

In the opinion of Nixon Peabody LLP, Rochester, New York, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Issuer and the University described herein, interest on the Series 2024 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"). Bond Counsel is also of the opinion that interest on the Series 2024 Bonds is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Series 2024 Bonds is exempt from personal income taxation imposed by the State of New York or any political subdivision of the State of New York. See "TAX MATTERS" herein regarding certain other tax considerations.

\$46,980,000

**MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION
TAX-EXEMPT REVENUE BONDS
(ST. JOHN FISHER UNIVERSITY PROJECT), SERIES 2024**

Dated: Date of Delivery**Due: June 1, as shown on inside cover**

The Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the "Series 2024 Bonds") will be issued pursuant to an Indenture of Trust, dated as of June 1, 2024 (the "Indenture"), by and between the Monroe County Industrial Development Corporation (the "Issuer") and Manufacturers and Traders Trust Company, as trustee (the "Trustee"), and are payable from and secured by (i) a pledge of payments to be made under a Loan Agreement, dated as of June 1, 2024 (the "Loan Agreement"), by and between the Issuer and St. John Fisher University (the "University"), (ii) a security interest in and lien on the Pledged Revenues (as defined herein) pursuant to a certain Pledge and Security Agreement, dated as of June 1, 2024 (the "Pledge and Security Agreement"), by and between the University and the Trustee, and (iii) the respective funds and accounts (except the Rebate Fund) held by the Trustee under the Indenture. The security interest in and lien on the Pledged Revenues granted pursuant to the Pledge and Security Agreement is on a parity basis with the Series 2012 Revenue Pledge and with any future Parity Obligation (each as defined herein) as set forth in a Second Amended and Restated Intercreditor Agreement, dated as of June 1, 2024 (the "Intercreditor Agreement"). See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" herein.

The Series 2024 Bonds are subject to redemption prior to maturity as described herein under the heading "THE SERIES 2024 BONDS - Redemption Prior to Maturity."

The proceeds of the sale of the Series 2024 Bonds will provide funds which, together with other available funds of the University, will be used to (i) finance costs of the renovation, modernization, upgrading, furnishing and equipping of the Lavery Library on the University's campus, as described herein, (ii) refund all of the Series 2011 Bonds and the Series 2014A Bonds (each as defined herein) and (iii) pay certain costs of issuance of the Series 2024 Bonds. See "PLAN OF FINANCE" herein.

The Series 2024 Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as Securities Depository for the Series 2024 Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Series 2024 Bonds. Interest on the Series 2024 Bonds will be payable on December 1, 2024, and semi-annually thereafter on June 1 and December 1 in each year until maturity.

The Series 2024 Bonds are special obligations of the Issuer and do not constitute a debt or pledge of the faith and credit of the Issuer, the State of New York, Monroe County or any taxing authority or political subdivision thereof for the payment of the principal or redemption price thereof or interest thereon. The Issuer has no taxing authority.

An investment in the Series 2024 Bonds involves a degree of risk. Prospective bondholders are advised to read the sections entitled "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" and "BONDHOLDERS' RISKS" herein for a discussion of certain risk factors which should be considered in connection with an investment in the Series 2024 Bonds.

This cover page contains information for general reference only. It is not intended as a summary of this transaction. Investors are advised to read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2024 Bonds are offered when, as and if issued and received by the Underwriters and subject to the receipt of the approving opinion as to the validity of the Series 2024 Bonds of Nixon Peabody LLP, Rochester, New York, Bond Counsel. Certain legal matters will be passed upon for the University by its counsel, Hodgson Russ LLP, Rochester, New York. Certain legal matters will be passed upon for the Issuer by its counsel, Nixon Peabody LLP, Rochester, New York. Certain legal matters will be passed upon for the Underwriters by their counsel, Norton Rose Fulbright US LLP, New York, New York. It is anticipated that the Series 2024 Bonds will be available for delivery in New York, New York, or as may be agreed upon, on or about June 27, 2024.

Morgan Stanley**KeyBanc Capital Markets Inc.**

\$46,980,000
MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION
TAX-EXEMPT REVENUE BONDS
(ST. JOHN FISHER UNIVERSITY PROJECT), SERIES 2024

Maturities, Amounts, Interest Rates, Yields and CUSIP Numbers

Due June 1	Principal Amount	Interest Rate	Yield	CUSIP [†]
2025	\$505,000	5.000%	3.450%	61075TWW6
2026	940,000	5.000	3.430	61075TWW4
2027	1,450,000	5.000	3.350	61075TWW2
2028	1,515,000	5.000	3.360	61075TWW0
2029	1,595,000	5.000	3.380	61075TWWZ7
2030	1,675,000	5.000	3.420	61075TXA1
2031	1,760,000	5.000	3.440	61075TXB9
2032	1,855,000	5.000	3.450	61075TXC7
2033	1,945,000	5.000	3.450	61075TXD5
2034	2,045,000	5.000	3.470	61075TXE3
2035	1,345,000	5.000	3.480*	61075TXF0
2036	1,415,000	5.000	3.510*	61075TXG8
2037	1,490,000	5.000	3.630*	61075TXH6
2038	1,570,000	5.000	3.710*	61075TXJ2
2039	1,650,000	5.000	3.790*	61075TXK9
2040	1,735,000	5.000	3.910*	61075TXL7
2041	1,825,000	5.000	4.010*	61075TXM5
2042	1,915,000	5.000	4.070*	61075TXN3
2043	2,010,000	5.000	4.130*	61075TXP8
2044	2,115,000	5.000	4.180*	61075TXQ6

\$6,360,000 Term Bonds, 5.250%, due June 1, 2049, Yield 4.250%*, CUSIP[†]: 61075TXR4

\$8,265,000 Term Bonds, 5.250%, due June 1, 2054, Yield 4.330%*, CUSIP[†]: 61075TXS2

[†] The CUSIP numbers on the inside cover page of this Official Statement have been assigned by an organization not affiliated with the Issuer, the University, the Underwriters or the Trustee, and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of holders and no representation is made as to the correctness of the CUSIP numbers printed above. CUSIP numbers assigned to the Series 2024 Bonds may be changed during the term of the Series 2024 Bonds based on a number of factors including but not limited to the refunding or defeasance of such issues or the use of secondary market financial products. None of the Issuer, the University, the Underwriters 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.

* Priced to first optional redemption date of June 1, 2034.

No person has been authorized by the Issuer or the University to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Series 2024 Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information set forth herein has been obtained from the Issuer, the University, The Depository Trust Company and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Issuer (except for the statements under the captions “INTRODUCTION – The Issuer”, “THE ISSUER” and “LITIGATION – The Issuer” (only insofar as such information pertains to the Issuer)) or the Underwriters. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the University.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement pursuant to their responsibilities under the federal securities law, but the Underwriters do not guaranty the accuracy or completeness of such information.

Certain statements included or incorporated by reference in this Official Statement constitute “forward looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” “forecast” or other similar words. Such forward-looking statements include, among others, certain of the information in “BONDHOLDERS’ RISKS” and in Appendix A herein. The achievement of certain results or other expectations in such forward looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. The University does not plan to issue any updates or revisions to those forward looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur or fail to occur.

References in this Official Statement to any legislation or documents, including the Act, the Indenture, the Loan Agreement, the Pledge and Security Agreement and the Intercreditor Agreement do not purport to be complete. Refer to such legislation and documents for full and complete details of their provisions. Following the issuance of the Series 2024 Bonds, copies of the Indenture, the Loan Agreement, the Pledge and Security Agreement and the Intercreditor Agreement are expected to be on file with the Trustee.

The Series 2024 Bonds are not and will not be registered under the Securities Act of 1933, as amended, or under any state securities laws, and the Indenture has not been nor will be qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom. Neither the United States Securities and Exchange Commission nor any federal, state, municipal or other governmental agency will pass upon the accuracy, completeness or adequacy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2024 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT

OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE SERIES 2024 BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE UNIVERSITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2024 BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT AFFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

[Remainder of page left blank intentionally]

TABLE OF CONTENTS

INTRODUCTION	1
THE SERIES 2024 BONDS	4
ANNUAL DEBT SERVICE ON THE SERIES 2024 BONDS	11
SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS	12
THE ISSUER	16
PLAN OF FINANCE	16
ESTIMATED SOURCES AND USES OF FUNDS	17
BONDHOLDERS' RISKS	18
VERIFICATION OF MATHEMATICAL COMPUTATIONS	24
CONTINUING DISCLOSURE OBLIGATIONS	25
TAX MATTERS	25
INDEPENDENT AUDITORS	27
RELATIONSHIPS AMONG THE PARTIES	28
RATING	28
FINANCIAL ADVISORS	28
LITIGATION	29
LEGAL MATTERS	29
UNDERWRITING	29
MISCELLANEOUS	30
APPENDIX A – Certain Information Concerning the University	A-1
APPENDIX B – Consolidated Financial Statements of the University and Subsidiaries as of May 31, 2023	B-1
APPENDIX C – Form of Indenture	C-1
APPENDIX D – Form of Loan Agreement	D-1
APPENDIX E – Form of Pledge and Security Agreement	E-1
APPENDIX F – Form of Intercreditor Agreement	F-1
APPENDIX G – Form of Continuing Disclosure Agreement	G-1
APPENDIX H – Form of Approving Opinion of Bond Counsel	H-1

[THIS PAGE INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT

of the

MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION

Relating to

**\$46,980,000 TAX-EXEMPT REVENUE BONDS
(ST. JOHN FISHER UNIVERSITY PROJECT), SERIES 2024**

INTRODUCTION

The purpose of this Official Statement, including the cover page and the appendices attached hereto, is to provide information in connection with the issuance by the Monroe County Industrial Development Corporation (the “Issuer”) of its \$46,980,000 Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the “Series 2024 Bonds”). The following is a brief description of certain information concerning the Series 2024 Bonds, the Issuer and St. John Fisher University (the “University”). A more complete description of such information and additional information that may affect decisions to invest in the Series 2024 Bonds is contained throughout this Official Statement, which should be read in its entirety. Capitalized terms used in this Official Statement shall have the meanings specified in “APPENDIX C – Form of Indenture” attached hereto.

Purpose of the Issue

The Series 2024 Bonds are being issued to provide funds which, together with other available funds of the University, will be used to (i) finance costs of the renovation, modernization, upgrading, furnishing and equipping of the Lavery Library on the University’s campus, as described herein, (ii) refund all of the outstanding principal amount of the Issuer’s Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2011 (the “Series 2011 Bonds”), (iii) refund all of the outstanding principal amount of the Issuer’s Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2014A (the “Series 2014A Bonds”; the Series 2011 Bonds and the Series 2014A Bonds are collectively referred to as the “Refunded Bonds”) and (iv) pay costs of issuance of the Series 2024 Bonds ((i) through (iv), collectively, the “Project”). See “PLAN OF FINANCE” herein.

The proceeds of the Refunded Bonds were used by the University in part to finance and refinance certain capital projects of the University, and such capital projects, together with the Series 2024 Facility (as defined herein), are referred to in this Official Statement as the “Facility.” For a more complete description of the Facility, please see the definition of “Facility” in “APPENDIX C – Form of Indenture.”

Authorization of the Series 2024 Bonds

The Series 2024 Bonds are authorized to be issued pursuant to a resolution of the Issuer adopted on May 8, 2024 (the “Resolution”). The Series 2024 Bonds will be issued under an

Indenture of Trust, dated as of June 1, 2024 (the “Indenture”), by and between the Issuer and Manufacturers and Traders Trust Company, as trustee (the “Trustee”). See “THE SERIES 2024 BONDS” herein.

The Issuer

The Issuer is a not-for-profit corporation constituting a local development corporation duly organized and existing under the laws of the State of New York. See “THE ISSUER” herein.

The University

The University is an independent, liberal arts institution in the Catholic tradition of American higher education located in Pittsford, New York, with an enrollment for the fall of 2023 of 2,531 full-time and 65 part-time undergraduate students, and 1,106 matriculated graduate students, including 690 master’s-level, 394 doctoral-level students, and 22 continuing education students. The University is a New York not-for-profit education corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). For more information regarding the University, see “APPENDIX A – Certain Information Concerning the University” and “APPENDIX B – Consolidated Financial Statements of the University and Subsidiaries as of May 31, 2023” herein.

Limited Obligations of the Issuer

THE SERIES 2024 BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE ISSUER. THE ISSUER IS OBLIGATED TO PAY PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2024 BONDS SOLELY FROM THE TRUST ESTATE UNDER THE TERMS OF THE INDENTURE AND AVAILABLE FOR SUCH PAYMENT. THE SERIES 2024 BONDS ARE NOT A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING MONROE COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING MONROE COUNTY, NEW YORK, SHALL BE LIABLE THEREON. THE SERIES 2024 BONDS SHALL NOT BE PAYABLE FROM ANY OTHER FUNDS OF THE ISSUER. THE ISSUER HAS NO TAXING POWERS.

The Pledged Revenues and the Intercreditor Agreement

The Series 2024 Bonds are secured in part by a security interest in and lien on the Pledged Revenues under and as defined in the Pledge and Security Agreement, dated as of June 1, 2024 (the “Pledge and Security Agreement”), by and between the University and the Trustee. The security interest in and lien on the Pledged Revenues granted by the University pursuant to the Pledge and Security Agreement is on a parity basis with (1) the security interest and lien on the Pledged Revenues granted by the University pursuant to the Pledge and Security Agreement, dated as of June 1, 2012 by and between the University and The Bank of New York Mellon, as trustee (the “Series 2012A Trustee”) with respect to the Tax-Exempt Revenue Refunding Bonds (St. John Fisher College Project), Series 2012A (the “Series 2012A Bonds” and the “Series 2012A Revenue Pledge,” respectively), and (2) any future Parity Obligations (as defined herein) as set forth in the Second Amended and Restated Intercreditor Agreement, dated as of

June 1, 2024 (the “Intercreditor Agreement”) by and among the University, the Series 2012A Trustee and the Trustee. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS” herein.

The Series 2011 Bonds and Series 2014A Bonds are secured by a security interest and lien on the Pledged Revenues on a parity basis with the Series 2012A Bonds, and are anticipated to be defeased upon the issuance of the Series 2024 Bonds. See “PLAN OF FINANCING” herein.

General

The Series 2024 Bonds will be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository (the “Depository”) for the Series 2024 Bonds. See “THE SERIES 2024 BONDS – Book-Entry Only System” herein.

The Series 2024 Bonds will be equally and ratably secured as to principal, premium, if any, and interest by the Indenture. The Indenture constitutes a first lien on the Trust Estate (as defined in the Indenture).

The Series 2024 Bonds will be special and limited obligations of the Issuer. The principal, Redemption Price of and interest on the Series 2024 Bonds are payable solely from the payments and revenues received by the Issuer pursuant to the Loan Agreement (other than with respect to the Unassigned Rights) and all funds and accounts (excluding the Rebate Fund) established by the Indenture. Pursuant to the Loan Agreement, the University is obligated to make payments equal to debt service on the Series 2024 Bonds. To secure the Series 2024 Bonds, the University will grant to the Trustee a security interest in and lien on the Pledged Revenues pursuant to the Pledge and Security Agreement. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS.”

The purchase of the Series 2024 Bonds involves a degree of risk. Prospective purchasers should carefully consider the entire Official Statement, including the material under the caption “BONDHOLDERS’ RISKS” herein.

The following summaries are not comprehensive or definitive. All references to the Series 2024 Bonds, the Indenture, the Loan Agreement, the Pledge and Security Agreement and the Intercreditor Agreement are qualified in their entirety by the definitive forms thereof. Copies of the documents are available for inspection at the office of Morgan Stanley & Co. LLC, as representative of the Underwriters (as defined herein), at 1585 Broadway, 16th Floor, New York, New York 10036, and, after delivery of the Series 2024 Bonds to the Underwriters, at the principal corporate trust office of the Trustee currently located at 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202.

THE SERIES 2024 BONDS

Authorization

The Series 2024 Bonds are authorized to be issued pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (the “State”), as amended (the “Act”), the Issuer’s Certificate of Incorporation and the Resolution.

General

The Series 2024 Bonds will mature on June 1 of the years and in the amounts shown on the inside cover page hereof. The Series 2024 Bonds will bear interest payable on December 1, 2024, and semi-annually thereafter on each June 1 and December 1 at the rates per annum set forth on the inside cover hereof. The Series 2024 Bonds shall be issued in the denomination of \$5,000, or any integral multiple of \$5,000 in excess thereof.

The Series 2024 Bonds will be issued in fully registered form and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as the securities depository (the “Securities Depository”) for the Series 2024 Bonds. Purchasers will not receive certificates representing their interest in the Series 2024 Bonds. See “THE SERIES 2024 BONDS – Book-Entry Only System” herein.

Subject to the provisions of the Indenture, the principal of and premium, if any, on the Series 2024 Bonds shall be payable in lawful money of the United States of America at the Office of the Trustee, or of its successor in trust. Interest on Series 2024 Bonds due on any Bond Payment Date shall be payable to the Person in whose name such Series 2024 Bond is registered at the close of business on the Regular Record Date with respect to such Bond Payment Date, irrespective of any transfer or exchange of such Series 2024 Bond subsequent to such Regular Record Date and prior to such Bond Payment Date, unless the Issuer shall default in the payment of interest due on such Bond Payment Date. In the event of any such default, such defaulted interest shall be payable to the Person in whose name such Series 2024 Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee to the Owners of Series 2024 Bonds not less than fifteen (15) days preceding such Special Record Date. Such notices shall be mailed to the Persons in whose name the Series 2024 Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing. Payment of interest on the Series 2024 Bonds will be made by (i) check or draft mailed to the address of the Person in whose name such Series 2024 Bonds are registered, as such address appears on the registration books maintained by the Trustee, or (ii) at such other address furnished to the Trustee in writing by the Holder at least five (5) Business Days prior to the date of payment, or at the election of an Owner of at least \$1,000,000 aggregate principal amount of Series 2024 Bonds, by bank wire transfer to a bank account maintained by such Owner in the United States of America designated in written instructions delivered to the Trustee at least five (5) Business Days prior to the date of such payment, which written instructions may relate to multiple Bond Payment Dates.

Redemption Prior to Maturity

Extraordinary Redemption Without Premium. The Series 2024 Bonds are subject to redemption prior to maturity, at the option of the Issuer exercised at the direction of the University (which option shall be exercised upon the giving of notice by the University to the Issuer and the Trustee of its intention to prepay all amounts due under the Loan Agreement), as a whole, on any date, at a Redemption Price equal to one hundred percent (100%) of the unpaid principal amount thereof, plus accrued interest to the date of redemption, if one or more of the following events shall have occurred:

(i) Damage or destruction of all or any part (if damage or destruction of such part causes it to be impracticable for the Facility to continue to operate normally) of the Facility as evidenced by an opinion of an Independent Engineer filed with the Issuer and the Trustee that (a) the damaged or destroyed Facility or portion thereof cannot be reasonably restored within a period of one (1) year from the date of such damage or destruction to the condition thereof immediately preceding such damage or destruction, (b) the University is thereby prevented or likely to be prevented from carrying on its normal operations in the Facility or such portion thereof for a period of one (1) year from the date of such damage or destruction or (c) the restoration cost of the Facility or such portion thereof would exceed the total amount of all insurance proceeds, including any deductible amount, in respect of such damage or destruction; or

(ii) Title to, or the temporary use of, all or substantially all of the Facility shall have been taken or condemned by a competent authority which taking or condemnation results, or is likely to result, in the University being thereby prevented or likely to be prevented from carrying on its normal operations in the facility for a period of one (1) year from the date of such taking or condemnation, as evidenced by an opinion of an Independent Engineer filed with the Issuer and the Trustee; or

(iii) As a result of changes in the Constitution of the United States of America or of the State of New York or of legislative or executive action of said State or any political subdivision thereof or of the United States of America or by final decree or judgment of any court after the contest thereof by the University, the Loan Agreement becomes void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein.

If the Series 2024 Bonds are to be redeemed in whole as a result of the occurrence of any of the events described above, the University is required under the Loan Agreement to deliver to the Issuer and the Trustee a certificate of an Authorized Representative of the University stating that, as a result of the occurrence of the event giving rise to such redemption, the University has discontinued, or at the earliest practicable date will discontinue, its operation of the Facility for its intended purposes.

Optional Redemption. The Series 2024 Bonds maturing after June 1, 2034 are subject to redemption by the Issuer at the option of the University on or after June 1, 2034, in whole or in part at any time, at the Redemption Price equal to 100% of the principal amount being redeemed, plus accrued interest to the Redemption Date, upon receipt of notice from the Issuer, or the University on behalf of the Issuer, directing such redemption, which notice shall be sent to the Trustee at least thirty (30) days prior to the Redemption Date or such fewer number of days as shall be acceptable to the Trustee and shall specify (i) the principal amount of Series 2024 Bonds so to be called for redemption, and (ii) the applicable Redemption Price.

Mandatory Sinking Fund Redemption. The Series 2024 Bonds maturing on June 1, 2049 shall be subject to mandatory redemption on the sinking fund redemption dates and in the sinking fund redemption amounts set forth in the following table, at a Redemption Price equal to 100% of the principal amount thereof being redeemed plus accrued interest to the Redemption Date:

<u>Sinking Fund Redemption Dates (June 1)</u>	<u>Sinking Fund Redemption Amounts</u>
2045	\$1,140,000
2046	1,205,000
2047	1,270,000
2048	1,335,000
2049*	1,410,000

*Maturity date

The Series 2024 Bonds maturing on June 1, 2054 shall be subject to mandatory redemption on the sinking fund redemption dates and in the sinking fund redemption amounts set forth in the following table, at a Redemption Price equal to 100% of the principal amount thereof being redeemed plus accrued interest to the Redemption Date:

<u>Sinking Fund Redemption Dates (June 1)</u>	<u>Sinking Fund Redemption Amounts</u>
2050	\$1,485,000
2051	1,565,000
2052	1,650,000
2053	1,735,000
2054*	1,830,000

*Maturity date

Notice of Redemption; Payment of Redeemed Series 2024 Bonds

When Series 2024 Bonds are to be redeemed, the Trustee shall give notice of the redemption of the Series 2024 Bonds stating: (1) the Series 2024 Bonds to be redeemed; (2) the Redemption Date; (3) that such Series 2024 Bonds will be redeemed at the Office of the Trustee; (4) that on the Redemption Date there shall become due and payable upon each Series 2024 Bond to be redeemed the Redemption Price thereof in accordance with the Indenture; and (5) that from and after the Redemption Date interest thereon shall cease to accrue. With respect to any optional redemption under the Indenture, any such notice of redemption may state that the

redemption is conditioned upon receipt by the Trustee, on or prior to the Redemption Date, of moneys sufficient, together with any other moneys held by the Trustee and available therefor, to pay on the Redemption Date the Redemption Price of the Series 2024 Bonds to be redeemed, and that if such moneys are not received on or prior to such Redemption Date, such notice shall be of no force or effect and such Series 2024 Bonds shall not be required to be redeemed. The Trustee shall mail a copy of such notice postage prepaid, not less than twenty (20) days nor more than sixty (60) days prior to the Redemption Date, to each Holder at the address of such Holder appearing on the registration books of the Issuer maintained by the Trustee, as Bond Registrar. Such mailing shall not be a condition precedent to such redemption, and failure to so mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of the Series 2024 Bonds.

