemination Agreement. The Obligated Person may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Obligated Person or DAC, the Obligated Person agrees to appoint a successor Disclosure Dissemination Agent or, alternatively, agrees to assume all responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Obligated Person shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Obligated Person.

SECTION 10. Remedies in Event of Default.

In the event of a failure of the Obligated Person or the Disclosure Dissemination Agent to comply with any provision of this Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Obligated Person has provided such information to the Disclosure Dissemination Agent as provided in this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information, or any other information, disclosures or notices provided to it by the Obligated Person and shall not be deemed to be acting in any fiduciary capacity for the Obligated Person, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Obligated Person's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine or liability for failing to determine whether the Obligated Person has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Obligated Person at all times.

THE OBLIGATED PERSON AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND THE TRUSTEE AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Obligated Person under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and it shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Obligated Person.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format through the EMMA system and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. No Issuer Responsibility.

The Obligated Person and the Disclosure Dissemination Agent acknowledge that neither the Issuer nor the Trustee have undertaken any responsibility, and shall not be required to undertake any responsibility, with respect to any reports, notices or disclosures required by or provided pursuant to this Disclosure Agreement, and shall have no liability to any person, including any Holder of the Bonds, with respect to any such reports, notices or disclosures.

SECTION 13. Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the Obligated Person, the Trustee and the Disclosure Dissemination Agent may amend this Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to each of the Obligated Person, the Trustee and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided none of the Obligated Person, the Trustee or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Obligated Person, the Trustee and the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so.

SECTION 14. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the Obligated Person, the Trustee, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law.

This Disclosure Agreement shall be governed by the laws of the State of New York (other than with respect to conflicts of laws).

SECTION 16. Counterparts.

This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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

BARNARD COLLEGE,
as Obligated Person

By: _____
Name:
Title:

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
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): Barnard College
Name of Bond Issue: Barnard College Revenue Bonds, Series 2022A (Tax-Exempt)
Barnard College Revenue Bonds, Series 2022B (Federally Taxable)
Date of Issuance: July 13, 2022
Date of Official Statement: June 29, 2022

Maturity CUSIP No. Maturity CUSIP No.

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer Dormitory Authority of the State of New York
Obligated Person: Barnard College
Name of Bond Issue: Barnard College Revenue Bonds, Series 2022A (Tax-Exempt)
Barnard College Revenue Bonds, Series 2022B (Federally Taxable)
Date of Issuance: July 13, 2022

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 13, 2022, by and among the Obligated Person, U.S. Bank Trust Company, National Association, as Bond Trustee and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Obligated Person has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Obligated Person

cc: Obligated Person _____

**EXHIBIT C-1
EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and Obligated Person's Names:

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _____ "Adverse tax opinions, IRS notices or other material events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;" Tender offers;
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. _____ "Merger, consolidation, or acquisition involving the obligated person, sale of all or substantially all of the assets of the obligated person or the entry into an agreement to undertake such an action or the termination thereof, if material;"
14. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15. _____ "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
16. _____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

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.
315 E. Robinson Street
Suite 300
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 Continuing Disclosure Agreement dated as of July 13, 2022 by and among the Obligated Person, the Trustee and DAC.

Issuer's and Obligated Person's Names:

Issuer's 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 Events 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.
315 E. Robinson Street
Suite 300
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 Continuing Disclosure Agreement dated as of July 13, 2022 by and among the Obligated Person, the Trustee and DAC.

Issuer’s and Obligated Person’s Names:

Issuer’s Six-Digit CUSIP Number:

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

Number of pages attached: _____

____ Description of Voluntary Financial Disclosure (Check One):

1. _____ “quarterly/monthly financial information;”
2. _____ “change in fiscal year/timing of annual disclosure;”
3. _____ “change in accounting standard;”
4. _____ “interim/additional financial information/operating data;”
5. _____ “budget;”
6. _____ “investment/debt/financial policy;”
7. _____ “information provided to rating agency, credit/liquidity provider or other third party;”
8. _____ “consultant reports;” and
9. _____ “other financial/operating data.”

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

Signature:

Name: _____

Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date:

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