After notice shall have been given in the manner provided in the Indenture, the Series 2024 Bonds or portions thereof called for redemption shall become due and payable on the Redemption Date so designated. Upon presentation and surrender of such Series 2024 Bonds at the Office of the Trustee or as otherwise provided in the Indenture, such Series 2024 Bonds shall be paid at the Redemption Price from moneys on deposit with the Trustee and part of the Trust Estate.

If, on the Redemption Date, moneys for the redemption of all Series 2024 Bonds or portions thereof to be redeemed, together with interest thereon to the Redemption Date, shall be held by the Trustee in the Bond Fund so as to be available therefor on such date, the Series 2024 Bonds or portions thereof so called for redemption shall cease to bear interest, and such Series 2024 Bonds or portions thereof shall no longer be Outstanding under the Indenture or be secured by or be entitled to the benefits of the Indenture. In the event the Owner fails to present or surrender its Series 2024 Bonds on the Redemption Date, the Trustee shall deposit such moneys in a separate non-interest bearing account, in trust for the benefit of such Owner, and the funds held in such account shall not be invested by the Trustee. If such moneys shall not be available on the Redemption Date, such Series 2024 Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Indenture; additionally, the Trustee shall within 15 days after the proposed Redemption Date notify all affected Holders that the redemption has been revoked.

Selection of Bonds for Redemption

If less than all Series 2024 Bonds of the same maturity are to be redeemed, the Series 2024 Bonds of such maturity to be called for redemption shall be selected by lot. If less than all of the Series 2024 Bonds of different maturities are to be redeemed, the Series 2024 Bonds to be redeemed shall be as directed by the University in writing, or if no such written direction is received by the Trustee, the principal amount of such redemption shall be applied in inverse order of maturity and by lot within a maturity.

Book-Entry Only System

Unless otherwise noted, the description that follows of the procedures and record keeping with respect to beneficial ownership interests in the Series 2024 Bonds, payment of interest and

other payments on the Series 2024 Bonds to DTC Participants or Beneficial Owners of the Series 2024 Bonds, confirmation and transfer of beneficial ownership interests in the Series 2024 Bonds and other bond-related transactions by and between DTC, the DTC Participants and Beneficial Owners of the Series 2024 Bonds is based solely on information furnished by DTC for inclusion in this Official Statement. Accordingly, the Issuer, the University, the Trustee and the Underwriters do not and cannot make any representations concerning these matters.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2024 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2024 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 2024 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 Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 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 2024 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 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2024 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 Issuer or Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Trustee, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the

responsibility of Issuer or 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 2024 Bonds at any time by giving reasonable notice to Issuer or Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, then the Series 2024 Bonds shall no longer be restricted to being registered in the name of the nominee, but shall be registered in whatever name or names Owners transferring or exchanging Series 2024 Bonds shall designate, in accordance with the provisions of the Indenture.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered to DTC.

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

NEITHER THE ISSUER, THE UNIVERSITY, THE UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO: (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OR INTEREST ON THE SERIES 2024 BONDS; (3) THE DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDOWNERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2024 BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDOWNER.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2024 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDOWNERS OR REGISTERED HOLDERS OF THE SERIES 2024 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2024 BONDS.

ANNUAL DEBT SERVICE ON THE SERIES 2024 BONDS

The following table sets forth the long-term debt service requirements of the University for each Fiscal Year ending May 31 of the years shown for (i) the payment of the principal and Sinking Fund Payments on the Series 2024 Bonds, payable on June 1 of each such period and the interest payments coming due during each such period with respect to the Series 2024 Bonds, (ii) the estimated total aggregate debt service payments coming due during such period with respect to the Series 2024 Bonds and (iii) the total aggregate debt service payments on the other outstanding bonds of the University.

Fiscal Year Ending May 31	Series 2024 Bonds		Total Debt Service on Series 2024 Bonds	Total Debt Service on Other Outstanding Bonds ¹	Total Debt Service ²
	Principal	Interest			
2025	-	\$ 1,020,491	\$ 1,020,491	\$1,062,125	\$ 2,082,616
2026	\$ 505,000	2,372,938	2,877,938	1,076,250	3,954,188
2027	940,000	2,336,813	3,276,813	-	3,276,813
2028	1,450,000	2,277,063	3,727,063	-	3,727,063
2029	1,515,000	2,202,938	3,717,938	-	3,717,938
2030	1,595,000	2,125,188	3,720,188	-	3,720,188
2031	1,675,000	2,043,438	3,718,438	-	3,718,438
2032	1,760,000	1,957,563	3,717,563	-	3,717,563
2033	1,855,000	1,867,188	3,722,188	-	3,722,188
2034	1,945,000	1,772,188	3,717,188	-	3,717,188
2035	2,045,000	1,672,438	3,717,438	-	3,717,438
2036	1,345,000	1,587,688	2,932,688	-	2,932,688
2037	1,415,000	1,518,688	2,933,688	-	2,933,688
2038	1,490,000	1,446,063	2,936,063	-	2,936,063
2039	1,570,000	1,369,563	2,939,563	-	2,939,563
2040	1,650,000	1,289,063	2,939,063	-	2,939,063
2041	1,735,000	1,204,438	2,939,438	-	2,939,438
2042	1,825,000	1,115,438	2,940,438	-	2,940,438
2043	1,915,000	1,021,938	2,936,938	-	2,936,938
2044	2,010,000	923,813	2,933,813	-	2,933,813
2045	2,115,000	820,688	2,935,688	-	2,935,688
2046	1,140,000	737,888	1,877,888	-	1,877,888
2047	1,205,000	676,331	1,881,331	-	1,881,331
2048	1,270,000	611,363	1,881,363	-	1,881,363
2049	1,335,000	542,981	1,877,981	-	1,877,981
2050	1,410,000	470,925	1,880,925	-	1,880,925
2051	1,485,000	394,931	1,879,931	-	1,879,931
2052	1,565,000	314,869	1,879,869	-	1,879,869
2053	1,650,000	230,475	1,880,475	-	1,880,475
2054	1,735,000	141,619	1,876,619	-	1,876,619
2055	1,830,000	48,038	1,878,038	-	1,878,038
Total ²	\$46,980,000	\$38,115,034	\$85,095,034	\$2,138,375	\$87,233,409

¹ Reflects debt service on the outstanding Series 2012A Bonds. All of the outstanding Series 2011 Bonds and Series 2014A Bonds are anticipated to be defeased upon the issuance of the Series 2024 Bonds. See "PLAN OF FINANCE."

² Totals may not add due to rounding.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

Payment of the Series 2024 Bonds

The Series 2024 Bonds will be special and limited obligations of the Issuer. The principal, Redemption Price of and interest on the Series 2024 Bonds are payable solely from the revenues received by the Issuer pursuant to the Loan Agreement (other than with respect to the Unassigned Rights) and all funds and accounts (excluding the Rebate Fund) established by the Indenture. Pursuant to the Loan Agreement between the University and the Issuer, the University is obligated to make payments equal to debt service on the Series 2024 Bonds. Pursuant to the Loan Agreement, the Issuer has directed the University, and the University has agreed, to make such payments directly to the Trustee.

Security for the Series 2024 Bonds

General

The Series 2024 Bonds will be secured by (i) a pledge of payments to be made under the Loan Agreement, as assigned to the Trustee (except the Unassigned Rights) and the Promissory Note executed by the University in favor of the Issuer to evidence the University's obligation under the Loan Agreement to repay the loan, which Promissory Note will be endorsed by the Issuer to the Trustee, (ii) a security interest in and lien on the Pledged Revenues pursuant to the Pledge and Security Agreement, and (iii) the moneys in all funds and accounts established by or pursuant to the Indenture or the Loan Agreement or any and all amendments or supplements thereto and held by the Trustee (except moneys deposited with, paid to, or received by the Trustee for the redemption of the Bonds, notice of the redemption of which has been given, and except for the Rebate Fund).

The Pledge and Security Agreement

The payment obligation of the University under the Loan Agreement is secured by a pledge and security interest in the Pledged Revenues of the University pursuant to the Pledge and Security Agreement. The "Pledged Revenues" consist of all receipts, revenues, income and other money received by the University from any source and all rights to receive the same (including, without limitation, operating revenues and non-operating revenues determined in accordance with generally accepted accounting principles), whether in the form of accounts receivable, contract rights, chattel paper, instruments or other rights, and the proceeds thereof, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the University; provided, however, that there shall be excluded from Pledged Revenues gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated at the time of making thereof by the donor or maker as being for certain specific purposes, and the income derived therefrom, to the extent required by such designation.

The security interest in and lien on the Pledged Revenues granted by the University pursuant to the Pledge and Security Agreement is on a parity basis with the Series 2012A Revenue Pledge and with any future Parity Obligations as set forth in the Intercreditor Agreement.

In addition, the Pledge and Security Agreement allows the University, in accordance therewith, to incur Parity Obligations in the future that may be secured by a lien on the Pledged Revenues on a parity basis with the pledge and security interest granted pursuant to the Pledge and Security Agreement. See “BONDHOLDERS’ RISKS” and “APPENDIX E – Form of Pledge and Security Agreement” herein.

The Intercreditor Agreement

The security interest in and lien on the Pledged Revenues granted by the University pursuant to the Pledge and Security Agreement is on a parity basis with the Series 2012A Revenue Pledge and with any future Parity Obligations as set forth in the Intercreditor Agreement.

Upon the occurrence of an event of default and acceleration by the Series 2012A Trustee or the Trustee (collectively, the “Pledged Revenue Creditors”) under the 2012A Bond Documents or the 2024 Bond Documents (each as defined in the Intercreditor Agreement and collectively herein, the “Pledged Revenue Financing Documents”), any claim held by each of the Pledged Revenue Creditors with respect to the Proceeds shall be pari passu (i.e., equal and ratable in right without regard to order of priority); the interests of each of the Pledged Revenue Creditors being co-equal and in proportion to the unpaid outstanding principal amount of the Series 2024 Bonds and the Series 2012A Bonds (net of any cash or investments held as security therefor), whether or not each such Pledged Revenue Creditor has accelerated repayment of such principal amount. The University has agreed, without impairing or otherwise limiting any other rights of any of the Pledged Revenue Creditors, that the occurrence of an event of default and acceleration of the obligations under any of the Pledged Revenue Financing Documents by any Pledged Revenue Creditor shall constitute an event of default under all of the other Pledged Revenue Financing Documents applicable to each other Pledged Revenue Creditor, and each other Pledged Revenue Creditor shall thereupon have the right, upon notice to the University, to accelerate repayment of all obligations owing under the Pledged Revenue Financing Documents applicable to such other Pledged Revenue Creditor, whether or not expressly stated in such applicable Pledged Revenue Financing Documents.

If the University issues, incurs or assumes long-term indebtedness secured by a lien on the Pledged Revenues pursuant to additional financing documents, any holder of such Parity Obligation will be required to become a party to the Intercreditor Agreement and to subject the net proceeds of any Pledged Revenues realized from the University for such Parity Obligations to the terms of the Intercreditor Agreement. See “APPENDIX F – Form of Intercreditor Agreement” herein.

No mortgage lien on any real property of the University will be granted to secure payment of the Series 2024 Bonds. The Series 2012A Bonds are secured in part by a mortgage on certain real property of the University. Such mortgage will not secure the Series 2024 Bonds.

Additional Bonds

In accordance with the Indenture, the Issuer may issue Additional Bonds under the Indenture from time to time on a pari passu basis with the Series 2024 Bonds to (1) pay the cost of completing the Facility or completing an addition thereto substantially based on the original general design and scope of the Facility or such addition thereto set forth in the original plans and specifications therefor, with such changes as may have become necessary to carry out such original design, or to reimburse expenditures of the University for any such costs, (2) pay the cost of Capital Additions or to reimburse expenditures of the University for any such cost, (3) pay the cost of refunding through redemption of any Outstanding Bonds issued under the Indenture and subject to such redemption, or (4) pay the cost of any additional project approved by the Issuer.

Pursuant to the Indenture, prior to issuance of any such Additional Bonds, the University must deliver to the Trustee certain items, including, but not limited to, a certificate of an Authorized Representative of the University (a) evidencing that the University's Maximum Annual Debt Service on all outstanding and proposed Long-Term Indebtedness is less than ten percent (10%) of the University's Unrestricted Operating Revenues as stated in the University's most recently available audited financial statements and (b) for so long as the Series 2012A Bonds are outstanding, containing pro forma calculations showing a Debt Service Coverage Ratio of 1:00 to 1:00 or higher for the most recently concluded Fiscal Year for which audited financial statements are available taking into account the Additional Bonds proposed to be issued. **The requirement to demonstrate the Debt Service Coverage Ratio described in clause (b) will only apply while the Series 2012A Bonds are outstanding, and upon the payment in full of the Series 2012A Bonds, this requirement will be of no further force and effect.**

For a complete list of conditions precedent to the issuance of Additional Bonds, see "APPENDIX C – Form of Indenture" herein.

Subject to compliance with the terms of the Pledge and Security Agreement, such Additional Bonds may be secured on a parity basis with the Lien on the Pledged Revenues granted by the Pledge and Security Agreement.

Parity Obligations

Pursuant to the Pledge and Security Agreement, the University may issue, incur or assume Long-Term Indebtedness secured by a Lien on Pledged Revenues (each, a "Parity Obligation"), which in the event of any default and acceleration or claim on the Pledged Revenues is pari passu with the Lien on the Pledged Revenues granted by the Pledge and Security Agreement, provided (1) such Long-Term Indebtedness refunds or refinances all or a portion of the Series 2024 Bonds, or (2) (a) the University provides to the Trustee a certificate of an Authorized Representative of the University containing pro forma calculations demonstrating that the Maximum Annual Debt Service on the University's Indebtedness, including such Long-Term Indebtedness, does not exceed ten percent (10%) of the amount of its unrestricted operating revenues as reported for the most recently concluded Fiscal Year for which audited financial statements are available, and (b) for so long as the Series 2012A Bonds are outstanding,

the University provides to the Trustee a certificate of an Authorized Representative of the University containing pro forma calculations demonstrating a Debt Service Coverage Ratio of 1.00:1.00 or higher for the most recently concluded Fiscal Year for which audited financial statements are available taking into account the additional Long-Term Indebtedness proposed to be issued. **The requirement to demonstrate the Debt Service Coverage Ratio described in clause (b) will only apply while the Series 2012A Bonds are outstanding, and upon the payment in full of the Series 2012A Bonds, this requirement will be of no further force and effect.** See “APPENDIX E – Form of Pledge and Security Agreement” herein.

The Indenture provides, among other things, that without the consent of or notice to the Holders, the Issuer and the University may enter into, and the Trustee may consent to, any amendment, change or modification of the Pledge and Security Agreement and/or the Intercreditor Agreement as may be required in connection with the issuance of Parity Obligations in accordance with the Pledge and Security Agreement or to spread the Lien of, or otherwise supplement, the Intercreditor Agreement in connection with the issuance of Parity Obligations. See “APPENDIX C – Form of Indenture” herein.

Debt Service Coverage Ratio

The University covenants in the Loan Agreement to, for so long as the Series 2012A Bonds are outstanding, maintain a Debt Service Coverage Ratio (as defined in the Loan Agreement) of at least 1.00:1.00. Compliance with this Debt Service Coverage Ratio covenant will be tested annually as of the last day of the University’s Fiscal Year (each a “Testing Date”), commencing with the Fiscal Year ending May 31, 2024. For purposes of calculating the Debt Service Coverage Ratio for such pro forma calculations, Annual Debt Service shall be equal to projected Maximum Annual Debt Service on the outstanding Series 2012A Bonds, the outstanding Series 2024 Bonds and any Additional Bonds. While the Series 2012A Bonds are outstanding, the failure of the University to maintain the Debt Service Coverage Ratio for two (2) consecutive Testing Dates will constitute an Event of Default under the Loan Agreement. **The Debt Service Coverage Ratio covenant in the Loan Agreement described above will only apply while the Series 2012A Bonds are outstanding, and upon the payment in full of the Series 2012A Bonds, the Debt Service Coverage Ratio covenant will be of no further force and effect.**

The University's Debt Service Coverage Ratio for the past five fiscal years is presented in the table below.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Operating Revenue	\$106,686,529	\$100,520,129	\$100,556,455	\$107,623,469	\$107,538,780
Operating Expenses Less Depreciation and Interest	<u>87,812,108</u>	<u>86,981,153</u>	<u>83,475,188</u>	<u>92,893,989</u>	<u>94,966,662</u>
Net Change in Operating Activities	\$ 18,874,421	\$ 13,538,976	\$ 17,081,267	\$ 14,729,480	\$ 12,572,118
Debt Service	\$ 4,890,781	\$ 4,890,781	\$ 4,890,781	\$ 4,890,781	\$ 4,899,906
Debt Service Coverage Ratio	3.86	2.77	3.49	3.01	2.57

THE ISSUER

The Issuer is a not-for-profit corporation constituting a local development corporation duly organized and existing under Section 1411 of the Act, having an office for the transaction of business at 50 West Main Street, Suite 8100, Rochester, New York 14614. The Issuer has the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest. The Act further authorizes the Issuer to issue its bonds and loan the proceeds thereof for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds so issued and any agreements made in connection therewith, to pledge certain revenues and receipts to secure the payment of such bonds and interest thereon.

The Issuer has no power of taxation.

The Series 2024 Bonds are special and limited obligations of the Issuer, payable solely as provided in the Indenture.

THE SERIES 2024 BONDS ARE NEITHER A GENERAL OBLIGATION OF THE ISSUER, NOR A DEBT OR INDEBTEDNESS OF MONROE COUNTY, NEW YORK OR THE STATE OF NEW YORK AND NEITHER MONROE COUNTY, NEW YORK NOR THE STATE OF NEW YORK WILL BE LIABLE THEREON.

PLAN OF FINANCE

The Project

A portion of the proceeds of the Series 2024 Bonds, together with any other available funds of the University, will be used for the purpose of financing or refinancing the renovation,

modernization, upgrading, furnishing and equipping of the Lavery Library on the Campus, including interior work, and site work outside of the Lavery Library building such as new pathways and stairways, landscaping and a new plaza area (collectively, the “2024 Facility”).

Plan of Refunding

A portion of the proceeds of the Series 2024 Bonds will be used, together with other available moneys, to provide for the redemption of the Series 2011 Bonds and the Series 2014A Bonds on or about September 22, 2024. Upon issuance of the Series 2024 Bonds, portions of the proceeds of the Series 2024 Bonds, and other available moneys, will be irrevocably deposited in trust with the respective trustees for the Series 2011 Bonds and the Series 2014A Bonds in an amount that will be sufficient to pay the principal or redemption price of and interest on the Series 2011 Bonds and the Series 2014A Bonds on the redemption date of September 22, 2024. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS” herein.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds are expected to be used as follows:

Estimated Sources of Funds

Par Amount of Series 2024 Bonds	\$46,980,000
Original Issue Premium	3,994,743
Funds of the University	1,582,598
Total Sources of Funds	\$52,557,341

Estimated Uses of Funds

Deposit to Project Fund	\$29,566,914
Escrow Deposits for Refunded Bonds	21,995,241
Costs of Issuance*	995,186
Total Uses of Funds	\$52,557,341

*Includes Issuer’s fee, Underwriters’ discount, printing costs, fees and expenses of the Trustee, fees of the rating agency, legal fees and costs and other miscellaneous costs of issuance.

BONDHOLDERS' RISKS

The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2024 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 2024 Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto.

General

The Series 2024 Bonds are payable from payments to be made by the University under the Loan Agreement. The ability of the University to comply with its obligations under the Loan Agreement depends primarily upon the ability of the University 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 University 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 University will covenant under the Loan Agreement to make all such payments when due. There are certain risks, however, which might prevent the University 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 2024 Bonds should bear in mind that the occurrence of any number of events could adversely affect the ability of the University to generate such revenues. Future economic, demographic and other conditions, including the demand for educational services, the ability of the University to provide the services required by students, economic developments in the Rochester, 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 University 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 University to provide for payments. The future financial condition of the University could also be adversely affected by, among other things, legislation and regulatory actions, and a number of other conditions which are unpredictable.

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. Approximately 71% of the University's undergraduate students receive some form of financial assistance from the University. 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 University.

Investment Income

The University's endowment funds are professionally managed by outside asset management firms. Committees of the Board of Trustees periodically review the asset allocation of the investment pool in the context of the primary financial objective to provide funds for the current and future operations of the University, including its programs and affiliates. An equally important objective is the financial goal of preserving and enhancing the endowment fund's inflation-adjusted purchasing power, while providing a relatively predictable, stable and continuous stream of income. Although the unrestricted portion of the University's endowment funds and the payout therefrom are available for debt service payments on the Series 2024 Bonds, no assurance can be given that unforeseen 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 University has raised funds to finance its operations and capital development programs from a variety of benefactors and, in particular, will be raising funds to finance, in part, the Project. 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.

Risks as Employer

The University is a major employer, combining a complex mix of tenured and untenured full-time faculty, part-time faculty, technical and clerical support staff, maintenance and other types of workers in a single operation. As with all large employers, the University bears a wide variety of risks in connection with its employees. These risks include strikes and other related work actions, contract disputes, 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.

Changes in Law

Changes in law may impose new or added financial or other burdens on the operations of the University. 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; (ii) challenges to State and local exemptions from real property tax and other taxes; or (iii) changes in regulations concerning financial aid, endowments and other laws, including the U.S. Higher Education Act. 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 University by requiring it to pay income or real property taxes (or other *ad valorem* taxes).

Maintenance of 501(c)(3) Status

The federal tax-exempt status of the Series 2024 Bonds presently depends upon maintenance by the University of its status as an organization described in Section 501(c)(3) of the Code. The University qualifies as a tax-exempt organization described in Section 501(c)(3) of the Code. To maintain such status, the University must conduct its operations in a manner consistent with representations previously made to the Internal Revenue Service (“IRS”) and with current and future IRS regulations and rulings.

Compliance with current and future regulations and rulings of the IRS could adversely affect the ability of the University to charge and collect revenues, finance or refinance indebtedness on a tax-exempt basis or otherwise generate revenues necessary to provide for payment of the Series 2024 Bonds. Although the University has covenanted to maintain its status as a tax-exempt organization, loss of tax-exempt status would likely have a significant adverse effect on such organization and its operations and could result in the includability of interest on the Series 2024 Bonds in gross income for federal income tax purposes retroactive to their date of issue. See “TAX MATTERS” herein.

The tax-exempt status of nonprofit corporations, and the exclusion of income earned by them from taxation, has been the subject of review by various federal, state and local legislative, regulatory and judicial bodies. This review has included proposals to broaden and strengthen existing federal tax law with respect to unrelated business income of nonprofit corporations.

There can be, however, no assurance that future changes in the laws and regulations of the federal, state or local governments will not materially and adversely affect the operations and revenues of the University by requiring it to pay income, real estate or other taxes.

The status of the University as an organization described under Section 501(c)(3) of the Code is one of the bases for the exemption afforded the Series 2024 Bonds from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”). Should the University lose its status under Section 501(c)(3) of the Code, the holder of the Series 2024 Bonds could be precluded from selling the Series 2024 Bonds absent the application of a separate exemption from the registration requirements of the Securities Act.

Tax Matters

See “TAX MATTERS” herein for additional tax-related risks with respect to the Series 2024 Bonds.

Tax Audits

Taxing authorities have recently been conducting tax audits on non-profit organizations to confirm that such organizations are in compliance with applicable tax rules and in some instances have collected significant payments as part of the settlement process. The University is not currently under audit.

Additional Bonds and Parity Obligations

Additional Bonds (as defined in the Indenture) may be issued under the Indenture on a pari passu basis with the Series 2024 Bonds. See “APPENDIX C – Form of Indenture” herein. In addition, the University may issue, incur or assume Long-Term Indebtedness secured by a Lien on Pledged Revenues pursuant to the provisions of the Pledge and Security Agreement. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – Security for the Series 2024 Bonds” and “APPENDIX E – Form of Pledge and Security Agreement.”

Pledged Revenues and the Intercreditor Agreement

The Series 2024 Bonds are secured in part by a security interest in and lien on the Pledged Revenues pursuant to the Pledge and Security Agreement. The security interest in and lien on the Pledged Revenues granted pursuant to the Pledge and Security Agreement is on a parity basis with the Series 2012A Revenue Pledge and with any future Parity Obligations as set forth in the Intercreditor Agreement. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – Security for the Series 2024 Bonds,” “APPENDIX E – Form of Pledge and Security Agreement” and “APPENDIX F – Form of Intercreditor Agreement” herein.

No Debt Service Reserve Fund for the Series 2024 Bonds

The payment of principal of, redemption price of and interest on the Series 2024 Bonds will not be secured by a debt service reserve fund.

No Mortgage

No mortgage lien on any real property of the University will be granted to secure payment of the Series 2024 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – Security for the Series 2024 Bonds – No Mortgage.” The Series 2012A Bonds are secured by a mortgage on certain real property of the University, which mortgage will not secure the Series 2024 Bonds.

Certain Matters Relating to Enforceability of the Loan Agreement

The remedies available to Series 2024 Bondholders upon an Event of Default under the Indenture or the Loan Agreement are in many respects dependent upon judicial action which is subject to discretion or delay. Under existing law and judicial decisions, including specifically the Bankruptcy Code, the remedies specified in the Indenture and the Loan Agreement may not be readily available or may be limited. A court may decide not to order specific performance.

The various legal opinions to be delivered concurrently with the original delivery of the Series 2024 Bonds will be qualified as to enforceability of the various legal instruments by, among other things, limitations imposed by bankruptcy, reorganization, insolvency or other similar laws or legal or equitable principles affecting creditors’ rights. In addition, the obligation of the University 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. The University may file for the reduction of its debts in a proceeding under the

federal Bankruptcy Code, which could include provisions modifying, eliminating or altering the rights of creditors generally, or any class of them, secured or unsecured. If the University should file a plan of reorganization (“Plan”), when confirmed by the court, the Plan binds all creditors who had notice or knowledge of the Plan and discharges all claims against the debtor provided for in the Plan. No Plan may be confirmed unless certain conditions are met, among which are that the Plan is in the best interests of creditors, is feasible and has been accepted by each 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 2024 Bonds

There can be no assurance that there will be a secondary market for purchase or sale of the Series 2024 Bonds. From time to time there may be no market for the Series 2024 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 University’s capabilities and the financial condition and results of operations of the University.

Risks Related to Outbreak of Infectious Disease

The global outbreak of the coronavirus COVID-19 (“COVID-19”) and measures taken by federal, state and local governments, as well as private organizations, intended to mitigate the spread of COVID-19 have altered the behavior of individuals and businesses and have caused and may in the future cause disruptions in global, national, and local economies, as well as global financial markets. Such measures and the responses to them have had an effect on the operations of the University. An outbreak of disease or public health emergency, including a resurgence of COVID-19, could have a materially adverse effect on the financial condition or operations of the University. For a description of certain of the impacts of the COVID-19 pandemic on the University, see “APPENDIX A – CERTAIN INFORMATION CONCERNING THE UNIVERSITY – Finance Impact and Resources for COVID-19.”

Competition

The University could face additional competition in the future from both private and public educational institutions that offer comparable services and programs to the population

which the University presently serves. This could include the establishment of new programs and the construction, renovation or expansion of competing educational institutions, as well as tuition discounting programs of competing educational institutions or governmental or other programs which provide free or reduced tuition to attend public educational institutions.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the University. Despite the implementation of network security measures by the University, 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. Any such disruption, access, disclosure, or other loss of information could result in reputational damage to the University and may have a material adverse effect on the University's operations and financial condition. Further, as cybersecurity threats continue to evolve, the University 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 University carries a cyber risk insurance policy. See "APPENDIX A – CERTAIN INFORMATION CONCERNING THE UNIVERSITY – Cybersecurity."

Other Factors

Additional factors may affect future operations of the University to an extent that cannot be determined at this time. These factors include, among others, the following:

- (i) Employee strikes and other adverse labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs.
- (ii) Increased costs and decreased availability of public liability insurance.
- (iii) Changes in the demand for higher education in general or for programs offered by the University in particular.
- (iv) Broad economic factors, such as inflation, instability in the financial and banking sectors, and economic downturns and other unfavorable economic conditions, which could affect demand or ability to pay for the University's programs and higher education in general, operating costs of the University and value of the University's investments or otherwise have an adverse impact on the University.
- (v) Cost and availability of energy.
- (vi) High interest rates, which could prevent borrowing for needed capital expenditures.
- (vii) A decrease in student loan funds or other aid that permits many students the opportunity to pursue higher education.

(viii) An increase in the costs of health care benefits, retirement plan, or other benefit packages offered by the University to its employees and retirees.

(ix) A significant decrease in the value of the University's investments caused by market or other external factors, or changes in the unrestricted portion of the University's long-term investments.

(x) Claims presently unknown to the University.

(xi) Withdrawal of any current exemptions from local real estate taxes, business privilege taxes and similar impositions.

(xii) Reduced future University revenues as a result of a need to increase tuition discounting to attract students.

(xiii) Poor financial operating performance by the University in the future and future deficits as a result of increased future expenses.

(xiv) Reduced ability to attract future annual operating contributions or capital campaign contributions due to factors including general economic conditions or tax law changes affecting the deductibility of charitable contributions, that may limit future projects or the ability to address deferred maintenance and/or the support of expenses related to faculty salaries, tuition discounting or additional programs.

(xv) Reduced availability of qualified faculty to teach the programs offered by the University.

(xvi) An inability to retain students, resulting in enrollment losses and reduced revenues.

(xvii) A downgrade in the University's bond rating or rating outlook to a level which prevents the University from being able to borrow at affordable rates in the future.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations included in the schedules provided by Morgan Stanley & Co. LLC on behalf of the University relating to the adequacy of the cash to be deposited with the applicable trustee for the Series 2011 Bonds and the Series 2014A Bonds to pay the redemption price of and principal and interest coming due on the Series 2011 Bonds and the Series 2014A Bonds, as applicable, and the forecasted payments of principal and interest to redeem the Series 2011 Bonds and the Series 2014A Bonds, as applicable, will be verified by Causey Demgen & Moore P.C. Such computations are based solely upon schedules and information supplied by or on behalf of the University. Causey Demgen & Moore P.C. will express no opinion on the assumptions provided to it, nor as to the exemption from taxation of the interest on the Series 2024 Bonds.

CONTINUING DISCLOSURE OBLIGATIONS

The Issuer has determined that no financial or operating data concerning the Issuer is material to any decision to purchase, hold or sell the Series 2024 Bonds and the Issuer will not provide any such information. In accordance with the requirements of Rule 15c2-12 (the “Rule”) promulgated by the United States Securities and Exchange Commission (the “SEC”), the University has undertaken all responsibilities for any continuing disclosure to Bondholders as provided below, and the Issuer shall have no liability with respect to such disclosures.

The University has covenanted for the benefit of Bondholders to provide certain financial information and operating data relating to the University and audited financial statements of the University by not later than one hundred fifty (150) days after the close of its fiscal year in each year commencing with the fiscal year ending May 31, 2024 (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed with the Electronic Municipal Market Access (“EMMA”) system of the Municipal Securities Rulemaking Board (“MSRB”) or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events, and the circumstances under which changes to this continued disclosure undertaking may be made, are contained in the Continuing Disclosure Agreement. This undertaking has been made in order to assist the Underwriters in complying with SEC Rule 15c2-12(b)(5). The form of the Continuing Disclosure Agreement is attached to this Official Statement as “APPENDIX G – FORM OF CONTINUING DISCLOSURE AGREEMENT.”

Requests for information in connection with this undertaking should be directed to St. John Fisher University, 3690 East Avenue, Rochester, New York 14618, Attention: Vice President for Finance and Administration and Chief Financial Officer.

TAX MATTERS

Federal Income Taxes

The Code imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2024 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 2024 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2024 Bonds. Pursuant to the Indenture, the Loan Agreement, and the Tax Compliance Agreement, by and between the Issuer and the University (the “Tax Certificate”), the Issuer and the University have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2024 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Issuer and the University have made certain representations and certifications in the Indenture, the Loan Agreement and the Tax Compliance Agreement. Bond Counsel will also rely on the opinion of counsel to the University as to all matters concerning (a) the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code, and (b) that the intended use of the facilities financed or refinanced with proceeds of Series 2024 Bonds will be in furtherance

of the University's exempt purposes under Section 501(c)(3) of the Code. Bond Counsel will not independently verify the accuracy of those representations and certifications or those opinions.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenants, and the accuracy of certain representations and certifications made by the Issuer and the University described above, interest on the Series 2024 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. 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. Interest on the Series 2024 Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

State Taxes

Bond Counsel is also of the opinion that, under existing law, interest on the Series 2024 Bonds is exempt from personal income taxation imposed by the State of New York or any political subdivision of the State of New York, assuming compliance with tax covenants and the accuracy of the representations and certifications described under the heading "Federal Income Taxes" above. Bond Counsel expresses no opinion as to other State of New York or local tax consequences arising with respect to the Series 2024 Bonds nor as to the taxability of the Series 2024 Bonds or the income therefrom under the laws of any state other than the State of New York.

Original Issue Premium

Series 2024 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 Series 2024 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 2024 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 2024 Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2024 Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2024 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.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as "APPENDIX H – Form of Approving Opinion of Bond Counsel". 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 2024 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 2024 Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2024 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 2024 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 2024 Bonds may occur. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2024 Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2024 Bonds may affect the tax status of interest on the Series 2024 Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Series 2024 Bonds, or the interest thereon, if any action is taken with respect to the Series 2024 Bonds or the proceeds thereof upon the advice or approval of other counsel.

INDEPENDENT AUDITORS

The consolidated financial statements for the University and its subsidiaries as of and for the year ended May 31, 2023, set forth in Appendix B of this Official Statement, have been

audited by Bonadio & Co., LLP, independent auditors, as set forth in their report thereon appearing in Appendix B of this Official Statement.

RELATIONSHIPS AMONG THE PARTIES

Nixon Peabody LLP is serving as Bond Counsel to the Issuer and counsel to the Issuer in connection with the Series 2024 Bonds. Nixon Peabody LLP has previously served and currently serves as general counsel to the University. The University has selected Hodgson Russ LLP as counsel to represent the University on the issuance of the Series 2024 Bonds.

RATING

S&P Global Ratings (“S&P”), has assigned a rating of “A-” with a stable outlook to the Series 2024 Bonds. Such rating reflects only the view of such organization and any desired explanation of the significance of such rating and outlook should be obtained from S&P. Such rating and outlook do not constitute a recommendation to buy, sell or hold the Series 2024 Bonds. There is no assurance that such rating or outlook will prevail for any given period of time, or that either will not be revised downward, or that the rating or outlook will not be withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating or outlook may have an adverse effect on the market price or marketability of the Series 2024 Bonds.

FINANCIAL ADVISORS

Excelsior Capital Advisory Services, LLC and Blue Rose Capital Advisors, LLC are serving as co-financial advisors to the University (collectively, the “Financial Advisors”) in connection with the issuance of the Series 2024 Bonds, including limited assistance with the preparation of the Official Statement. The Financial Advisors are not obligated to conduct, and have not conducted, a detailed investigation of the affairs of the University to independently verify the completeness, accuracy, or fairness of the information set forth in this Official Statement and the Appendices hereto. The Financial Advisors are not public accounting firms and have not been engaged by the University to compile, review, examine or audit any information in this Official Statement in accordance with accounting standards. The Financial Advisors are municipal advisors registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board in accordance with applicable federal securities laws, and are not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Series 2024 Bonds. The fee to be paid to the Financial Advisors for services provided in connection with the issuance of the Series 2024 Bonds is contingent upon the closing of the Series 2024 Bonds.

Blue Rose Capital Advisors, LLC is under common ownership with HedgeStar, LLC (“HedgeStar”). HedgeStar provides hedge accounting, fair value accounting, and valuation services for financial instruments including, but not limited to, fixed-income securities and derivatives. HedgeStar currently does not, and in connection with the Series 2024 Bonds is not expected to, provide services to the University.

LITIGATION

The Issuer

There is not now pending nor, to the knowledge of the Issuer, threatened any litigation questioning or affecting the validity of the Series 2024 Bonds or the proceedings or authority under which the Series 2024 Bonds were issued. Neither the creation, organization or existence of the Issuer nor the title of any of the present members or other officers of the Issuer to their respective offices is being contested. There is no litigation pending or, to its knowledge, threatened which in any manner questions the right of the Issuer to execute and deliver the Indenture or the Loan Agreement.

The University

There is not now pending nor, to the knowledge of the University, threatened any litigation restraining or enjoining the execution or delivery of the Financing Documents (as defined in the Indenture) to which the University is a party or questioning or affecting the validity of such documents or the proceedings or authority under which such documents were authorized or delivered. Neither the creation, organization or existence of the University nor the title of any of the present members or other officers of the University to their respective offices is being contested. There is no litigation pending or, to its knowledge, threatened which in any manner questions the right of the University to enter into the Financing Documents to which the University is a party or which would have a material adverse effect on the ability of the University to meet its obligations under the Loan Agreement.

LEGAL MATTERS

All legal matters incident to the authorization and validity of the Series 2024 Bonds are subject to the approval of Nixon Peabody LLP, Bond Counsel, whose approving opinion will be delivered with the Series 2024 Bonds. Certain legal matters will be passed upon for the Issuer by Nixon Peabody LLP. Certain legal matters will be passed upon for the University by Hodgson Russ LLP. Certain legal matters will be passed upon for the Underwriters by Norton Rose Fulbright US LLP.

UNDERWRITING

Morgan Stanley & Co. LLC and KeyBanc Capital Markets Inc. (collectively, the “Underwriters”) have agreed, subject to certain conditions, to purchase the Series 2024 Bonds from the Issuer. The Underwriters’ obligations are subject to certain conditions precedent, and, if these conditions are met, the Underwriters will be obligated to purchase all the Series 2024 Bonds if any of the Series 2024 Bonds are delivered at a purchase price of \$50,725,340.69 which represents the par amount of the Series 2024 Bonds plus premium of \$3,994,742.80 less the Underwriters’ discount of \$249,402.11. The Series 2024 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2024 Bonds into unit investment trusts) at prices lower than the public offering prices as set forth on the inside cover page hereof. The initial public offering prices may be changed from time to time by the Underwriters.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC, one of the Underwriters of the Series 2024 Bonds, has entered into a retail distribution arrangement with Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2024 Bonds.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing with regard to the Series 2024 Bonds is to be construed as a contract with the holders of the Series 2024 Bonds.

The Issuer and the University have authorized the execution and distribution of this Official Statement.

MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION

By: /s/ Ana J. Liss
Ana J. Liss
Executive Director

ST. JOHN FISHER UNIVERSITY


By: /s/ Mark D. Harris
Mark D. Harris
Vice President for Finance and Administration
and Chief Financial Officer

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing with regard to the Series 2024 Bonds is to be construed as a contract with the holders of the Series 2024 Bonds.

The Issuer and the University have authorized the execution and distribution of this Official Statement.

**MONROE COUNTY INDUSTRIAL
DEVELOPMENT CORPORATION**



By: /s/ Ana J. Liss
Ana J. Liss
Executive Director

ST. JOHN FISHER UNIVERSITY

By: /s/ Mark D. Harris
Mark D. Harris
Vice President for Finance and Administration
and Chief Financial Officer

MISCELLANEOUS


So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing with regard to the Series 2024 Bonds is to be construed as a contract with the holders of the Series 2024 Bonds.

The Issuer and the University have authorized the execution and distribution of this Official Statement.

**MONROE COUNTY INDUSTRIAL
DEVELOPMENT CORPORATION**

By: /s/ Ana J. Liss
Ana J. Liss
Executive Director

ST. JOHN FISHER UNIVERSITY

By: /s/ Mark D. Harris 
Mark D. Harris
Vice President for Finance and Administration
and Chief Financial Officer

APPENDIX A

Certain Information Concerning the University

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

CERTAIN INFORMATION CONCERNING THE UNIVERSITY

INTRODUCTION

St. John Fisher University (the “University”) is an independent, liberal arts institution in the Catholic tradition of American higher education. Guided since its inception by the educational philosophy of the Congregation of St. Basil, the University emphasizes liberal learning both for students in traditional academic disciplines and for those in more directly career-oriented fields. In keeping with the openness that is characteristic of its Basilian heritage, Fisher welcomes qualified students, faculty, and staff regardless of religious or cultural background.

The campus is situated on 164 picturesque acres in Pittsford, New York, with modern buildings and a friendly campus community with an enrollment for fall of 2023 of 2,531 full-time and 65 part-time undergraduate students. The University offers 39 academic majors in the humanities, social sciences, sciences, business, and nursing, as well as 10 pre-professional programs. The University also offers 14 master’s and 3 doctoral programs, in which approximately 690 and 390 students, respectively, are currently enrolled.

The University recorded its largest first-year class of 643 students in fall 2022, with the total enrollment at 3,637. At the time, the academic quality and the diversity recorded in the first-year class was the highest. In fall 2023, the University welcomed its fifth largest first-year class in its history of 611 students and total enrollment reached 3,702, the highest overall enrollment since 2018.

The Board of Regents of the University of the State of New York granted the University its absolute charter in 1955. Effective July 1, 2022, the College attained university designation through the New York State Education Department Board of Regents. First accreditation by the Middle States Association of Colleges and Secondary Schools occurred in 1957. The accreditation was most recently reaffirmed in 2016. The courses of instruction are registered with the Office of Higher Education of the State Education Department.

UNIVERSITY MISSION AND STRATEGIC PLANNING

Mission

St. John Fisher University is a collaborative community dedicated to teaching, learning, and scholarship in a student-centered educational environment. The University is guided by its liberal arts tradition and its Catholic heritage, as expressed in the motto of its founders, the Basilian Fathers: “teach me goodness, discipline, and knowledge.” The University engages individuals in lives of intellectual inquiry, professional integrity, and civic responsibility, where diversity and service to others are valued and practiced.

The University’s mission statement is as follows:

As an institution of higher learning, we engage our students in the quest for knowledge and truth, believing that such engagement will equip them to make sound judgments as

individuals, family members, and citizens. We provide individual guidance to students as they strive for academic excellence and develop values that will guide them in meaningful and productive lives. Our dual emphasis on intellectual and personal growth derives from our belief that learning is valuable for its own sake, for the sake of those who learn, and for the sake of society as a whole.

Strategic Plan

The University is in the sixth year of the extended 2018-2025 Strategic Plan, newly titled “Transformative Education. Transforming Lives.” The plan is comprised of five pillars: 1. Intellectual Engagement, 2. Student Success, 3. Community Engagement, 4. Diversity, Equity, and Inclusion, and 5. Institutional Excellence. There are goals and objectives identified for each pillar.

As a result of the pandemic, the University conducted a refresh of the Strategic Plan, giving the campus community an opportunity to pause and think about what changed, what lessons were learned, and what needed to be addressed moving forward, as well as a decision to align the Strategic Plan with the Middle States accreditation process. The refresh also gave the community the opportunity to assess the accomplishments to date.

ACCREDITATIONS AND AFFILIATIONS

The University is incorporated under the authority of the Board of Regents of the University of the State of New York. The University’s programs are registered with the Office of Higher Education of the State Education Department.

The University is accredited by the Middle States Commission on Higher Education (MSCHE). The MSCHE Accreditation Self-Study process is currently underway. The process is an institution-wide and comprehensive assessment of the University’s strengths and accomplishments, as well as an analysis that identifies opportunities for improvement. The Self-Study Report will be completed prior to the Accreditation Team visit which will take place in spring 2025. The Self-Study Steering Committee is chaired by the Associate Provost and the Vice President for Student Affairs and consists of faculty and staff representatives from across campus.

The School of Business is accredited by the Association to Advance Collegiate Schools of Business International (AACSB), a specialized accrediting agency recognized by the Council for Higher Education Accreditation. Initially accredited in April 2003, the School of Business underwent a review in April 2023 and was asked to complete a sixth-year review. School administration prepared a report outlining progress in March 2024. A reaccreditation update is expected to be provided in the summer of 2024 (in fiscal year 2025).

The Ralph C. Wilson, Jr. School of Education was accredited by the National Council for Accreditation of Teacher Education in October 2005. Currently, they are accredited by the Council for the Accreditation of Educator Preparation (CAEP), the sole nationally recognized accrediting body for educator preparation recognized by the U.S. Secretary of Education and the Council for Higher Education Accreditation. All programs have been recognized or recognized with conditions by their Specialized Program Associations. The Self-Study process for re-

accreditation has begun, with the submission of the Self-Study Report due in February 2025 and an accreditation visit scheduled for November 2025.

In 2010, the Wegmans School of Pharmacy was fully accredited by the Accreditation Council of Pharmacy Education (ACPE), a specialized accrediting agency recognized by the U.S. Secretary of Education and the Council for Higher Education Accreditation. They are currently in the Self-Study phase with the Self-Study report submitted in March 2024 and an accreditation site visit in April 2024.

The Wegmans School of Nursing received the full 10-year accreditation by the Council of Colleges of Nursing Education (CCNE) following their last review in November 2014, and is fully accredited through June 2025. CCNE is recognized by the U.S. Secretary of Education. They are in the process of preparing for their next on-site evaluation which will occur in November 2024.

The master's program in Mental Health Counseling is accredited by the Council for Accreditation of Counseling and Related Educational Programs (CACREP), a specialized accrediting agency recognized by the U.S. Secretary of Education and the Council for Higher Education Accreditation. A full, eight-year accreditation was received in January 2016. The next on-site accreditation evaluation is scheduled for spring or summer 2024.

The programs in the Department of Chemistry have received approval from the American Chemical Society.

The Sport Management program is accredited by the Commission on Sport Management Accreditation (COSMA).

The University is a member of the American Council on Education, the American Association of Colleges and Universities, the Association of Colleges and Universities of the State of New York, the Commission on Independent Colleges and Universities, the Council of Independent Colleges, the National Association of Independent Colleges and Universities, the American Assembly of Collegiate Schools of Business, the Council on International Exchange, the National Association of Colleges and Universities Business Officers, and the American Association of Colleges of Nursing, among others.

GOVERNANCE

Board of Trustees

The University is governed by a board of trustees (the “Board of Trustees”) comprised of not more than forty members. The Chair of the Faculty Assembly, the President of the Student Government Association, and the President of the Alumni Board of Directors are ex-officio members of the Board of Trustees. The other members are elected by the full Board of Trustees and serve three-year terms. The Board of Trustees is organized into the following committees:

- Academic and Faculty Affairs
- Student Affairs
- Strategic Enrollment Planning and Intercollegiate Athletics

- Trusteeship
- Audit
- Finance and Facilities
- Investment
- Institutional Advancement
- Mission and Identity
- Executive

Committees meet quarterly, approximately one month ahead of Board meetings and other times as needed. The Board of Trustees holds four meetings each year. All current trustees who were elected to the board in and after year 2010 are limited to serve for a maximum of twelve consecutive years, consisting of no more than four consecutive three-year terms, not including any initial term of less than three years. After a hiatus of at least one year, all trustees subject to these term limits may be considered for re-nomination by the Trusteeship Committee and re-election by the Board of Trustees. The only exceptions to this term-limit provision are (i) ex-officio trustees, and (ii) any trustee, who was elected to the Board in or after year 2010, is approaching his or her twelfth consecutive year of service and is nominated to serve as Chair or Vice Chair of the Board of Trustees. To avoid interruption of his or her service, any such trustee shall be nominated for a renewable three-year term to commence at the end of his or her then current term.

The members and positions held by the elected Board of Trustees are as follows:

Gerard J. Rooney, Ph.D.
President
St. John Fisher University

Mrs. Elizabeth Mullin-DiProsa
Former President and Chief Executive Officer
St. Ann’s Community

Mr. Ronald D. Billitier ‘88
President/Chief Executive Officer
Billitier Electric, Inc.

Ms. Diana L. Nole
Executive Vice President, General Manager of
Healthcare Business
Nuance Communications

Mr. Martin K. Birmingham
President and CEO
Financial Institutions and Five Star Bank

Mr. Michael A. O’Conor ‘78
Former Director, Management Consulting
Jordon & Jordon

Mr. Thomas G. Bowles ‘71 (Chair)
Former Chief Executive Officer
Enesco, LLC

Ms. Rebecca Pelino ‘86
Managing Partner
Capital Investment Advisors, LLC

Mr. Daniel J. Boyce, Esq. ‘79
Retired Attorney
The Law Offices of Daniel J. Boyce, Esq.

Mr. William J. Pellicano ‘80
Founder and Executive Board Chair
PrimePay, LLC

Mr. William G. Clark ‘78
Former President and CEO
Urban League of Rochester

Ms. Jacqueline D. Peterson ‘75
Special Advisor to the President
Office of Institutional Diversity, Equity
& Inclusion
Providence College

Mr. Jack A. DePeters '73
Former Senior VP for Store Operations
Wegmans Food Markets

Ms. Catherine D'Amico '78
Former CFO
Monro, Inc.

Mr. M. Kevin Dugan '70
Chairman, Executive Officer
PrimeGroup Insurance, Inc.

Mr. Herbert W. Engert, Jr. '89
Former Managing Partner
EY

Mr. Michael E. Haefner '82
Former President, CEO, and Director
Atmos Energy

Mr. Donald E. Jeffries '74
President and Chief Executive Officer
VisitRochester

Ms. Jill Knittel '94 '03 (MBA)
President
JK Executive Strategies, LLC

Mr. Anthony G. Lee '17
Associate Buyer, Men's Athletic Footwear
DICK's Sporting Goods

Ms. Janice C. Loss '92
President/Owner
Skin Search Rochester, Inc., and DermaSpa,
Partners of Dermatology Associates

Mr. Mark S. Peterson '83
Managing Partner
MSP Enterprise Partners

Mrs. Mary V. Piehler '79
Director Northeast, Strategic Solution Verticals
Lenovo

Mr. Ronald A. Pluta '79
Managing Partner
R.A.P. Management LLC

Mrs. Wanda Polisseni
Community Volunteer

Mr. Matthew Rowe
President
Gotham Surgical

Rev. George Smith, CSB
William and Helen Cavanaugh Endowed
Chair of Catholic Studies

Mr. Michael F. Stapleton '98
President and CEO
University of Rochester/Thompson Health

Mr. Randall M. White '75
Owner & Chief Executive Officer
JN White

Mr. Philip H. Yawman (Vice Chair)
President
Cooley Group, Inc

Administration

The University is administered on a day-to-day basis by the President and his staff. The principal administrative officers of the University are as follows:

Dr. Gerard J. Rooney, President. Dr. Rooney was appointed the University's 7th President in July 2015. At the time of the appointment, Dr. Rooney served as the University's Executive Vice President for Enrollment, Advancement and Planning. He earned his Ph.D. from the State University at Buffalo in the Department of Educational Leadership and Policy, Higher Education Program. He also holds a master's degree in educational administration and supervision from Fairfield University, and a bachelor's degree in sociology from Villanova University. Dr. Rooney joined the University in 1996 as Vice President of Enrollment Management and External Relations and thereafter was promoted to his current role. Using a student-centered approach, President Rooney has spearheaded several efforts to create transformative experiences leading to increased levels of student engagement and success. Under his leadership, the University has

added a variety of new undergraduate and graduate offerings, including the launch of a clinically-oriented hybrid Pharm.D. pathway in the Wegmans School of Pharmacy – the first fully online Pharm.D. program in New York State. Other new offerings created during his presidency include the Institute for Civic and Community Engagement, the Family Business Program at the School of Business, the Golisano Institute for Developmental Disability Nursing housed in the Wegmans School of Nursing, and the DePeters Family Center for Innovation and Teaching Excellence. During his presidency, President Rooney has been honored with the Executive of the Year Award from the Rochester Chapter of the Public Relations Society of America, Cardinal Awards Staff Member of the Year, the Dr. Lou Buttino Faculty and Staff Involvement Award from the University’s Teddi Dance for Love Committee, and the University at Buffalo’s Graduate School of Education’s 2020 Distinguished Alumni Award. He has also been recognized by the *Rochester Business Journal* as a 2020 ICON, as well as the 2021, 2022, 2023, and 2024 Power 100 and a 2022 Power 30 in Higher Education lists.

Dr. Kevin Railey, Provost and Vice President for Academic Affairs. Dr. Kevin Railey joined the University as the Provost and Vice President for Academic Affairs in July 2016. He is responsible for academic leadership and administration in the areas of planning, developing, implementing, and assessing all academic programs and services. He provides leadership and supervision for the University’s School of Arts and Sciences; School of Business; Wegmans School of Nursing; Wegmans School of Pharmacy; the Ralph C. Wilson, Jr. School of Education; Lavery Library; and numerous areas of academic affairs. Outside of the University, Railey has been active in higher education for nearly 30 years with past experiences as Associate Provost and Dean of the graduate school at SUNY Buffalo State. During that time, he also served as the English department chair, curriculum task force chair for the Center of Excellence in Urban and Rural Education, and as Associate Director of the campus affiliate of the National Coalition Building Institute (focused on equity and inclusion training). He received the President’s Medal for the Advancement of Equity and Campus Diversity in 2003, the Chancellor’s Award for Excellence in Scholarship and Creative Activities in 2005, and the Dr. Muriel A. Howard Award for Service Leadership in 2016. Dr. Railey received a bachelor’s degree in English from the State University of New York at Albany and a master’s degree and Ph.D. in English from the State University of New York at Stony Brook.

Dr. Mark D. Harris, Vice President for Finance and Administration and CFO. Dr. Mark D. Harris was appointed as the University’s Vice President for Finance and Administration and Chief Financial Officer (CFO) in June 2023. He joined the University from Suffolk County Community College, where he had served as Vice president of Business and Financial Affairs and CFO since 2019. He previously served as Vice President of Administration and Finance and CFO at Mercer County Community College and CFO and Vice President of Finance and Administrative Services at Cumberland County College. He oversees the Division of Finance and Administration, serves as a member of the Cabinet, and works to advance the Strategic Plan and financial health of the University. Dr. Harris received his bachelor’s degree in business management, MBA in finance, and doctor of business administration from Wilmington University. He also earned a master’s degree in financial planning from the University of Georgia.

Jose J. Perales, Vice President for Enrollment Management. Jose J. Perales ‘95 was appointed as the Vice President for Enrollment Management in August 2016 after serving for one year as the Interim Vice President and 20 years at the University in a variety of enrollment-based positions.

He leads the areas of first-year, transfer, and graduate admissions; student financial services; registrar; institutional research; and intercollegiate athletics. Additionally, he participates in strategic planning for the University and fosters community partnerships and outreach initiatives. Mr. Perales holds a bachelor's degree in history from St. John Fisher University and a master's degree in management from Roberts Wesleyan University.

Dr. Matha Thornton, Vice President for Student Affairs and Dean of Students. Dr. Matha Thornton began as Vice President for Student Affairs and Dean of Students at the University in fall 2017. Dr. Thornton served at Randolph College in Lynchburg, Virginia, as the Vice President for Student Affairs and Dean of Students. She earned a bachelor's degree in political science and industrial relations from the University of North Carolina, Chapel Hill, a master's degree in higher education from Florida State University, and a doctoral degree in higher education from the University of Virginia.

Chris Biehn, Vice President for Institutional Advancement. Chris Biehn joined the University as the Vice President for Institutional Advancement in August 2020. He oversees the University's alumni relations and advancement teams. He also continues to lead the University's comprehensive campaign, Fisher Forward, which launched in September 2019. Mr. Biehn brings over 32 years of experience as a leader in higher and secondary education. Most recently, he served as senior consultant with Washburn & McGoldrick working with clients on the creation and implementation of engagement and development strategies, and the development of multi-year strategic plans for the firm's advancement division. Prior to working with Washburn & McGoldrick, he served as Vice President of College Relations and Advancement at Ithaca College. He has also served as the Vice President for University Advancement at Drew University and the Chief Advancement Officer for the Williston Northampton School in Easthampton, Massachusetts. He received his bachelor's degree in philosophy from Hobart College.

FACULTY AND STAFF

The regular teaching load for full-time faculty is a minimum of 9 credit hours and a maximum of 12 credit hours per semester. The number of full- and part-time faculty in the fall semester for the past five years is as follows:

Fall Semester	2019-20	2020-21	2021-22	2022-23	2023-24
Number of Full-time Faculty	230	217	217	220	214
Number tenured	137	138	125	119	106
Number with terminal degrees	201	190	187	184	173
Number of Part-time Faculty	212	194	196	193	209

The number of exempt and non-exempt staff of the University for the past five calendar years is as follows:

Calendar Year	2019	2020	2021	2022	2023
Exempt	189	195	189	196	213
Non-Exempt	245	242	210	206	218

ACADEMIC PROGRAMS

General

The University is empowered by the Board of Regents of the State of New York to offer courses leading to and to grant the degrees of Bachelor of Arts (B.A.), Bachelor of Science (B.S.), Master of Science (M.S.), Master of Business Administration (M.B.A.), Master of Science, Education (M.S. Ed.), Doctor of Education in Executive Leadership (Ed.D.), Doctor of Pharmacy (Pharm.D.), and Doctor of Nursing Practice (D.N.P.).

The University currently offers the following undergraduate degrees:

Degree B.A.	Degree B.S.
American Studies	Accounting
Anthropology	Athletic Performance
Biology	Biology
Chemistry	Biochemistry
Criminology and Criminal Justice	Chemistry
Cybersecurity	Chemistry-Pharmaceutical
Data Analytics	Computer Science
Economics	Finance
English	Human Resources Management
History	Inclusive Education - Adolescence
Interdisciplinary Studies	Inclusive Education - Childhood
International Studies	Interdisciplinary Studies
Legal Studies	Management
Mathematics	Marketing
Philosophy	Mathematics
Physics	Media and Communication
Political Science	Modern Languages and Cultures
Psychology	Nursing
Public Health	Pharmaceutical Studies
Religious Studies	Physics
Sociology	Psychology
Spanish	Public Health
Statistics	Public Relations
Sustainability	Sport Management
Noyce Scholarship Degrees	Undergraduate Certificate Programs
Biology with Inclusive Adolescence Education	Accounting Certificate
Chemistry with Inclusive Adolescence Education	Spanish/Latino Culture for the Health
Math with Inclusive Adolescence Education	Professional Writing Certificate
Physics with Inclusive Adolescence Education	Museum Studies

Cooperative Programs

Opportunities for students to take courses for credit in other institutions of higher education are expanding and are described below.

Rochester Area Colleges. The University is a member of the Rochester Area Colleges consortium (“RAC”), chartered in 1971 by the Board of Regents of the State of New York. Other members of RAC include University of Rochester, Colgate Rochester Crozer Divinity School, St. Bernard’s School of Theology and Ministry, Rochester Institute of Technology, Roberts Wesleyan University, Nazareth University, Keuka College, Alfred University, Empire State College, Houghton University, Hobart and William Smith Colleges, Corning Community College, Genesee Community College, Finger Lakes Community College, Monroe Community College, and the State University of New York at Brockport and at Geneseo. The consortium was established to advance interinstitutional cooperation and thus increase the academic resources of the community. Undergraduate matriculated students may enroll in undergraduate courses on a space-available basis at any college participating in RAC, provided that the requested course is not taught at the home school, the student is a full-time student at his or her home school throughout the duration of the requested course, and the student pays full-time tuition to the home school. A full-time student is defined as a matriculated student carrying no fewer than 12 credit hours. Enrollment is not applicable to summer semester or graduate courses.

Credit earned by students of the University at other RAC member institutions is not included in their grade point average at the University and is not accepted in transfer unless a grade of “C” or higher is earned. University language majors who take courses in their major at Nazareth University will earn the grade as well as the credits, regardless of the grade(s) received.

Far Eastern Languages (University of Rochester). Students may enroll in courses in Far Eastern languages, history, and culture offered through the South Asian Studies Center and also may enroll in creative arts by special arrangement.

U.S. Army ROTC. This program is open to full-time students of the University who wish to study leadership without obligation for any military service. Students may apply for four-year, three-year, or two-year scholarships and receive other benefits as well. Students may serve as a commissioned officer in the active Army, the Army Reserve, or Army National Guard after completing Army ROTC and graduating with a four-year degree.

U.S. Air Force ROTC: Through RAC, students at the University in all academic disciplines are eligible to participate in Air Force scholarship programs. Four-, three-, and two-year scholarships are available. Scholarships are competitively based, and early application is important. Students awarded Air Force ROTC scholarships are entitled to additional benefits, including non-taxable monthly stipends, money for books, and paid training. All successful graduates are guaranteed at least four years of active-duty leadership experience as Air Force officers.

Foreign Study Programs. These programs are operated in association with American Institute for Foreign Study, Central College Abroad, Council on International Education Exchange, Internships for Francophone Europe, International Programs for Service Learning and International Studies Abroad (Tokyo). Approximately 30 students of the University participate in these programs annually.

Graduate Programs

The University offers the following graduate programs:

Degree M.S.	Degree M.S. Ed.
Advanced Practice Nursing Adolescence Education Childhood Education Literacy Education Library Media Mental Health Counseling Public Health	Educational Leadership
	Degree MBA Management
	Degree Pharm.D. Pharmacy
Degree Ed.D.	Degree D.N.P.
Executive Leadership*	Advanced Practice Nursing

*The Executive Leadership program is delivered at the University's Rochester campus and in New Rochelle, New York in cooperation with Iona University.

ADMISSIONS STATISTICS

Total enrollment in the fall of 2023 was 3,702 students. The total enrollment figure is comprised of the following student segments:

- Undergraduate: 2,593 full-time equivalent (FTE) students, including 2,531 full-time undergraduates and 65 part-time students; and
- Graduate: 1,106 matriculated students, including 690 master's-level, 394 doctoral-level students, and 22 continuing education students.

Fall Semester First-Year Student					
	2019-20	2020-21	2021-22	2022-23	2023-24
Applications	4,720	4,409	4,515	4,200	4,600
Acceptances	3,044	3,016	3,210	3,068	3,119
% Accepted	64.5%	68.4%	71.1%	73.0%	67.8%
Enrolled	601	624	596	643	611
% Enrolled	19.7%	20.7%	18.6%	21.0%	19.6%

Academic Quality of First-Year Students					
	2019-20	2020-21	2021-22	2022-23	2023-24
SAT Critical Reading 25th Percentile (middle 50%)	530-620	520-610	550-630	550-630	560-640
SAT Math 25th Percentile (middles 50%)	540-640	540-630	560-640	540-630	560-640
*Percent in top tenth of high school graduating class	21%	22%	19%	26%	20%
*Percent in top quarter of high school graduating class	55%	58%	54%	55%	57%

*High school ranking is reported voluntarily; not all high schools report the information, which varies from year-to-year based on the high schools from which first-year students graduate.

ENROLLMENT SUMMARY

Fall semester enrollments at the University for the past five academic years are presented in the table below.

	2019-20	2020-21	2021-22	2022-23	2023-24
Full-time:					
Undergraduate	2,542	2,573	2,491	2,540	2,531
Graduate	512	472	534	552	512
Total	3,054	3,045	3,025	3,092	3,043
Part-time:					
Undergraduate	123	119	106	89	65
Graduate	470	463	418	456	594
Total	593	582	524	545	659
Total Headcount	3,647	3,627	3,549	3,637	3,702
Full-time Equivalent:					
Undergraduate	2,632	2,649	2,564	2,625	2,593
Graduate	796	753	786	812	851
Total FTE	3,428	3,402	3,350	3,437	3,444

FIRST-YEAR STUDENT GEOGRAPHIC PROFILE

The geographic profile of the University’s first-year students for the past five years is as follows:

Counties	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Rochester Area	263	276	223	263	249
Surrounding Syracuse	118	125	123	100	125
Surrounding Buffalo	70	78	60	72	59
Surrounding Albany	53	36	43	62	37
South of Rochester Area	21	19	26	40	20
Out of State	27	30	51	39	45
North Country	17	19	22	16	21
Southeast NY Less NYC	20	26	35	39	30
East of Rochester Area	3	6	5	6	11
NYC	9	8	6	6	13
Out of Country	0	1	2	0	1

TRANSFER AND GRADUATE ENROLLMENT STATISTICS

Full and Part-Time Transfer Enrollment Activity					
	2019-20	2020-21	2021-22	2022-23	2023-24
Applications	544	532	526	541	376
Acceptances	312	314	283	308	252
% Accepted	57.4%	59.0%	53.8%	56.9%	67.0%
Enrolled	128	139	133	126	104
% Enrolled	41.0%	44.3%	47.0%	40.9%	41.3%

Graduate Enrollment Activity					
	2019-20	2020-21	2021-22	2022-23	2023-24
Applications	756	813	1,049	964	996
Acceptances	453	437	493	467	555
% Accepted	59.9%	53.8%	47.0%	48.4%	55.7%
Enrolled	298	260	292	240	274
% Enrolled	65.8%	59.5%	59.2%	51.4%	49.4%

MAJORS RANKED BY HIGHEST ENROLLMENT

The undergraduate degrees with the highest enrollment in 2023-24 and their enrollments for the past five academic years are presented in the table below.

	2019-20	2020-21	2021-22	2022-23	2023-24
Nursing	756	770	728	682	642
Biology	230	241	226	231	218
Psychology	182	146	155	170	177
Sport Management	138	140	148	145	161
Finance	122	123	138	157	161
Management	140	144	136	129	137
Marketing	112	103	116	129	127
Childhood Education	121	128	114	110	111
Accounting	150	135	103	104	90

The master's degrees with the highest enrollment in 2023-24 and their enrollments for the past five academic years are presented in the table below.

	2019-20	2020-21	2021-22	2022-23	2023-24
Nursing	264	268	276	315	450
Business Administration	104	72	61	76	89
Mental Health Counseling	72	77	79	76	82

The Pharmacy Doctorate had the highest enrollment of the three doctoral programs offered by the University for the past five academic years. The enrollment is presented in the table below.

	2019-20	2020-21	2021-22	2022-23	2023-24
Pharmacy - on campus	289	250	209	189	155
Pharmacy - online	0	34	86	111	146

RETENTION

The University's 3rd Semester Retention Rates for the last five years are:

Category	2019-20	2020-21	2021-22	2022-23	2023-24
Regular Admits	87%	90%	87%	82%	84%
Higher Education Opportunity Program (HEOP)	96%	86%	94%	100%	95%
Overall Rate	88%	90%	87%	83%	84%

RESIDENTIAL STUDENTS

The University offers nine different residence halls designed to house 1,495 undergraduate students. The University offers many different housing configurations, from traditional corridor-style residence halls to suite-style residence halls and from groups of 4 students to single rooms.

FULL TIME UNDERGRADUATES IN RESIDENCE

	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Number of University Owned Beds Available	1,495	1,495	1,495	1,495	1,495
Number of University Beds Filled	1,432	1,393	1,345	1,402	1,437
Occupancy %	96%	93%	90%	94%	96%

DEGREES CONFERRED

The degrees conferred at the University for the past five academic years are presented in the table below.

Degrees conferred	2018-19	2019-20	2020-21	2021-22	2022-23
Bachelor's	680	677	698	631	656
Post Bachelor's Certificate	0	1	0	0	0
Master's	239	209	234	206	205
Master's Certificate	4	5	6	3	6
Doctoral	126	120	127	99	103

COMPETITORS

The University competes with other regional colleges and universities for qualified applicants. The University's top ten competitors (by cross-applications) are listed below.

Canisius University
 Le Moyne College
 Nazareth University
 Niagara University
 Rochester Institute of Technology
 St. Bonaventure University
 SUNY College – Brockport

SUNY University at Buffalo
SUNY College – Geneseo
SUNY College – Oswego

TUITION AND CHARGES

The University receives most of its educational and general revenue from tuition and fees. The remaining revenue sources are principally income from endowment, gifts, and grants.

Academic Year	2019-20	2020-21	2021-22	2022-23	2023-24
Tuition, room and board (full-time students for full year)					
Tuition	\$ 34,340	\$ 34,340	\$ 35,352	\$ 36,748	\$ 38,566
Room and Board	\$ 12,650	\$ 12,650	\$ 13,020	\$ 13,666	\$ 14,342
Total	\$ 46,990	\$ 46,990	\$ 48,372	\$ 50,414	\$ 52,908
Tuition per credit hour (part-time and graduate student)					
All Undergraduate	\$ 936	\$ 936	\$ 960	\$ 998	\$ 1,047
Master's					
Premium	\$ 1,160	\$ 1,160	\$ 1,192	\$ 1,239	\$ 1,301
Other	\$ 975	\$ 975	\$ 1,003	\$ 1,042	\$ 1,094
Doctorate					
Pharmacy Doctorate (Annual)	\$ 41,466	\$ 41,466	\$ 42,690	\$ 44,378	\$ 46,574
Educational Doctorate (per cr/hr)	\$ 1,435	\$ 1,435	\$ 1,477	\$ 1,536	\$ 1,612
Educational Doctorate Hybrid (per cr/hr)*					\$ 1,277
Doctorate in Nursing Practice (per cr/hr)	\$ 1,365	\$ 1,365	\$ 1,403	\$ 1,459	\$ 1,531

*Educational Doctorate Hybrid was offered for the first time in academic year 2023-24.

FINANCIAL AID

The University provides grants and scholarships to 2,854 students, funded from its own resources. In addition, the University participates in various federal and state programs providing aid to individual students. The federal programs include Direct Federal Student Loans, Supplemental Educational Opportunity Grants, Pell Grants, Federal TEACH Grants, and College Work-Study. Grants through New York State include the Tuition Assistance Program and the Higher Education Opportunity Program. New York State also offers scholarships to state residents and additional grants to part-time students. Some students from outside New York State benefit from various loans and grant programs of their states of residence.

University Financial Aid

The following table shows the number of students applying for and/or being assisted by financial aid, either by grants or loans:

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Financial Aid --Grants	2,092	2,010	1,973	1,900	1,415
Student Assistance	2,882	2,857	2,873	2,805	2,854
% of Enrollment with Bank Loan	76%	75%	73%	71%	71%

The following table shows the funding sources for Scholarships and Grants reflected on the University's audited financial statements in the calculation of "Net Tuition, Fees, Room, and Board" (dollars in thousands):

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
State Programs	\$ 490	\$ 547	\$ 494	\$ 630	\$ 742
Federal Programs (excludes loans)	\$ 859	\$ 702	\$ 831	\$ 753	\$ 1,067
University's Scholarships Programs	\$ 39,033	\$ 39,668	\$ 42,268	\$ 44,006	\$ 46,763
Scholarships & Grants Reflected on the Audited Financial Statements	\$ 40,383	\$ 40,918	\$ 43,594	\$ 45,390	\$ 48,572

The following table shows additional financial aid program funding awarded to students based on external program criteria. This 3rd party program funding is not reflected on the University's audited financial statements (dollars in thousands):

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
State Programs	\$ 2,477	\$ 2,217	\$ 2,163	\$ 2,426	\$ 2,472
Federal Programs (excludes loans)	3,654	3,338	3,488	3,417	3,807
Other Financial Aid	6,130	5,554	5,649	5,842	6,279
Total Financial Aid*	\$ 46,513	\$ 46,472	\$ 49,243	\$ 51,232	\$ 54,851

*Total of additional financial aid shown in this table, and Scholarships & Grants Reflected on the Audited Financial Statements shown in the immediately preceding table.

State Aid

The University benefits from a program in New York State that pays aid to certain institutions of higher education based on the number of academic degrees conferred each year (the "Bundy Aid" program). This aid is unrestricted as to use. During its 2022-2023 academic year the University received \$307,675 from the program. Future State aid depends upon annual appropriations by the Legislature and the ability of the State to pay the amount appropriated.

FINANCE IMPACT AND RESOURCES FOR COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. The global pandemic caused by the virus disrupted world-wide economic activity. After closely monitoring the situation and with guidance from federal, state and local governments, the University closed all residence halls effective March 14, 2020 and moved to strictly online instruction for the remainder of the spring 2020 semester. The University also cancelled all athletics, travel, and other activities that required personal interactions. On-campus operations resumed for the Fall 2020 semester, providing instruction and campus services

to students using a blend of in-person and online delivery. However, due to a rise in coronavirus cases, all residence halls closed effective October 20, 2020. The campus reopened residence halls for the Spring 2021 semester.

As a result, the University refunded approximately \$2,630,000 and \$3,300,000 of room and board receipts to students for fiscal years ended May 31, 2021 and 2020, respectively. The University was able to host on campus residency for the entire 2022 fiscal year, and therefore did not refund any room and board receipts for the fiscal year ended May 31, 2022.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by the United States Congress and signed into law by the President on March 27, 2020. The CARES Act established the Higher Education Emergency Relief Fund (HEERF). In December 2020, the HEERF program received additional funding allocated by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and in March 2021 additional funding was allocated by the American Rescue Plan Act (ARPA).

HEERF grants contained specific requirements on how the funding could be used. HEERF grants were required to be awarded in part as direct emergency financial aid grants to students for expenses related to the disruption of campus operations due to the pandemic, with the remaining funding retained by institutions to offset the costs associated with changes to the delivery of instruction due to the pandemic and to defray institutional expenses, including room and board refunds.

During 2022, the University recognized HEERF grant revenue of \$7,151,270, of which \$3,581,291 was distributed as direct emergency financial aid grants to students. In 2021, the University recognized HEERF grant revenue of \$6,676,502, of which \$2,681,804 was distributed as direct emergency financial aid grants to students. HEERF grant revenue is recorded as federal grants and the associated financial aid grants to students is recorded as student service expense on the accompanying consolidated statement of activities and change in net assets for the years ended May 31, 2022 and 2021.

For fiscal year 2021, the University decided to forgo the 2.95% budgeted tuition rate increase leaving rates flat year over year. In response to the partial curtailment of operations, cost reduction measures were implemented, including salary reductions, furloughs, and other budgetary reductions during both 2021 and 2020. In addition, an expenditure control discipline was implemented with a focus on both personnel and operating expenses, prioritizing expenses that support the student experience.

In fiscal year 2022, salaries were restored to their pre-reduction rates and expenditure approvals are updated and included in the University's Procurement Policy.

BUDGET AND REPORTING PROCEDURES

The University has a long history of fiscal responsibility and operating surplus shepherded, in part, by a robust annual budget development process. The budget development process has been further strengthened in recent years by the addition of several budgetary components that foster collaboration and inclusion, transparency for all constituents of the budget process, accountability, and the utilization of evidence-based metrics in decision making. The involvement

of the University's senior leadership at every step of the budget development process seeks to ensure that the mission and goals of the University, in addition to of-the-moment priorities, are inextricably linked to the allocation of the financial resources of the University via the budget.

The University's annual operating budget presented and approved by the Board of Trustees, is required to ensure a contingency funding amount of three percent of the gross tuition, fees, room, and board revenue amount.

The process of review and projection of operating expenses was redesigned during fiscal year 2023-2024, and the updated process ensures that budget managers receive monthly analysis on the budget to actuals for their individual operating expenses. Continuous review of actuals compared to budget guarantee that projections can be created using vetted data as the basis. The projection process relies on budget managers' input and projection which is then submitted to the Controller's Office for review and analysis. The Cabinet, comprising of the University President and Vice Presidents, review and discussion of the operating expense projections occur prior to building the projections into the budget model. Once finalized, the projections are included within the budget models, and reflect adjustments to the projections suggested by the Cabinet.

MANAGEMENT REPORT OF OPERATING RESULTS

The Board of Trustees adopts the budget for the upcoming fiscal year at a board meeting in April. The Board of Trustees' approval is the culmination of a process that includes the University's President, Provost, Vice Presidents, School Deans, Controller's Office, and Budget Managers. The Finance Committee provides the initial review of the annual budget and forwards the budget to the Board of Trustees with their recommendation for its approval at the annual meeting. The Finance Committee meets on a quarterly basis to review the University's operational results.

Despite projected demographic declines in the traditional-age student population and in the University's primary service area, the full-time undergraduate enrollment is expected to grow slightly in the coming years. A broader geographic recruitment outreach, the recent addition of several new athletic programs, a continuing focus on student success, and the development of new academic programs that meet market and workforce needs will enable the University to achieve this objective. The undergraduate enrollment will continue to be enhanced by the addition of an online undergraduate degree completion program expected to be offered in fiscal year 2025.

Graduate-level enrollment is projected to continue to increase in the next five years due in large part to expanded online degree offerings. In spring 2024, the University reached a historical high for spring semester graduate enrollment (1,102). It is anticipated that fall 2024 graduate enrollment will continue this trend and will reach a new historical high at more than 1,150. Master's-level enrollment at the University is projected to grow from fall 2023 (690) to beyond 800 in the next five years. The doctoral level programs are expected to increase as well due in part to the recent approvals for the addition of a Doctor of Nursing Practice (DNP) in Nurse Anesthesia program anticipated to begin in spring of fiscal year 2025. It is anticipated that doctoral level enrollment will increase from 394 in fall 2023 to approximately 500 in the next five years. As called for in the Strategic Plan, the University is also conducting market studies in the graduate student segment to identify new program opportunities that are mission consistent, market responsive and financially viable.

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The Organizations distinguish between contributions received that increase net assets with donor restrictions and net assets without donor restrictions and recognize the expiration of donor-imposed restrictions in the period in which the restrictions expire.

For the fiscal year ending May 31, 2023, the University's auditors were Bonadio & Co., LLP, of Rochester, New York. Appendix B to this Official Statement contains audited consolidated financial statements of the University and its subsidiaries, notes to the statements, and the report of the auditors thereon. In fiscal year 2022-2023, the University's results show an excess of net assets without donor restrictions revenues over expenditures of \$1.9 million from operating activities and a decrease in total net assets of \$4.6 million, primarily due to investment activity. The University's approved 2023-24 operating budget reflects total operating income of \$109.5 million and total operating expenses of \$104.8 million resulting in a budgeted change in net assets from operations of \$4.7 million. The University's forecasted 2023-2024 fiscal year end projected operating results are consistent with the \$4.7 million change in net assets from operations in the approved operating budget. This budget continues the University's conservative budgeting practices of a budgeted increase in net assets from operations and fully funding its depreciation.

The University's approved 2024-25 operating budget reflects total operating income of \$114.4 million and total operating expenses of \$109.6 million resulting in a budgeted change in net assets from operations of \$4.8 million. The fiscal year 2025 operating budget includes tuition, room and board increase of 3.95%. The enrollment projections included in the fiscal year 2025 budget are:

- 2,524 undergraduate students:
 - 575 new first-year students
 - 115 new transfers and readmitted students
 - Continued impact of consecutive years of enrolling 600 or more first-year students, 65 part-time undergraduate, and 25 online RN-BS undergraduate students
- 1,165 graduate students:
 - 754 master's students (453 online students in the Advanced Practice Nursing/2U partner program)
 - 411 doctoral students (159 online students in the Pharm.D./2U partner program)

SUMMARY FINANCIAL INFORMATION

Statements of Financial Position As of May 31

	2019*	2020*	2021*	2022*	2023*
Assets					
Cash and cash equivalents	\$ 31,571,949	\$ 29,130,814	\$ 37,647,203	\$ 25,143,058	\$ 11,080,087
Student accounts receivable, net	2,776,823	3,436,961	2,732,488	2,989,406	4,071,974
Perkins student loans receivable, net	2,897,342	2,319,545	1,639,346	497,184	110,879
Gifts receivable, net	6,035,202	4,010,300	5,088,575	8,245,853	8,009,111
Grants and other receivables	4,925,582	2,283,803	1,344,515	1,488,391	2,737,675
Short-term investments	-	-	-	10,008,267	15,411,249
Deferred charges and prepaid expenses, and other assets	1,384,282	1,397,708	1,298,063	1,130,764	1,424,498
Assets whose use is limited	5,742,974	5,494,638	5,598,348	5,627,407	5,606,096
Investments held for long-term purposes	93,984,656	97,206,588	132,348,863	128,817,158	129,993,829
Property and equipment, net	154,168,782	157,399,142	150,214,109	151,093,198	153,017,693
Total assets	\$ 303,487,592	\$ 302,679,499	\$ 337,911,510	\$ 335,040,686	\$ 331,463,091
Liabilities					
Accounts payable	\$ 6,249,559	\$ 1,684,471	\$ 2,984,579	\$ 3,735,610	\$ 4,187,399
Accrued expenses and liabilities	8,526,791	9,211,718	12,352,747	9,660,076	9,196,447
Deferred revenue	6,841,051	9,074,941	5,679,677	6,364,458	9,082,607
Long-term debt	41,490,749	38,259,021	35,160,152	32,797,729	31,831,463
Accrued post-retirement benefits	3,374,067	3,890,254	4,056,418	4,092,210	3,936,741
Conditional asset retirement obligation	1,351,470	1,364,897	1,442,802	1,504,410	1,419,145
U.S. Government grants refundable	3,289,634	2,557,767	2,035,363	1,535,363	1,073,311
Total Liabilities	\$ 71,123,321	\$ 66,043,069	\$ 63,711,738	\$ 59,689,856	\$ 60,727,113
Net Assets					
Without donor restrictions	186,619,764	188,214,154	213,272,945	218,283,176	214,614,863
With donor restrictions	45,744,507	48,422,276	60,926,827	57,067,654	56,121,115
Total net assets	\$ 232,364,271	\$ 236,636,430	\$ 274,199,772	\$ 275,350,830	\$ 270,735,978
Total	\$ 303,487,592	\$ 302,679,499	\$ 337,911,510	\$ 335,040,686	\$ 331,463,091

*Includes the accounts of the University and its subsidiaries, St. John Fisher Real Estate, LLC and SJFC Prime Care, LLC. See Note 1 to the consolidated financial statements for the University and its subsidiaries as of and for the year ended May 31, 2023, in Appendix B of the Official Statement.

SUMMARY FINANCIAL INFORMATION (CONT'D)

**Statements of Activities
For Year Ending May 31**

	2019*	2020*	2021*	2022*	2023*
OPERATING REVENUE					
Tuition, fees, room and board	\$ 133,917,430	\$ 128,898,029	\$ 126,224,279	\$ 130,789,184	\$ 138,256,704
Less scholarships and grants	(40,382,332)	(40,916,745)	(43,592,992)	(45,389,566)	(48,572,147)
Net tuition, fees, room and board	\$ 93,535,098	\$ 87,981,284	\$ 82,631,287	\$ 85,399,618	\$ 89,684,557
OTHER SOURCES					
Federal, state, and private grants	\$ 6,397,920	\$ 1,804,553	\$ 10,124,531	\$ 11,141,002	\$ 4,508,558
Gifts for operating purposes	5,783,987	1,125,058	1,376,726	1,182,329	1,541,262
Endowment income allocated to operations	3,558,734	3,811,310	4,089,047	4,409,797	5,236,739
Auxiliary enterprises, other than room and board	1,208,632	954,859	239,154	306,181	859,536
Interest on operating funds and assets whose use is limited	600,388	418,350	110,828	73,305	605,058
All other sources	3,781,201	2,720,195	2,171,251	2,792,606	3,495,752
Total revenue from other sources	\$ 21,330,862	\$ 10,834,325	\$ 18,111,537	\$ 19,905,220	\$ 16,246,905
Total operating revenue	\$ 114,865,960	\$ 98,815,609	\$ 100,742,824	\$ 105,304,838	\$ 105,931,462
OPERATING EXPENSES					
Salaries and benefits	\$ 60,501,678	\$ 62,451,939	\$ 59,258,221	\$ 62,013,058	\$ 62,888,941
Interest and amortization expense	1,730,682	1,788,950	1,706,311	1,463,622	1,291,600
Depreciation and accretion	8,522,325	8,632,735	9,216,620	9,956,924	9,997,056
All other operating expenses	27,309,970	24,649,972	21,525,100	26,412,951	31,428,027
Student emergency relief aid	-	-	2,681,804	3,581,291	-
Total operating expenses	\$ 98,064,655	\$ 97,523,596	\$ 94,388,056	\$ 103,427,846	\$ 105,605,624
CHANGE IN NET ASSETS DUE TO OPERATING ACTIVITIES	\$ 16,801,305	\$ 1,292,013	\$ 6,354,768	\$ 1,876,992	\$ 325,838
NON-OPERATING REVENUE					
Net Investment Income:					
Income and gains from long-term investing activities	\$ 248,144	\$ 1,325,625	\$ 31,085,932	\$ (6,203,315)	\$ (2,098,035)
Less portion allocated, by the board, to operations	(3,558,734)	(3,811,310)	(4,089,047)	(4,409,797)	(5,236,739)
Net investment income (loss) reinvested	\$ (3,310,590)	\$ (2,485,685)	\$ 26,996,885	\$ (10,613,112)	\$ (7,334,774)
Estates and gifts designated, by the donors, or the board, as non-operating revenue	\$ 3,696,035	\$ 6,949,955	\$ 5,182,348	\$ 11,175,660	\$ 3,958,647
Other non-operating income (losses)	(653,816)	(1,484,124)	(970,659)	(1,288,480)	(1,564,563)
CHANGE IN NET ASSETS DUE TO NON-OPERATING ACTIVITIES	\$ (268,371)	\$ 2,980,146	\$ 31,208,574	\$ (725,932)	\$ (4,940,690)
TOTAL CHANGE IN NET ASSETS	\$ 16,532,934	\$ 4,272,159	\$ 37,563,342	\$ 1,151,060	\$ (4,614,852)
NET ASSETS, BEGINNING OF YEAR					
	\$ 215,831,337	\$ 232,364,271	\$ 236,636,430	\$ 274,199,770	\$ 275,350,830
NET ASSETS, END OF YEAR	\$ 232,364,271	\$ 236,636,430	\$ 274,199,772	\$ 275,350,830	\$ 270,735,978

*Includes the accounts of the University and its subsidiaries, St. John Fisher Real Estate, LLC and SJFC Prime Care, LLC.

SUMMARY FINANCIAL INFORMATION (CONT'D)

**Statements of Activities – Without Donor Restrictions
For Year Ending May 31**

	2019	2020	2021	2022	2023
	WO DR	WO DR	WO DR	WO DR	WO DR
OPERATING REVENUE					
Tuition, fees, room and board	\$ 133,917,430	\$ 128,898,029	\$ 126,224,279	\$ 130,789,184	\$ 138,256,704
Less scholarships and grants	(40,382,332)	(40,916,745)	(43,592,992)	(45,389,566)	(48,572,147)
Net tuition, fees, room and board	\$ 93,535,098	\$ 87,981,284	\$ 82,631,287	\$ 85,399,618	\$ 89,684,557
OTHER SOURCES					
Federal, state, and private grants	\$ 4,055,813	\$ 1,803,975	\$ 5,669,497	\$ 11,089,625	\$ 4,316,074
Gifts for operating purposes	540,132	745,050	703,474	1,156,579	1,535,296
Endowment income allocated to operations	2,438,046	2,701,024	2,979,542	3,229,779	3,602,919
Auxiliary enterprises, other than room and board	1,208,632	954,859	239,154	306,181	859,536
Interest on operating funds and assets whose use is limited	600,388	418,350	110,828	73,305	605,058
All other sources	3,055,317	2,699,315	1,447,892	2,600,980	2,772,289
Net assets release from restrictions	1,230,456	3,216,272	6,774,782	3,767,402	4,163,051
Reclassification of net assets	22,647	-	-	-	-
Total revenue from other sources	\$ 13,151,431	\$ 12,538,845	\$ 17,925,169	\$ 22,223,851	\$ 17,854,223
Total operating revenue	\$ 106,686,529	\$ 100,520,129	\$ 100,556,456	\$ 107,623,469	\$ 107,538,780
OPERATING EXPENSES					
Salaries and benefits	\$ 60,501,678	\$ 62,451,939	\$ 59,258,221	\$ 62,013,058	\$ 62,888,941
Interest and amortization expense	1,730,682	1,788,950	1,706,311	1,463,622	1,291,600
Depreciation and accretion	8,522,325	8,632,735	9,216,620	9,956,924	9,997,056
All other operating expenses	27,309,970	24,649,972	21,525,100	26,412,951	31,428,027
Student emergency relief aid	-	-	2,681,804	3,581,291	-
Total operating expenses	\$ 98,064,655	\$ 97,523,596	\$ 94,388,056	\$ 103,427,846	\$ 105,605,624
CHANGE IN NET ASSETS DUE TO OPERATING ACTIVITIES	\$ 8,621,874	\$ 2,996,533	\$ 6,168,400	\$ 4,195,623	\$ 1,933,156
NON-OPERATING REVENUE					
Net Investment Income:					
Income and gains from long-term investing activities, net	\$ 154,521	\$ 1,264,323	\$ 20,701,892	\$ (3,918,132)	\$ (1,314,652)
Endowment income allocated to operations	(2,438,046)	(2,701,024)	(2,979,542)	(3,229,779)	(3,602,919)
Net investment income (loss) reinvested	\$ (2,283,525)	\$ (1,436,701)	\$ 17,722,350	\$ (7,147,911)	\$ (4,917,571)
Gifts designated, by the donors, or the board, as non-operating revenue	\$ 612,026	\$ 470,449	\$ 973,623	\$ 1,564,505	\$ 39,276
Net assets released from restriction	1,223,008	946,223	1,165,077	7,690,993	902,575
Other non-operating activities	(545,652)	(1,382,114)	(970,659)	(1,292,977)	(1,625,749)
CHANGE IN NET ASSETS DUE TO NON-OPERATING ACTIVITIES	\$ (994,143)	\$ (1,402,143)	\$ 18,890,391	\$ 814,610	\$ (5,601,469)
TOTAL CHANGE IN NET ASSETS	\$ 7,627,731	\$ 1,594,390	\$ 25,058,791	\$ 5,010,233	\$ (3,668,313)
NET ASSETS, BEGINNING OF YEAR	\$ 178,992,033	\$ 186,619,764	\$ 188,214,154	\$ 213,272,943	\$ 218,283,176
NET ASSETS, END OF YEAR	\$ 186,619,764	\$ 188,214,154	\$ 213,272,945	\$ 218,283,176	\$ 214,614,863

FUNDRAISING ACTIVITIES

The University’s fundraising activities for the past five academic years are presented in the table below.

	2019	2020	2021	2022	2023
Operating Gifts	\$ 5,783,987	\$ 1,125,058	\$ 1,376,726	\$ 1,182,329	\$ 1,541,262
Nonoperating Gifts	\$ 3,696,035	\$ 6,949,955	\$ 5,182,348	\$ 11,175,660	\$ 3,958,647

Campaign

The University launched the public phase of *Fisher Forward* in September 2019, the largest comprehensive fundraising campaign in its history. The campaign has exceeded the \$75 million goal, raising \$108.9 million to date. With this achievement, and with the extension and revision of the Strategic Plan, the Board of Trustees approved an increase to the *Fisher Forward* campaign goal to \$100 million and to extend the campaign completion date to May 31, 2025, which is aligned with the extended timeline of the Strategic Plan.

The stated goals of the *Fisher Forward* campaign include:

- Shaping the student experience: University students benefit from high impact practices outside of the classroom. From research opportunities to global education, and service trips to clinical placements and internships, these experiential learning opportunities are vital to student success. It is the University’s goal to provide these experiences to every student.
- Enhancing the University’s campus: Through this campaign, the University looks to continue to invest in the campus experience by creating integrated and collaborative spaces across its footprint—from academic to residential, recreational to social—all of which will foster stronger living and learning environments for its students.
- Creating an immediate impact: Build the University’s Annual Fund to continue to provide students with transformative learning experiences. Increase the total membership of the Spire Society—which is comprised of leadership donors giving \$1,000 or more each year—who invest in the University’s students, people, and mission—have helped students reach their full potential.
- Securing the University’s future: Through the growth of its endowment, which it aims to increase by 50 percent, the University will fund endowed professorships and deanships and attract and retain additional high-quality faculty and continue to grow the academic reputation of the University. And, through additional student scholarships, the University aims to be able to maintain the access to and affordability of a University education for those who will benefit most.

INVESTMENTS

Responsibility for the investment of the Endowment is delegated under the Bylaws of the University to the Investment Committee (the Committee), whose members are selected by the

Board Chair and approved by the Board of Trustees. The Committee (a) recommends investment policies to the Board for approval, (b) implements investment objectives as established by the Board, (c) selects an investment advisor(s) to assist in the development of investment objectives and policies and to oversee the implementation of the strategic asset allocation, including the selection of investment manager(s) and monitoring of the performance of the manager(s) in support of the objectives. Policy guidelines will be reviewed annually and revised, updated, and modified as appropriate to reflect the needs of the University and the Committee’s expectations.

The University’s short-term, long-term, and funds held by trustees consisted of the following as of May 31 for the years:

	2019	2020	2021	2022	2023
Cash and cash equivalents	\$ 38,592,031	\$ 37,942,269	\$ 45,707,862	\$ 40,974,918	\$ 32,217,938
Common stock	5,867,234	4,977,121	6,955,305	8,467,478	7,196,277
Fixed income	23,889,831	23,294,927	32,685,539	33,337,566	35,016,001
Mutual Funds	62,117,821	65,106,763	89,704,282	86,324,311	87,312,217
Total	\$ 130,466,917	\$ 131,321,080	\$ 175,052,988	\$ 169,104,273	\$ 161,742,433

Investments held for long-term purposes at May 31 for the years:

	2019	2020	2021	2022	2023
Scholarships	\$ 33,096,804	\$ 33,255,960	\$ 45,193,559	\$ 44,195,967	\$ 43,048,375
Board Designated Projects	40,633,384	43,278,471	59,139,165	58,720,945	60,309,139
Capital Projects	20,254,468	19,998,396	28,016,139	25,900,246	26,490,580
Total	\$ 93,984,656	\$ 96,532,827	\$ 132,348,863	\$ 128,817,158	\$ 129,848,095

As of March 31, 2024, investments held for long-term purposes were \$149,010,679.

The base endowment used to calculate funds available for current spending (expenditure) during a fiscal year will be based on the average market value of the Endowment for the last 12 quarters as of the preceding November 30. The spending rate is expected to be no more than 5% of this average market value, unless modified and approved by the Board of Trustees.

Until new fund additions have fully matured into the twelve-quarter computation, the administration has the authority to determine annual spending for such additions subject to the 5% spending rate. However, in no case can the planned spending reduce the market value of a fund below its contributed value.

It is the responsibility of the Committee and the investment advisor(s) to oversee management of the Endowment in ways commensurate with this statement. Distribution of spending income will be reviewed annually.

PROPERTY AND EQUIPMENT

The University's investment in property and equipment was as follows as of May 31, 2023:

Land and improvements	\$ 23,357,210
Buildings	212,762,300
Equipment	77,421,170
Library books	6,846,633
Software and Intellectual property	3,847,172
Construction in progress	4,940,764
	<hr/>
	329,175,249
	<hr/>
	(176,157,556)
	<hr/>
Less: Accumulated depreciation	\$ 153,017,693

FACILITIES

The University's facilities are located on approximately 164 park-like acres in Pittsford, New York, a suburb of Rochester. The north campus (approximately 104 acres) houses the principal academic, administrative, residential, and athletic facilities. The south campus (approximately 50 acres) consists of 2 separate sites. One site is located on approximately 47 acres and includes a residence building (Murphy Hall), baseball and softball fields, while the other site is located on approximately three acres, directly across from the main entrance of the north campus and consists of a 16,000-square-foot building used for graduate programs which houses two classrooms equipped with multi-media computer technology and one classroom equipped with video teleconferencing capabilities.

Kearney Hall

Kearney Hall was the first building built on campus (1950). It contains classrooms, faculty offices, and a variety of administrative functions, including the offices of the President, Vice President for Finance and Administration, Vice President for Enrollment Management, Provost and Vice President for Academic Affairs, Vice President for Advancement, Controller's Office, Office of Marketing and Communications, Human Resources, Registrar, Student Financial Services, and other units in 84,200 square feet.

Academic Corridor

Forming three sides of the LeChase Commons, a courtyard located in the center of the University's campus, the academic corridor consists of the major academic buildings on campus. These buildings, which have been renovated at various times since construction, consist of the following:

- The Wegmans School of Pharmacy was dedicated in 2006 and consists of a 37,500 square-foot building containing classrooms, laboratories, and study group meeting rooms, as well as faculty/staff offices and several common areas. It serves as the western edge of the academic corridor and is connected to the Joseph S. Skalny Science Center by a two-story atrium as well as the Integrated Science and Health Sciences Building.

- The Joseph S. Skalny Science Center was built in 1967 and consists of 61,700 square feet of laboratories for the Physics, Biology, Chemistry, and Psychology Departments, associated faculty offices, a large amphitheater-style classroom in the center of the building, and several smaller classrooms. It is connected to the Ralph C. Wilson, Jr. School of Education building.
- The Ralph C. Wilson, Jr. School of Education building was completed in August 2003 and consists of 14 faculty offices, and 4 classrooms. This building is connected to St. Basil Hall.
- St. Basil Hall, originally completed in 1964, houses 8 classrooms, 32 faculty offices, and a series of academic support areas such as Media Services and Faculty Offices. It is attached to the William A. Fay Building and to Pioch Hall. From 2020-2023, several classrooms were renovated into more flexible, active learning spaces, equipping both students and employees with the technology, tools, and learning spaces of the future.
- The William A. Fay Building was dedicated in April 2008 and is located between Pioch and Basil Halls. The two-story building has nearly 5,000 square feet of space and contains faculty and staff offices for the Media and Communication Department, a seminar room, and a display area for memorabilia from William Fay's career in broadcasting.
- Pioch Hall was built in 1958 and contains 19,900 square feet of space and houses the Psychology department faculty and several classrooms. This building is connected to the Wegmans School of Nursing.
- The Wegmans School of Nursing was completed in 2007. It is a 41,000 square-foot state-of-the-art facility containing classrooms – both regular and AR/VR equipped classrooms, teaching laboratories, offices for faculty and administration, and the Wellness Center. The Wegmans School of Nursing Simulation Center, a 15,000 square-foot expansion to the building completed in the fall of 2013, provides for five simulation labs, observation rooms, and additional faculty offices to support a rising demand for the nursing programs at the University and the goal of increased enrollment in the program.
- The Golisano Gateway Midlevel is a three story, 10,000 square foot complex. The lower floor is devoted to the Cyber Café, an open multi-media meeting space that also serves light meals and specialty coffee drinks. The middle floor provides comfortable seating arrangements for socializing and group project work. The Gateway is home to the newly established DePeters Family Center for Innovation and Teaching Excellence.
- The Integrated Science and Health Sciences Building opened in fall 2015. The building includes well-outfitted laboratories and collaborative learning spaces. A two-story living wall emphasizes the building's status as Fisher's first U.S. Green Building Council LEED-certified structure. It also includes two large classrooms and faculty offices.
- The Victor E. Salerno Center for American Enterprise is a two-story 20,000 square foot building that is the home of the University's School of Business. Completed in the fall of 2013, the building features a mock trading floor with real-time, high technology linkage to international equity exchanges, high technology classrooms and computer labs, faculty

offices, and informal gathering spaces to support student interaction and real-world learning.

Lavery Library

Lavery Library (the “Library”), named after the University’s second president, Fr. Charles J. Lavery, is a three-story brick building built in 1973, which forms the fourth side of the LeChase Commons. The Library houses the University’s collection of art, print, and electronic media in 54,000 square feet of space.

Technology upgrades have been consistently applied to the Library, and its catalogs and database resources are now fully-accessible via the internet 24 hours a day/7 days a week. The Library is equipped with start-of-the-art computer equipment and instructional facilities. The Library is wireless on all three floors for those who wish to connect a laptop to the campus network. The Library houses over 200,000 print volumes, 28,000 audiovisual items, and 1,300 periodical subscriptions. Individual and group study areas, a computer lab, and a designated quiet floor make the library a popular spot on campus for research, meetings, and instruction.

The Library also houses both the Career Center and the Office of Information Technology on its first floor and provides many group project workspaces for the student body. In addition, it is fully staffed and provides research assistance for approximately 12 hours a day during the school year, with slightly fewer hours during the summer. The Library shares databases with other libraries all over the region, and can arrange to have materials delivered to the campus through an exchange program.

Lavery Library Modernization and Renovation Project

The University has commenced work on a multimillion-dollar library modernization and renovation project, the largest capital project both in scope and investment in the institution’s history. Construction began in early 2024 with plans for completion by summer 2025.

The design includes the creation of a bright, welcoming public lobby and lounge space; a sharpened book collection that will meet the needs of today’s curriculum; the centralization of a suite of student services including Fisher’s Center for Career and Academic Planning, Student Accessibility Services, and the Writing and Tutoring Center; and the transformation of student work spaces to include increased seating, flexible areas for quiet study, collaborative areas for group work, and technology rich classrooms.

A portion of the proceeds of the Series 2024 Bonds will provide funds for the Lavery Library modernization and renovation project. See “PLAN OF FINANCING” in the Official Statement.

Student Residence Halls

The residence halls offered by the University consist of the following:

- *Michaelhouse Complex*. The Michaelhouse Complex is a 25,825 square-foot facility that contains 47 student residence rooms and a student center, which contains a dining facility

and a Gaming Lab for e-sports. Built in 1962, it has been renovated at various times since original construction.

- *Murphy Residence Hall.* Murphy Hall is a multi-function building that includes classrooms, faculty offices, a residence hall, a dining facility, and an Arts Center, which includes a dance studio, visual arts studio, music practice rooms, and a blackbox theater. Originally constructed in 1966, the total facility comprises 62,000 square feet, and has ninety-two resident rooms for one hundred and forty-nine students, twelve faculty offices, and four classrooms. It has been renovated at various times since original construction.
- *Murray Residence Hall.* Murray Residence Hall is a 15,500 building that has 28 rooms and houses 54 students. Built in 1967, it has been renovated at various times since original construction.
- *Ward and Haffey Residence Halls.* These twin towers, located at the top of the campus hill, were built in 1963 and 1966, respectively. The buildings have been renovated numerous times, most recently in 2005, when the campus dining area, which connects the first-floor area of the two buildings, was completely renovated and expanded.
- *Dorsey Residence Hall.* Dorsey Hall was completed in 1987 and is comprised of two wings that are mirror images of each other with a center lobby area. The total square footage of the building is 40,500 square feet. In August 2003, a third-floor addition was completed and includes 137 rooms.
- *Founders Residence Hall.* Opened in 2002 and designed as a residence facility for upper-class students, Founders Hall houses nearly 200 students. Amenities in the building include study lounges, kitchenettes, and laundry facilities in each of the six wings of the building. Founders Hall is named for the priests of the Congregation of St. Basil, the founding order of the University, in celebration of their commitment to the University.
- *Keough Residence Hall.* Named after former University President Dr. Katherine Keough, Keough Hall was built in 2005 and houses approximately 220 upper-class students in double rooms with private bathrooms.
- *Upper Quad Hall.* Built in 2019, Upper Quad Hall is Fisher's newest residence hall and houses upper-class students in double rooms. Upper Quad Hall houses 155 upper-class students in double rooms with private bathrooms. The building includes several study rooms and comfortable lounge areas. The hall provides easy access to the Donald E. Bain Campus Center, academic corridor, and Lavery Library.

Joseph S. Skalny Welcome Center

The 17,500 square-foot Welcome Center opened in spring 2009 and houses the Offices of Freshman, Transfer, and Graduate Admissions, as well as the Advancement and Alumni Offices. It also contains a Trustees' board room and an art gallery.

Ralph C. Wilson, Jr. Athletic Center

The Ralph C. Wilson, Jr. Athletic Center, formerly known as the Student Life Center (the “Wilson Athletic Center”) houses a 30,000-square-foot open-span, multipurpose field house which hosts all the indoor intramural leagues, student recreational activities, and varsity team practices throughout the school year. A 19,000-square foot addition to the Athletic Center accommodates team locker rooms, training rooms, a weight room, and a fitness center, a sauna, and a whirlpool.

Manning and Napier Varsity Gym

The Manning and Napier Varsity Gym (the “Varsity Gym” and together with the Wilson Athletic Center, the “Athletic Center”) is a 20,600 square foot gymnasium built in 1963 that is used for basketball, volleyball, and social events. Recent improvements to the Varsity Gym include the installation of a new scoreboard, parquet hardwood playing surface, lighting improvements, and HVAC equipment.

Growney Stadium

Growney Stadium was built in 1999 and serves as the host site for the University’s men’s football, men’s and women’s soccer, and men’s and women’s lacrosse teams. The field, which is also used for intramurals, has an OmniGrass surface which extends its usage long into the winter months, while lighting allows for games at night. Growney Stadium has seating for 2,100 fans with additional viewing areas around the field.

Polisseni Track and Field Complex

The Polisseni Track and Field Complex, which opened in fall 2011, is an eight-lane, 400-meter competition track with a grass infield complete with shot put, pole vault, and long jump event areas. In addition, bleacher seating is available for approximately 1,000 people, with locker rooms for the student-athletes and public restrooms. The construction of this state-of-the-art track and playing field allowed for the addition of seven NCAA Division III sports to the University’s roster of intercollegiate offerings, consisting of men’s and women’s cross-country, men’s and women’s indoor track, men’s and women’s outdoor track and field hockey.

Dugan Yard

The renovations at the baseball complex include improvements to the press box and locker room, new sidewalks, landscaping, and signage, the installation of a high-tension netting system and additional grandstands.

Player Development Center at Dugan Yard

The University recently opened this state-of-the-art baseball practice facility. The indoor facility features a turf infield and can be sectioned off to allow hitters and pitchers to train simultaneously. Additionally, the facility is outfitted with professional equipment including cutting-edge technology to breakdown swing patterns, chart pitches, replicate opponents’ pitching patterns, and more that allow Fisher’s coaching staff to further develop the team’s skills.

Joseph Pellicano Wrestling Pavilion

The Joseph Pellicano Wrestling Pavilion is a state-of-the-art training facility located in Michaelhouse Hall, adjacent to Growney Stadium and the Ralph C. Wilson, Jr. Athletic Center.

Donald E. Bain Campus Center

The Donald E. Bain Campus Center opened in fall 2005 and serves as the hub of student activity on campus. The 30,000 square-foot facility supports general student gathering spaces, which include a performance space, recreational area, offices for student clubs and organizations. Mainstage, located in the Bain Campus Center, includes raised ceilings and an industrial look, booths, and new furniture to create a comfortable living room space to relax by the fireplace or watch television. Additionally, an adjacent patio space, complete with gas lit fireplace, provides additional opportunities for events and students to relax. Also included in the Campus Center, Late Night Dining space in the Ward-Haffey Dining Hall is the home of late-night foods including smoothies, milkshakes, coffee drinks, snacks, deli sandwiches, pizza, and grilled foods.

Facilities Building

Opened in 2013, the Facilities Building is a 33,000 square-foot building consisting of a large open cold storage room for outside mechanical equipment (lawnmowers, snow plows, front-end loaders, etc.), as well as individual spaces for University tradesmen (electrical shop, HVAC shop, carpentry shop, locksmith, paint shop, etc.). The building also contains office, conference, locker, and on-call space as well as a break room and a designated area for the storage of winter salt, mulch, stone, and building materials. The building provides for a more efficient delivery of services to the University community.

Additional Buildings

In addition to the buildings described above, there are several smaller buildings that support the University's daily activities.

OUTSTANDING INDEBTEDNESS

The following is a summary of the University's long-term debt as of May 31, 2023:

<u>Lender</u>	<u>Rate</u>	<u>Maturity</u>	<u>2023</u>
MCIDC - 2011 Series	2.0% - 6.10%	2034	\$ 9,150,000
MCIDC - 2012A Series	3.0% - 5.00%	2025	4,495,000
MCIDC - 2014A Series	3.0% - 5.50%	2044	14,630,000
Notes payable	0.0% - 1.8%	2027	1,918,290
Finance lease liability	3.00%	2025	1,532,429
			<u>31,725,719</u>
Unamortized bond premium/(discount), net			934,368
Less: Bond issuance costs			(828,624)
			<u>\$ 31,831,463</u>

All of the Series 2011 Bonds and Series 2014A Bonds are expected to be defeased upon the issuance of the Series 2024 Bonds. See “PLAN OF FINANCING” in the Official Statement.

During the year ended May 31, 2023 the University entered into a note payable with a lender in varying annual installments ranging from \$240,000 to \$254,332 due annually through June 1, 2026 including interest at 1.84%. At May 31, 2023 the amount outstanding on the note payable was \$973,408. During the year ended May 31, 2023 the University entered into a non-interest bearing note payable with a lender with installments of \$7,874 due monthly through May 31, 2033. At May 31, 2023 the amount outstanding on the note payable was \$944,882.

For additional information regarding finance lease liability and long-term debt, see Notes 12 and 13, respectively, to the consolidated financial statements for the University and its subsidiaries as of and for the year ended May 31, 2023, in Appendix B of the Official Statement.

The University has a line of credit with a commercial bank that permits borrowing up to \$10,000,000, expiring December 31, 2024. The line carries an interest rate of 1.50 percentage points above prime. There is currently no balance outstanding.

RETIREMENT PLAN

Eligible employees of the University participate in a contributory retirement plan under arrangements primarily with the Teachers Insurance and Annuity Association and College Retirement Equities Fund. If an employee contributes at least 2% of eligible compensation to the retirement plan, the University contributes an amount equal to 8% of the respective employees’ annual eligible compensation. The total University expense amounted to \$3,033,857 in the fiscal year that ended May 31, 2023. All required contributions to these plans have been made.

For additional information, see Note 15 to the consolidated financial statements for the University and its subsidiaries as of and for the year ended May 31, 2023, in Appendix B of the Official Statement.

POST-RETIREMENT BENEFITS

The University sponsors two defined post-retirement benefit plans. Eligibility for retirement benefits requires the completion of at least 10 years of full-time employment with the University and a total of years of service and age equal to at least 65. Once eligible for retiree benefits, the eligibility remains in place for life.

The first plan provides a \$5,000 life insurance policy to every retiree, for which no contribution from the retiree is required. The second plan allows retirees the opportunity to enroll in a university-sponsored health and/or dental insurance plan. The University makes a nominal contribution towards the cost of insurance for each retiree enrolled in a university-sponsored health and/or dental plan. Upon the death of the University retiree, a spouse may remain enrolled in the plan but the University contribution ceases. The University’s postretirement plans are not funded. As of May 31, 2023, the University’s post-retirement obligation was estimated at \$3,936,741.

For additional information, see Note 15 to the consolidated financial statements for the University and its subsidiaries as of and for the year ended May 31, 2023, in Appendix B of the Official Statement.

INSURANCE

The University renewed its insurance portfolio effective November 1, 2023, with comparable coverage to that previously in existence, which coverage includes:

Commercial Property/Boiler & Machinery (includes EDP)	\$ 331,630,699
Business Interruption Coverage	\$ 53,368,049
Employee dishonesty	\$ 2,000,000
Fiduciary	\$ 5,000,000
Security & Privacy Liability	\$ 3,000,000
Auto Liability	\$ 1,000,000
Excess Liability (Umbrella)	\$ 40,000,000
Professional Liability (selected academic programs)	\$ 3,000,000
Educators Legal Liability	\$ 25,000,000
Fine Arts	\$ 279,425
Contractors Equipment	\$ 1,263,515
Commercial General Liability Coverage	\$ 30,000,000
International Package	\$ 1,000,000
Worker's Compensation	statutory benefits
Cybersecurity	
Legal, Forensic & Public Relations/Crisis Management	\$ 1,000,000
Additional Breach Response	\$ 3,000,000
Business Interruption Loss	\$ 3,000,000
Dependent Business Loss	\$ 3,000,000
Cyber Extortion Loss	\$ 3,000,000
Data Recovery Costs	\$ 3,000,000
Liability (Data & Network, Regulatory Defense & Penalties, Payment Card Liabilities & Costs, Media Liability)	\$ 3,000,000

CYBERSECURITY

The University's Office of Information Technology (OIT) has implemented an Information Security Program that includes technical, administrative and physical controls. Those controls include, but are not limited to network firewalls, daily vulnerability scanning, automated patching, annual penetration testing/mitigation, phishing and anti-spam/malware software and monitoring processes and procedures. Daily system data backups are immutable, protecting them from modification as a control against ransomware attacks. Ongoing and required training is offered for all faculty and staff regarding safe computing and safeguarding of institution resources. An annual Risk Assessment is performed, and any identified gaps are prioritized and tracked through mitigation.

University data was impacted in the MOVEit data breach via two third party vendors, TIAA, and National Student Clearinghouse. A wave of cyberattacks and data breaches began in June 2023 after a vulnerability was discovered in MOVEit, a managed file transfer software. Those third-party vendors have accepted full responsibility for the breach as well as remediation, notification, and legal requirements to impacted individuals. The University does not utilize MOVEit, as such the University was not directly vulnerable, nor were any University systems breached. The breach was entirely within third-party vendor systems outside of the University but did impact University data held by those third-parties.

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

LITIGATION

The University has been named as a defendant in several litigation actions. Due to the preliminary nature of these actions, no estimate of ultimate liability more than insured limits, if any, to the University can be made. Consequently, no reserves have been recorded in the accompanying consolidated financial statements for the settlement of these matters. Management does not believe the settlement of these matters will have a material adverse effect on the University's financial position.

APPENDIX B

Consolidated Financial Statements of the University and Subsidiaries as of May 31, 2023

[THIS PAGE INTENTIONALLY LEFT BLANK]

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**Consolidated Financial Statements as of
May 31, 2023
Together with
Independent Auditor's Report**

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

September 25, 2023

To the Board of Trustees of
St. John Fisher College:

Report of the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of St. John Fisher College (a New York not-for-profit corporation) and Subsidiaries (the Organizations), which comprise the consolidated statement of financial position as of May 31, 2023, and the related consolidated statements of activities and change in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organizations as of May 31, 2023, and the consolidated 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organizations and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

171 Sully's Trail
Pittsford, New York 14534
p (585) 381-1000
f (585) 381-3131

www.bonadio.com

(Continued)

INDEPENDENT AUDITOR'S REPORT

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Report on Summarized Comparative Information

We have previously audited the Organizations' 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2022, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

(Continued)

INDEPENDENT AUDITOR'S REPORT

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information in Exhibit I is presented for purposes of additional analysis and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023, on our consideration of the Organizations' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organizations' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organizations' internal control over financial reporting and compliance.

Bonadio & Co., LLP

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MAY 31, 2023

(With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 11,080,087	\$ 25,143,058
Student accounts receivable, net	4,071,974	2,989,406
Perkins student loans receivable, net	110,879	497,184
Gifts receivable, net	8,009,111	8,245,853
Grants and other receivables	2,737,675	1,488,391
Short-term investments	15,411,249	10,008,267
Deferred charges, prepaid expenses and other assets	1,424,498	1,130,764
Assets whose use is limited	5,606,096	5,627,407
Investments held for long-term purposes	129,993,829	128,817,158
Property and equipment, net	<u>153,017,693</u>	<u>151,093,198</u>
Total assets	<u>\$ 331,463,091</u>	<u>\$ 335,040,686</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable	\$ 4,187,399	\$ 3,735,610
Accrued expenses and other liabilities	9,196,447	9,660,076
Deferred revenue	9,082,607	6,364,458
Long-term debt, net	31,831,463	32,797,729
Accrued postretirement benefits	3,936,741	4,092,210
Conditional asset retirement obligation	1,419,145	1,504,410
U.S. Government grants refundable	<u>1,073,311</u>	<u>1,535,363</u>
Total liabilities	<u>60,727,113</u>	<u>59,689,856</u>
NET ASSETS:		
Without donor restrictions:		
Undesignated	122,814,690	127,600,517
Board-designated	<u>91,800,173</u>	<u>90,682,659</u>
Total without donor restrictions	214,614,863	218,283,176
With donor restrictions	<u>56,121,115</u>	<u>57,067,654</u>
Total net assets	<u>270,735,978</u>	<u>275,350,830</u>
	<u>\$ 331,463,091</u>	<u>\$ 335,040,686</u>

The accompanying notes are an integral part of these statements.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MAY 31, 2023**
(With Comparative Totals for 2022)

	2023			2022 <u>Total</u>
	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>	
OPERATING REVENUES:				
Tuition, fees, room and board, net of scholarships and grants of \$48,572,147 and \$45,389,566 in 2023 and 2022, respectively	\$ 89,684,557	\$ -	\$ 89,684,557	\$ 85,399,618
Federal, state and private grants	4,316,074	192,484	4,508,558	11,141,002
Gifts for operating purposes	1,535,296	5,966	1,541,262	1,182,329
Endowment income allocated to operations	3,602,919	1,633,820	5,236,739	4,409,797
Auxiliary enterprises, other than room and board	859,536	-	859,536	306,181
Interest on operating funds and assets whose use is limited	605,058	-	605,058	73,305
All other sources	2,772,289	723,463	3,495,752	2,792,606
Net assets released from restrictions	<u>4,163,051</u>	<u>(4,163,051)</u>	<u>-</u>	<u>-</u>
Total operating revenues	<u>107,538,780</u>	<u>(1,607,318)</u>	<u>105,931,462</u>	<u>105,304,838</u>
OPERATING EXPENSES:				
Instruction	42,257,238	-	42,257,238	41,417,307
Academic support	11,397,291	-	11,397,291	10,414,331
Student services	15,643,813	-	15,643,813	18,434,054
Institutional support	18,890,269	-	18,890,269	17,464,200
Auxiliary enterprises	<u>17,417,013</u>	<u>-</u>	<u>17,417,013</u>	<u>15,697,954</u>
Total operating expenses	<u>105,605,624</u>	<u>-</u>	<u>105,605,624</u>	<u>103,427,846</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	<u>1,933,156</u>	<u>(1,607,318)</u>	<u>325,838</u>	<u>1,876,992</u>
NON-OPERATING ACTIVITIES:				
Income and gains from long-term investing activities, net	(1,314,652)	(783,383)	(2,098,035)	(6,203,315)
Endowment income allocated to operations	(3,602,919)	(1,633,820)	(5,236,739)	(4,409,797)
Gifts designated by donors, or the Board, as non-operating revenue	39,276	3,919,371	3,958,647	11,175,660
Net assets released from restrictions	902,575	(902,575)	-	-
Other non-operating activities	<u>(1,625,749)</u>	<u>61,186</u>	<u>(1,564,563)</u>	<u>(1,288,480)</u>
CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES	<u>(5,601,469)</u>	<u>660,779</u>	<u>(4,940,690)</u>	<u>(725,932)</u>
TOTAL CHANGE IN NET ASSETS	<u>(3,668,313)</u>	<u>(946,539)</u>	<u>(4,614,852)</u>	<u>1,151,060</u>
NET ASSETS - beginning of year	<u>218,283,176</u>	<u>57,067,654</u>	<u>275,350,830</u>	<u>274,199,770</u>
NET ASSETS - end of year	<u>\$ 214,614,863</u>	<u>\$ 56,121,115</u>	<u>\$ 270,735,978</u>	<u>\$ 275,350,830</u>

The accompanying notes are an integral part of these statements.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MAY 31, 2023

(With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (4,614,852)	\$ 1,151,060
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation, amortization and accretion	9,997,056	9,956,924
Amortization of bond premium and discount	(224,225)	(224,225)
Amortization of bond issuance costs	96,350	96,350
Net realized and unrealized losses on investments	5,596,263	9,828,320
Gifts restricted for long-term investment	(1,874,844)	(3,337,398)
Provision for doubtful accounts	(199,762)	71,983
Gain on sale of property and equipment	(17,417)	-
Changes in:		
Student accounts receivable	(1,129,806)	(328,901)
Gifts receivable	236,742	(3,157,278)
Grants and other receivables	(1,249,284)	(143,876)
Deferred charges, prepaid expenses and other assets	(293,734)	167,299
Accounts payable	690,605	413,248
Accrued expenses and other liabilities	(463,629)	(2,692,671)
Deferred revenues	2,718,149	684,781
Accrued postretirement benefits	(155,469)	35,792
Net cash flow from operating activities	<u>9,112,143</u>	<u>12,521,408</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(11,142,996)	(8,739,256)
Proceeds from the sales of property and equipment	46,031	-
Purchases of investments	(24,548,589)	(28,886,697)
Proceeds from the sales of investments	12,372,673	12,581,815
Repayments on student loans receivable	633,305	1,142,162
Net cash flow from investing activities	<u>(22,639,576)</u>	<u>(23,901,976)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Principal repayments of indebtedness	(3,460,118)	(3,050,000)
Proceeds from issuance of long-term debt	2,173,407	-
Finance lease repayments	(682,930)	(881,916)
Repayment of U.S. government grants refundable	(462,052)	(500,000)
Gifts restricted for long-term investment	1,874,844	3,337,398
Net cash flow from financing activities	<u>(556,849)</u>	<u>(1,094,518)</u>
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(14,084,282)	(12,475,086)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - beginning of year	<u>30,770,465</u>	<u>43,245,551</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - end of year	<u>\$ 16,686,183</u>	<u>\$ 30,770,465</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest on long-term debt	<u>\$ 1,483,765</u>	<u>\$ 1,640,860</u>
SUPPLEMENTAL NONCASH INVESTING ACTIVITY:		
Capital expenditures in accounts payable	<u>\$ 859,578</u>	<u>\$ 620,762</u>
Contributed investments held for long-term purposes	<u>\$ 145,624</u>	<u>\$ -</u>
SUPPLEMENTAL NONCASH FINANCING ACTIVITY:		
Assets acquired via lease	<u>\$ 1,193,829</u>	<u>\$ 815,452</u>

The accompanying notes are an integral part of these statements.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

1. THE ORGANIZATIONS

St. John Fisher College

St. John Fisher College (the College) is an independent, liberal arts institution in the Catholic tradition of American higher education. Guided since its inception in 1948 by the educational philosophy of the Congregation of St. Basil, the College emphasizes liberal learning for students in traditional academic disciplines, as well as for those in more directly career-orientated fields. The College welcomes qualified students, faculty, and staff regardless of religious or cultural background.

Effective July 1, 2022, the College attained university designation through the New York State Education Department Board of Regents.

The College offered 39 academic majors in the humanities, social sciences, natural sciences, business, education, and nursing as well as 10 pre-professional programs to approximately 2,540 full-time and 90 part-time undergraduate students in fiscal year 2023. The College also offered 14 masters and 3 doctoral programs to 570 and 420 students, respectively.

St. John Fisher Real Estate, LLC

St. John Fisher Real Estate, LLC (the LLC) is a limited liability company formed pursuant to New York State corporate law. The LLC was formed in order to assume title of certain property from the College and grant a leasehold mortgage under certain of the College's financing arrangements.

SJFC Prime Care, LLC

SJFC Prime Care, LLC (Prime Care) is a limited liability company formed pursuant to New York State corporate law. Prime Care was formed to administer grants in health-related academic programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the College and its subsidiaries, the LLC and Prime Care (collectively, the Organizations). The College is the sole corporate member of the LLC and Prime Care. All significant intercompany balances and transactions have been eliminated in the consolidated financial statements.

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The Organizations distinguish between contributions received that increase net assets with donor restrictions and net assets without donor restrictions and recognize the expiration of donor-imposed restrictions in the period in which the restrictions expire.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operations

The consolidated statement of activities and changes in net assets presents the changes in net assets of the Organizations from operating activities and from non-operating activities. Operating revenues and expenses relate primarily to educational programs provided by the College and auxiliary sales and service revenue. Utilization of endowment investment income under the College's spending policy is considered operating revenue.

Classification of Net Assets

The Organizations categorize net assets in two classifications: without and with donor restrictions. Contributions are recognized when the donor makes an unconditional promise to give to the Organizations. Net assets without donor restrictions are net assets that are not subject to donor-imposed stipulations. The Board of Trustees, through voluntary resolutions, has set aside portions of the Organizations' net assets without donor restrictions to be used exclusively for specific purposes.

Net assets with donor restrictions are net assets whose use by the Organizations is limited by donors to a specific time period or purpose. This includes stipulations that can be fulfilled or removed by actions of the Organizations pursuant to the stipulations, as well as net assets that have been restricted by donors to be maintained by the Organizations in perpetuity. Accumulated earnings on endowment funds that are restricted in perpetuity are recorded as net assets with donor restrictions until appropriated by the Board of Trustees for use in operations. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are fully met in the fiscal year in which the contributions are recognized.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification of Net Assets (Continued)

Net assets were available for the following purposes at May 31, 2023:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total net assets</u>
Board designated net assets:			
General operating reserve	\$ 2,074,530	\$ -	\$ 2,074,530
Facilities renewal and replacement	4,251,602	-	4,251,602
Quasi endowment - net investment in plant	60,309,139	-	60,309,139
Quasi endowment - program support	14,925,787	-	14,925,787
Quasi endowment – scholarships	10,058,749	-	10,058,749
Quasi endowment - facilities renewal and replacement	<u>180,366</u>	<u>-</u>	<u>180,366</u>
Total board designated net assets	<u>91,800,173</u>	<u>-</u>	<u>91,800,173</u>
Other net assets:			
Endowment – scholarships	-	22,933,735	22,933,735
Endowment - other restricted purposes	-	6,983,827	6,983,827
Endowment - accumulated unappropriated earnings	-	15,660,394	15,660,394
Scholarships	-	3,747,146	3,747,146
Designated for property and equipment and other programs services	-	6,796,013	6,796,013
Net investment in plant	93,695,993	-	93,695,993
Net expendable resources – undesignated	<u>29,118,697</u>	<u>-</u>	<u>29,118,697</u>
Total other net assets	<u>122,814,690</u>	<u>56,121,115</u>	<u>178,935,805</u>
	<u>\$ 214,614,863</u>	<u>\$ 56,121,115</u>	<u>\$ 270,735,978</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification of Net Assets (Continued)

Net assets were available for the following purposes at May 31, 2022:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total net assets</u>
Board designated net assets:			
General operating reserve	\$ 1,961,838	\$ -	\$ 1,961,838
Facilities renewal and replacement	3,165,572	-	3,165,572
Quasi endowment - net investment in plant	58,720,630	-	58,720,630
Quasi endowment - program support	16,027,946	-	16,027,946
Quasi endowment - scholarships	10,676,158	-	10,676,158
Quasi endowment – facilities renewal and replacement	<u>130,515</u>	<u>-</u>	<u>130,515</u>
Total board designated net assets	<u>90,682,659</u>	<u>-</u>	<u>90,682,659</u>
Other net assets:			
Endowment - scholarships	-	20,571,710	20,571,710
Endowment - other restricted purposes	-	6,687,124	6,687,124
Endowment - accumulated unappropriated earnings	-	18,095,776	18,095,776
Scholarships	-	4,172,342	4,172,342
Designated for property and equipment and other programs services	-	7,540,702	7,540,702
Net investment in plant	92,424,628	-	92,424,628
Net expendable resources - undesignated	<u>35,175,889</u>	<u>-</u>	<u>35,175,889</u>
Total other net assets	<u>127,600,517</u>	<u>57,067,654</u>	<u>184,668,171</u>
	<u>\$ 218,283,176</u>	<u>\$ 57,067,654</u>	<u>\$ 275,350,830</u>

Net assets with donor restrictions were released from restriction as follows for the years ended May 31:

	<u>2023</u>	<u>2022</u>
Scholarships	\$ 1,967,884	\$ 1,063,883
Property and equipment and other support of academic purposes	2,731,807	10,360,740
Accumulated unappropriated earnings on endowment funds restricted in perpetuity	<u>365,935</u>	<u>33,772</u>
	<u>\$ 5,065,626</u>	<u>\$ 11,458,395</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit with financial institutions and other highly liquid investments with maturities of three months or less at date of purchase. The Organizations maintain their cash accounts in several financial institutions and investment companies located in the Rochester, New York area that, at times, may exceed federally insured limits. The Organizations have not experienced any losses in such accounts and management believes they are not exposed to any significant credit risk with respect to cash and cash equivalents.

The following is a summary of cash, cash equivalents, and restricted cash reported in the statement of financial position that total the amounts shown in the consolidated statement of cash flows at May 31:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 11,080,087	\$ 25,143,058
Assets whose use is limited (Note 7)	<u>5,606,096</u>	<u>5,627,407</u>
Total cash, cash equivalents, and restricted cash shown in the consolidated statement of cash flows	<u>\$ 16,686,183</u>	<u>\$ 30,770,465</u>

Perkins Student Loans Receivable

The College participates in the Perkins Federal Revolving Loan Program. The Perkins loan program ended on September 30, 2017. The Department of Education is in the process of providing direction with regard to the disposition of the College's Perkin's loan funds.

Perkins student loans receivable, net, represents Perkins loans receivable due from students and are stated at unpaid principal balances. Interest on loans receivable is recognized over the term of the loans.

In order to determine the collectability of loans receivable and review for impairment, the College reviews accounts in default. Additionally, an estimate of an allowance for uncollectible accounts is made based on historical default percentages and current economic conditions. Accounts for which no payments have been received for a period of time, which varies by the nature of the receivable, are considered delinquent and written-off or sent to collections, as appropriate.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gifts Receivable

Gifts receivable, net are unconditional promises to give cash and other assets not received as of the financial position date. Included in gifts receivable, net are multi-year gifts that are recorded at their net present value based on an imputed rate of interest commensurate with the risk and term of the gift. The gross value of gifts receivable was approximately \$8,729,000 and \$8,975,000 as of May 31, 2023 and 2022, respectively. These gifts were recorded at their present value of approximately \$8,009,000 and \$8,246,000, net of discount, as of May 31, 2023 and 2022, respectively. The discount rates used to calculate the net present value for gifts receivable ranged from 0.26% to 4.20%.

Included in the aforementioned gifts are three unconditional promises in the form of charitable remainder trusts that are payable to the College upon the death of the donors and their beneficiaries. The trusts are recorded at the present value of the estimated future payments, using a discount rate of 3-4% and 3% at May 31, 2023 and 2022, respectively. These amounted to approximately \$1,174,000 and \$1,147,000 at May 31, 2023 and 2022, respectively. In the years ended May 31, 2023 and 2022, the change in value of the trusts receivable was approximately \$27,000 and \$(260,000), respectively.

Gifts receivable are expected to be collected as follows:

	<u>2023</u>	<u>2022</u>
Due in one to five years	\$ 8,328,634	\$ 6,810,435
Due in more than five years	<u>400,000</u>	<u>2,164,455</u>
Total gross gifts receivable	8,728,634	8,974,890
Less: discount on gifts receivable	<u>(719,523)</u>	<u>(729,037)</u>
Gifts receivable, net	<u>\$ 8,009,111</u>	<u>\$ 8,245,853</u>

Five pledges comprised approximately 69% and three pledges comprised approximately 56% of gross gifts receivable (excluding charitable remainder trusts) at May 31, 2023 and 2022, respectively.

Short-Term Investments

Short-term investments consist of U.S. Treasury and Agency securities with maturities of three to twelve months at the date of purchase. The Organizations maintain short term investments with an investment company that, at times, may exceed federally insured limits. The Organizations have not experienced any losses in such accounts and management believes they are not exposed to any significant credit risk with respect to cash and cash equivalents. Short-term investments are stated at fair value.

Deferred Charges, Prepaid Expenses and Other Assets

Deferred charges and prepaid expenses represent costs that were paid in advance of incurring the related expense, related to contract fees, salaries, and insurance. Other assets also include right-of-use (ROU) assets from operating leases.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bond Premium and Discount Amortization

Bond premium and discount related to the issuance of debt obligations are amortized over the life of the related debt and are included as a component of long-term debt in the accompanying consolidated statement of financial position. Amortization of the premium and discount is included as a component of interest expense in the accompanying consolidated financial statements.

Bond Issuance Costs

Bond issuance costs represent the legal and administrative costs and prepayment penalty incurred during the process of issuing and refinancing debt. Amortization of such costs are on a straight-line basis over the life of the related debt. Bond issuance costs are presented as a contra-liability of long-term debt in the related consolidated statement of financial position, and amortization expense is recognized as a component of interest expense in the accompanying consolidated financial statements.

Endowment

The College's endowment consists of individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowment. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

Investments Held for Long-Term Purposes

Investments held for long-term purposes consisting of cash, common stock, mutual and exchange traded funds are stated at fair value based on quoted market prices. Unrealized gains or losses on such securities result from differences between the cost and fair value of securities on a specified valuation date.

Investment income or loss (including realized and unrealized gains or losses on investments, interest, and dividends) is included in the increase or decrease in net assets without donor restrictions, unless their use is restricted by donor stipulation or by law.

Investment securities are exposed to various risks, such as interest rate, market, currency, and credit risk. 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 accompanying consolidated financial statements.

Fair Value Measurement - Definition and Hierarchy

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The College uses various valuation techniques in determining fair value. GAAP establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement - Definition and Hierarchy (Continued)

Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the College. Unobservable inputs are inputs that reflect the College's assumptions about the assumptions market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that the College has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.
- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of observable inputs can vary and is affected by a wide variety of factors. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the College in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Property and Equipment

Land improvements, buildings and building improvements, furniture and fixtures, equipment, library books, and construction in progress are stated at cost, or in the case of gifts, at fair value at the date of donation, less accumulated depreciation. Expenditures for maintenance, repairs, and renewals of relatively minor items are not capitalized. Fixed assets equal to or greater than \$3,000, which have a useful life greater than 3 years are capitalized. The cost of assets disposed of and related accumulated depreciation are eliminated from the accounts. Impairment losses are recognized when the carrying value of an asset exceeds its fair value. The Organizations regularly assess all of its long-lived assets for impairment and has determined that no impairment loss need be recognized in the periods reported. Depreciation is computed on a straight-line basis, using a half-year convention, over the estimated useful lives of the related assets. Such assets and lives are generally as follows:

Land improvements	5 - 50 years
Buildings and building improvements	5 - 50 years
Furniture and fixtures	3 - 10 years
Equipment	3 - 30 years
Library books	10 years

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, expirations of donor restrictions are reported when donated or acquired long-lived assets are placed in service.

Collections

Collection items in the College's art collection are held for public exhibition, education or research in furtherance of public service and are not capitalized. Contributions of collection items are not recognized in the consolidated statement of activities and changes in net assets. All proceeds from the sale of collection items are used to acquire other items for the collection.

U.S. Government Grants Refundable

Refundable grants represent capital contributions received from the federal government to fund the Perkins loan program. This is a revolving fund that increases as students repay their loans and decreases as new loans are disbursed. Funds advanced by the federal government of approximately \$1,100,000 and \$1,500,000 at May 31, 2023 and 2022, are ultimately refundable to the government and are classified as liabilities in the consolidated statement of financial position. During fiscal years 2023 and 2022, the Department of Education required the College to return funds related to Perkins student loans in the amount of \$462,052 and \$500,000, respectively as the program winds down.

Leases

The College leases certain classroom space, vehicles, and equipment under the terms of lease contracts. The College determines whether a contract is a lease at inception. In evaluating contracts to determine if they qualify as a lease, the College considers factors such as if they have obtained substantially all the rights to the underlying asset through exclusivity, if they can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Lease assets represent the College's right to use an underlying asset for the lease term and lease liabilities represent the College's obligation to make lease payments arising from the lease.

Operating ROU assets are included in deferred charges, prepaid expenses and other assets and the related liabilities are included in accrued expenses and other liabilities on the consolidated statement of financial position. Finance lease ROU assets are included in property and equipment, net, and the related liabilities are included in long-term debt, net, in the consolidated statement of financial position.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Operating and finance lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. An incremental borrowing rate based on the information available at commencement date is used in determining the present value of lease payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the College will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

In determining the discount rate used to measure the ROU asset and related liability, the College uses rates implicit in the lease, or if not readily available, they use their incremental borrowing rate. The College's incremental borrowing rate is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by their assets. Determining a credit spread as secured by the College's assets may require significant judgment.

Finance lease ROU asset amortization and interest costs are recorded within depreciation, amortization and interest as presented in Note 12.

Tuition, Fees, Room and Board Revenue and Receivables

Revenue from contracts with students is recognized in the fiscal year in which the academic programs are delivered. The College recognizes tuition, fees, room and board revenue in the period in which they satisfy their performance obligations by transferring services to their students. The College establishes tuition, fee, room and board contracts with students upon the earliest of receipt of their enrollment deposit to secure a place in a future academic term registration for classes, a signed financial responsibility agreement, or similar consent by the student.

The College's performance obligation relative to tuition and fees is a bundled obligation, to provide instruction for their students over the stated period of the contract (i.e. the academic term), along with any additional services as outlined in academic programs. These obligations are satisfied over the academic term as these services are provided by the College and received by the student. Students who adjust their course load or withdraw completely within the first 6 weeks of the academic term may receive a full or partial refund in accordance with the College's refund policy. Historically, refunds have been less than 1% of the total amount billed. Refunds issued reduce the amount of revenue recognized. Due to the timing of each academic semester, there was no variable consideration recorded related to refunds at May 31, 2023 or 2022.

Payments for tuition, fees, room and board are due approximately 4 weeks prior to the start of each academic term. Such payments are recognized at the amount to which the College expects to be entitled, and this transaction price (i.e. the term rate) is allocated to the bundled service. Each student resident pays a semester-based rate based on their signed residential agreement. Each academic term, the performance obligation is satisfied as the benefit of the services are consumed and room and board revenue is recorded.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tuition, Fees, Room and Board Revenue and Receivables (Continued)

The transaction price consists of the published rates, less institutional scholarships and grants awarded, net of all estimated adds, drops and withdrawals to/from the College (i.e. tuition contract modification or termination). Unless specifically designated for room and board, all scholarships and grants awarded to students are applied to tuition first, up-to the amount of tuition for the student, with the remaining amount to be applied to room and board, if any.

Tuition, fees, and room and board revenues are charged and collected on a term by term basis. The College expects to collect established payments due under student contracts, less any scholarships or grants. Amounts that remain uncollected at the end of the term are recorded as student accounts receivable. The College provides an allowance for doubtful accounts based on historical losses, existing economic conditions, and a specific review of the financial stability of its students. Student accounts receivable are written off when they are determined to be uncollectible. The College recorded an allowance for uncollectible student accounts receivable of \$754,000 and \$564,000 at May 31, 2023 and 2022, respectively.

Revenue from net tuition and fees, accounted for approximately 68% and 66% of the College's operating revenue in fiscal 2023 and 2022, respectively. Revenue from room and board accounted for approximately 17% and 15% of the College's operating revenue in fiscal 2023 and 2022, respectively.

Revenue from contracts with students, net of scholarships and grants, was recognized from the following sources for the years ended May 31:

	<u>2023</u>	<u>2022</u>
Tuition and fees	\$ 71,993,033	\$ 69,698,073
Room and board	<u>17,691,524</u>	<u>15,701,545</u>
Tuition, fees, room and board	<u>\$ 89,684,557</u>	<u>\$ 85,399,618</u>

Included in gross tuition, fees, room and board for the years ended May 31, 2023 and 2022 is tuition of \$114,937,495 and \$109,656,146, respectively. Included in scholarships and grants for the years ended May 31, 2023 and 2022, is \$44,288,789 and \$41,762,912, respectively, of unfunded scholarship and grants.

Deferred Revenue

For the summer academic term, provision of services may cross the fiscal year-end. As a result, revenue for the College's summer session is deferred as a contract liability, deferred revenue, in the current fiscal year to the extent that the performance obligation has not yet been met. At May 31, 2023 the College recorded approximately \$6,479,000 of deferred revenue related to the Summer 2023 academic term. As of May 31, 2022, the College recorded approximately \$5,169,000 of deferred revenue related to the Summer 2022 academic term.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue (Continued)

Also at May 31, 2023, deferred revenue includes approximately \$938,000 for payments received in advance of service provision under the term of a vendor contract. This deferred revenue is expected to be recognized ratably in fiscal 2024 through 2033.

The remaining deferred revenue balance is related to federal, state and private grants amounts received in advance with donor conditions not yet met in order to be recognized as revenue.

Grants and Contracts

Revenue from grants and contracts is recognized when conditions from the donor are met and there are no barriers to be overcome. Amounts received in advance of such conditions being met are reported as deferred revenue.

Media and Advertising

Media and advertising costs are expensed as incurred. For the years ended May 31, 2023 and 2022, such costs amounted to approximately \$1,434,000 and \$1,031,000, respectively.

Tax Status

The College has been recognized by the IRS as an organization exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code. The College has also been classified as an organization that is not a private foundation.

The LLC and Prime Care are single member limited liability corporations and are disregarded entities for federal income tax purposes. For this reason, they are viewed as divisions of the College and rely on the College's tax-exempt status.

Allocation of Certain Expenses

The disclosure regarding functional expenses (Note 16) presents expenses by both functional and natural classification. Certain categories of expenses are attributable to one or more program or supporting functions, and as a result it is necessary to allocate these expenses amongst the functional categories. These expenses include interest, overhead and maintenance, depreciation, and accretion expenses, which are allocated by square feet occupied by each function for buildings and percentage of use for equipment used by each function for assets used by multiple functions. All remaining expense categories are directly charged.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Information

The consolidated financial statements include certain prior-year summarized information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the College's consolidated financial statements for the year ended May 31, 2022, from which the summarized information was derived.

Reclassifications

Certain reclassifications have been made to the financial statements for the year ended May 31, 2022. These reclassifications are for comparative purposes only and have no effect on net assets or change in net assets as originally reported.

3. COVID-19 PANDEMIC

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by the United States Congress and signed into law by the President on March 27, 2020. The CARES Act established the Higher Education Emergency Relief Fund (HEERF). In December 2020, the HEERF program received additional funding allocated by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and in March 2021 additional funding was allocated by the American Rescue Plan Act (ARPA).

HEERF grants contained specific requirements on how the funding could be used. HEERF grants were required to be awarded in part as direct emergency financial aid grants to students for expenses related to the disruption of campus operations due to the pandemic, with the remaining funding retained by institutions to offset the costs associated with changes to the delivery of instruction due to the pandemic and to defray institutional expenses, including room and board refunds.

During 2022, the College recognized HEERF grant revenue of \$7,151,270, of which \$3,581,291 was distributed as direct emergency financial aid grants to students. HEERF grant revenue is recorded as federal grants and the associated financial aid grants to students is recorded as student service expense on the accompanying consolidated statement of activities and change in net assets for the years ended May 31, 2022. The College did not receive any HEERF funds or recognize any HEERF revenue or expense in 2023.

4. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organizations' policy is to regularly monitor liquidity required to meet their operating needs and other contractual commitments, while also striving to maximize the investment of their available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organizations consider all expenditures related to their ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

4. LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

The Organizations' financial assets at May 31, 2023 and 2022 available to meet cash needs for general expenditures within one year from the consolidated statement of financial position are as follows:

	<u>2023</u>	<u>2022</u>
Financial assets, at year end	\$ 177,020,900	\$ 182,816,724
Less: financial assets unavailable for general expenditures within one year:		
Perkins student loan receivable, net	(110,879)	(497,184)
Gifts receivable, net	(8,009,111)	(8,245,853)
Grants and other receivables	(2,737,675)	(1,488,391)
Assets whose use is limited	(5,606,096)	(5,627,407)
Donor-restricted endowment, net of portion of gifts receivable included above	(43,516,626)	(43,387,458)
Subject to satisfaction of donor-restrictions	(6,184,466)	(5,591,539)
Board designations:		
Quasi-endowment, net of portion of gifts receivable included above	(85,474,041)	(85,555,249)
Other board designations	(6,326,132)	(5,127,410)
Expected endowment spending distribution next fiscal year	<u>6,076,588</u>	<u>5,558,288</u>
Financial assets available to meet general expenditures within one year	<u>\$ 25,132,462</u>	<u>\$ 32,854,521</u>

Perkins student loans receivable are not considered to be available to meet general expenditures as the program has been terminated by the Department of Education, and the College has been returning funds as the Department of Education requests them.

The College's working capital and cash flows have seasonal variations during the year attributable to tuition billing and a concentration of contributions received at calendar and fiscal year end. A significant portion of the College's financial assets consist of investments. All investments are highly liquid.

The governing Board of Trustees has designated a portion of its resources to function as endowment and for other purposes. These funds are invested for long-term appreciation and current income, as described in Note 10, however remain available to spend at the discretion of the Board of Trustees.

In the event of an unanticipated liquidity need, the Organizations can draw upon a \$10,000,000 available line-of-credit, as described in Note 14.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

5. STUDENT ACCOUNTS RECEIVABLE

Student accounts receivable are presented net of the following allowance for doubtful accounts in the accompanying consolidated statement of financial position as of May 31:

	<u>2023</u>	<u>2022</u>
Student accounts receivable, gross	\$ 4,825,974	\$ 3,553,414
Less: Allowance for doubtful accounts	<u>(754,000)</u>	<u>(564,008)</u>
Student accounts receivable, net	<u>\$ 4,071,974</u>	<u>\$ 2,989,406</u>

6. PERKINS STUDENT LOANS RECEIVABLE

Perkins student loans receivable are presented net of the following allowance for doubtful accounts in the accompanying consolidated statement of financial position as of May 31:

	<u>2023</u>	<u>2022</u>
Perkins student loans receivable, gross	\$ 347,879	\$ 981,184
Less: Allowance for doubtful loans	<u>(237,000)</u>	<u>(484,000)</u>
Perkins student loans receivable, net	<u>\$ 110,879</u>	<u>\$ 497,184</u>

At May 31, 2023, the following amounts were currently due for Perkins student loans receivable:

	<u>In-School and Currently Due</u>	<u>30-60 Days Past Due</u>	<u>61-90 Days Past Due</u>	<u>90+ Days Past Due</u>	<u>Total</u>
Perkins student loans receivable, gross	\$ 178,744	\$ 16,962	\$ 51,838	\$ 100,335	\$ 347,879
Less: Allowance for doubtful loans	<u>(67,865)</u>	<u>(16,962)</u>	<u>(51,838)</u>	<u>(100,335)</u>	<u>(237,000)</u>
Perkins student loans receivable, net	<u>\$ 110,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,879</u>

At May 31, 2022, the following amounts were due for Perkins student loans receivable:

	<u>In-School and Currently Due</u>	<u>30-60 Days Past Due</u>	<u>61-90 Days Past Due</u>	<u>90+ Days Past Due</u>	<u>Total</u>
Perkins student loans receivable, gross	\$ 685,994	\$ 23,085	\$ 66,007	\$ 206,098	\$ 981,184
Less: Allowance for doubtful loans	<u>(188,810)</u>	<u>(23,085)</u>	<u>(66,007)</u>	<u>(206,098)</u>	<u>(484,000)</u>
Perkins student loans receivable, net	<u>\$ 497,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 497,184</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

7. ASSETS WHOSE USE IS LIMITED

Assets whose use is limited were invested primarily in money market accounts at May 31, 2023 and 2022, and were stated at cost, which approximates fair value. Assets whose use is limited were comprised of the following at May 31:

	<u>2023</u>	<u>2022</u>
Deposits held by trustees as required under long-term debt agreements	\$ 5,257,268	\$ 5,135,790
Federal loan program	<u>348,828</u>	<u>491,617</u>
	<u>\$ 5,606,096</u>	<u>\$ 5,627,407</u>

8. INVESTMENTS HELD FOR LONG-TERM PURPOSES

Investments held for long-term purposes consisted of the following as of May 31:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 469,334	\$ 687,803
Common stock	7,196,277	8,467,478
Equity funds	87,312,217	86,324,311
Fixed income funds	<u>35,016,001</u>	<u>33,337,566</u>
	<u>\$ 129,993,829</u>	<u>\$ 128,817,158</u>

Included in common stock investments are holdings of a single company with a fair value of \$7,090,540 and \$8,367,688 at May 31, 2023 and 2022, respectively, representing approximately 5.5% and 6.5%, respectively, of the College's long-term investment portfolio, at both May 31, 2023 and 2022. Per the College's investment policy, investments in any one issuer shall not exceed 7% of endowment assets.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

The College's financial instruments include cash and cash equivalents, split-interest agreements, assets whose use is limited, long and short-term investments and long-term debt.

The College's cash and cash equivalents and assets whose use is limited are stated at cost which approximates fair value. The College's U.S. Treasury and Agency securities, common stocks, mutual and exchange traded funds are stated at fair value based on quoted market prices, which is a Level 1 measurement.

Fair value of the College's split interest agreements was estimated using Level 2 inputs and derived using the present value of the projected fair value of the College's interest in charitable remainder trusts, discounted using prevailing market rates and IRS published mortality rates.

Judgment is required in certain circumstances to develop estimates of fair value and estimates may not be indicative of the amounts that could be realized in current market exchange.

The following were measured at fair value on a recurring basis at May 31, 2023:

Description	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Cash and cash equivalents	\$ 469,334	\$ -	\$ -	\$ 469,334
Common stock	7,196,277	-	-	7,196,277
Equity funds	87,312,217	-	-	87,312,217
Fixed income funds	35,016,001	-	-	35,016,001
U.S. Treasury and Agency securities	15,411,249	-	-	15,411,249
Assets whose use is limited	5,606,096	-	-	5,606,096
Beneficial interest in charitable remainder trust	-	1,173,827	-	1,173,827
Total	\$ 151,011,174	\$ 1,173,827	\$ -	\$ 152,185,001

The following were measured at fair value on a recurring basis at May 31, 2022:

Description	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Cash and cash equivalents	\$ 687,803	\$ -	\$ -	\$ 687,803
Common stock	8,467,478	-	-	8,467,478
Equity funds	86,324,311	-	-	86,324,311
Fixed income funds	33,337,566	-	-	33,337,566
U.S Treasury and Agency securities	10,008,267	-	-	10,008,267
Assets whose use is limited	5,627,407	-	-	5,627,407
Beneficial interest in charitable remainder trust	-	1,146,955	-	1,146,955
Total	\$ 144,452,832	\$ 1,146,955	\$ -	\$ 145,599,787

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

10. ENDOWMENT

Endowment net asset composition by fund for the year ended May 31, 2023, was:

<u>Description</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted funds	\$ -	\$ 29,917,562	\$ 29,917,562
Board-designated funds	85,474,041	-	85,474,041
Accumulated unappropriated earnings on funds restricted by donor perpetually	-	15,660,394	15,660,394
Total	<u>\$ 85,474,041</u>	<u>\$ 45,577,956</u>	<u>\$ 131,051,997</u>

Endowment net asset composition by fund for the year ended May 31, 2022, was:

<u>Description</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted funds	\$ -	\$ 29,028,258	\$ 29,028,258
Board-designated funds	85,424,734	-	85,424,734
Accumulated unappropriated earnings on funds restricted by donor perpetually	-	18,095,776	18,095,776
Total	<u>\$ 85,424,734</u>	<u>\$ 47,124,034</u>	<u>\$ 132,548,768</u>

Changes in endowment net assets for the year ended May 31, 2023:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 85,424,734	\$ 47,124,034	\$ 132,548,768
Investment income, net	(1,727,979)	(810,254)	(2,538,233)
Contributions, net	143,466	897,996	1,041,462
Endowment income allocated to operations	(3,602,919)	(1,633,820)	(5,236,739)
Board of Trustees designation of funds without donor restrictions to quasi-endowment	<u>5,236,739</u>	<u>-</u>	<u>5,236,739</u>
Total funds	<u>\$ 85,474,041</u>	<u>\$ 45,577,956</u>	<u>\$ 131,051,997</u>

Changes in endowment net assets for the year ended May 31, 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 88,085,491	\$ 46,472,520	\$ 134,558,011
Investment income, net	(3,926,843)	(2,027,116)	(5,953,959)
Contributions, net	52,595	3,892,121	3,944,716
Endowment income allocated to operations	(3,196,307)	(1,213,491)	(4,409,798)
Board of Trustees designation of funds without donor restrictions to quasi-endowment	<u>4,409,798</u>	<u>-</u>	<u>4,409,798</u>
Total funds	<u>\$ 85,424,734</u>	<u>\$ 47,124,034</u>	<u>\$ 132,548,768</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

10. ENDOWMENT (Continued)

Interpretation of Relevant Law

The Board of Trustees of the College has interpreted the applicable provisions of New York Not-for-Profit Corporation Law (Corporation Law) to mean that the classification of appreciation (depreciation) on endowment gifts with donor restrictions, beyond the original gift amount, follows the donor's restrictions on the use of the related income (interest and dividends). Income is classified as with donor restrictions until appropriated by the Board of Trustees for expenditure.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual endowment funds with donor restrictions may fall below the level that the donor requires the College to retain as a fund of perpetual duration. At May 31, 2023 the fair value of funds with deficiencies was approximately \$2,262,000. The original value of the funds with deficiencies was approximately \$2,349,000, resulting in underwater funds of approximately \$87,000 at May 31, 2023. At May 31, 2022 the fair value of funds with deficiencies was approximately \$824,000. The original value of the funds with deficiencies was approximately \$863,000, resulting in underwater funds of approximately \$39,000 at May 31, 2022.

Return Objectives and Risk Parameters

The College's primary investment objective for the endowment assets is to earn a total return (net of fees), within prudent levels of risk, sufficient to provide income for the College's operating expenses while preserving the value of the portfolio. The College's secondary investment objective is to attain long-term growth of the portfolio, subject to the endowment's risk tolerance.

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending

The long-term objective of the spending guidelines is to maintain the purchasing power of the endowment with the goal of providing a reasonable, predictable, stable, and sustainable level of income to support current operations. The spending rate is based on a maximum of 5% of the three-year moving average of the quarterly market value of the pool, not to exceed an amount greater than 7% of the fair market value of the pool, calculated on the basis of market values determined at least quarterly and averaged over a period of not less than five years immediately preceding the year in which the appropriation for expenditure is made. The College permits spending from underwater endowment funds, unless specifically prohibited by the donor or relevant laws and regulations.

Historically, the College has reinvested all of the approved spending policy into its quasi-endowment. The amounts reinvested were \$5,236,739 and \$4,409,797 in 2023 and 2022, respectively.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

11. PROPERTY AND EQUIPMENT

The Organizations investment in property and equipment was as follows as of May 31:

	<u>2023</u>	<u>2022</u>
Land and improvements	\$ 23,357,210	\$ 22,837,269
Buildings	212,762,300	210,199,055
Equipment	77,421,170	73,927,369
Library books	6,846,633	6,744,972
Software and Intellectual property	3,847,172	3,839,646
Construction in progress	<u>4,940,764</u>	<u>558,567</u>
	329,175,249	318,106,878
Less: Accumulated depreciation	<u>(176,157,556)</u>	<u>(167,013,680)</u>
	<u>\$ 153,017,693</u>	<u>\$ 151,093,198</u>

The College's depreciation expense for the years ended May 31, 2023 and 2022 was \$9,277,432 and \$8,991,354, respectively.

12. LEASES

The Organizations have entered into operating and finance lease contracts for certain equipment, vehicles, and building space. The Organizations' leases have remaining terms up to 5 years, some of which include options to extend the leases for various renewal periods. All options to renew are included in the current lease term when it is reasonably certain that the renewal options will be exercised.

Operating Leases

Operating lease costs were approximately \$165,000 and \$137,000 as of May 31, 2023 and 2022, respectively.

As of May 31, 2023, assets and liabilities recorded under operating leases were \$299,840 and \$302,827, respectively. As of May 31, 2022 assets and liabilities recorded under operating leases were \$200,082 and \$202,219, respectively. Right-of-use assets related to operating leases are recorded as a component of deferred charges, prepaid expenses and other assets and operating lease liabilities are recorded as a component of accrued expenses and other liabilities on the accompanying consolidated statement of financial position.

Weighted average remaining lease term	3 years
Weighted average discount rate	3.93%

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

12. LEASES (Continued)

Operating Leases (Continued)

The maturities of operating lease liabilities as of May 31, 2023 were as follows:

2024	\$	143,624
2025		117,582
2026		28,490
2027		<u>28,490</u>
Total lease payments		318,186
Less: net present value adjustments		<u>(15,359)</u>
Total operating lease liability	\$	<u>302,827</u>

Finance Leases

Lease costs were as follows for the year ended May 31, 2023:

Amortization costs - finance leases	\$	604,775
Interest expense - finance leases	\$	57,945

As of May 31, 2023, assets and liabilities recorded under finance leases were \$1,480,936 and \$1,418,416, respectively. As of May 31, 2022, assets and liabilities recorded under finance leases were \$954,461 and \$970,096, respectively. Right-of-use assets related to finance leases are recorded as a component of property and equipment, net and finance lease liabilities are recorded as a component of long-term debt, net on the accompanying consolidated statement of financial position.

Accumulated amortization associated with assets held under finance leases was \$1,597,097 and \$992,322 at May 31, 2023 and 2022, respectively. The following summarizes the weighted average remaining lease term and discount rate as for finance leases of May 31, 2023:

Weighted average remaining lease term	3 years
Weighted average discount rate	4.83%

Future payments required under the terms of the College's finance lease obligations are as follows for the years ending May 31:

2024	\$	662,489
2025		465,407
2026		292,262
2027		101,449
2028		<u>10,822</u>
Total lease payments		1,532,429
Less: net present value adjustments		<u>(114,013)</u>
Total finance lease liability	\$	<u>1,418,416</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

12. LEASES (Continued)

Supplemental Cash Flow Disclosures

ROU assets obtained in exchange for lease obligations was \$1,193,829 and \$815,452, respectively, during the years ended May 31, 2023 and 2022.

Cash paid for interest on finance leases was approximately \$55,000 and \$49,000, respectively, during the years ended May 31, 2023 and 2022.

13. LONG-TERM DEBT

The following is a summary of the College's long-term debt as of May 31:

<u>Lender</u>	<u>Rate</u>	<u>Maturity</u>	<u>2023</u>	<u>2022</u>
MCIDC - 2011 Series	2.0% - 6.0%	2034	\$ 9,150,000	\$ 9,665,000
MCIDC - 2012A Series	3.0% - 5.0%	2025	4,495,000	6,840,000
MCIDC - 2014A Series	3.0% - 5.5%	2044	14,630,000	14,975,000
Notes payable	0.0% - 1.8%	2027	1,918,290	-
Finance lease liability	3.0%	2025	<u>1,532,429</u>	<u>1,011,336</u>
			31,725,719	32,491,336
Unamortized bond premium, net			934,368	1,158,593
Less: Unamortized bond issuance costs and present value discount			<u>(828,624)</u>	<u>(852,200)</u>
			<u>\$ 31,831,463</u>	<u>\$ 32,797,729</u>

Required future annual principal payments on debt are summarized as follows:

2024	\$ 4,361,668
2025	2,758,484
2026	2,695,338
2027	1,509,525
2028	1,235,822
Thereafter	<u>19,164,882</u>
	<u>\$ 31,725,719</u>

Monroe County Industrial Development Corporation (St. John Fisher College Project)

On March 1, 2014, the College issued \$17,000,000 of tax-exempt bonds with maturity dates ranging from 2015 to 2044. The bonds are secured by a gross revenue pledge of the College's revenues. The bond agreement requires the College to meet certain covenants including a debt service coverage ratio greater than one. At May 31, 2023, and during the year then ended, management has determined the College was in compliance with these debt covenants.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

13. LONG-TERM DEBT (Continued)

Monroe County Industrial Development Corporation (St. John Fisher College Project) (Continued)

The debt was issued at a premium of \$863,924, which is netted with the bonds payable and is being amortized over the life of the debt. The amount amortized was \$28,797 in both 2023 and 2022.

The College incurred costs of issuance of approximately \$497,000, which are being amortized over the term of the debt. Amortization expense was \$16,570 for both of the years ended May 31, 2023 and 2022 and is expected to be the same for the next five years. Accumulated amortization was approximately \$152,000 at May 31, 2023.

On June 1, 2012, the College issued \$23,680,000 of tax-exempt bonds with maturity dates ranging from 2012 to 2025. The net proceeds of approximately \$26,302,000 plus sinking fund balances of approximately \$4,412,000 were used to defease the College's existing debt under the County of Monroe Industrial Development Agency (COMIDA) 1999 Series and 2001 Series bonds. The bonds are secured by a gross revenue pledge of the College's revenues. The bond agreement requires the College to meet certain covenants including a debt service coverage ratio greater than one. At May 31, 2023, and during the year then ended, management has determined the College was in compliance with these debt covenants.

The debt was issued at a premium of \$2,622,067, which is netted with the bonds payable and is being amortized over the life of the debt. The amount amortized was \$201,698 in both 2023 and 2022.

The College incurred costs of issuance of approximately \$734,000, which are being amortized over the term of the debt. Amortization expense was \$56,464 for the years ended May 31, 2023 and the expense is expected to be the same for the next two years. Accumulated amortization was approximately \$621,000 at May 31, 2023.

On May 6, 2011, the College issued a total of \$13,855,000 of tax-exempt bonds with maturity dates ranging from 2011 to 2034. The net proceeds were used to defease the Dormitory Authority of New York 2008 Bond Series. The remaining funds were used to establish a debt service reserve fund and to finance the costs of issuance. Annual sinking fund and interest payments are due on June 1. The bonds are secured by a gross revenue pledge of the College's revenues and by a leasehold mortgage on the Skalny Science Building and Lavery Library. The LLC holds title to the property and granted the leasehold mortgage to the bank, which will be defeased simultaneously with the bonds in 2034. The bond agreement requires the College to meet certain covenants including a debt service coverage ratio greater than one. At May 31, 2023, and during the year then ended, management has determined the College was in compliance with these debt covenants.

The debt was issued at a discount of \$142,509, which is netted with the bonds payable and amortized over the life of the debt. The amount amortized was \$6,270 in both 2023 and 2022.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

13. LONG-TERM DEBT (Continued)

Monroe County Industrial Development Corporation (St. John Fisher College Project) (Continued)

The College incurred costs of issuance in the amount of approximately \$555,000, which are being amortized over the term of the debt. Amortization expense was \$23,316 for the years ended May 31, 2023 and 2022, the expense is expected to be the same for the next five years. Accumulated amortization was approximately \$299,000 at May 31, 2023.

Notes Payable

During the year ended May 31, 2023 the College entered into a note payable with a lender in varying annual installments ranging from \$240,000 to \$254,332 due annually through June 1, 2026 including interest at 1.84%. At May 31, 2023 the amount outstanding on the note payable was \$973,408.

During the year ended May 31, 2023 the College entered into a non-interest bearing note payable with a lender with installments of \$7,874 due monthly through May 31 2033. At May 31, 2023 the amount outstanding on the note payable was \$944,882.

Interest Expense

Total interest expense incurred on long-term debt was \$1,361,530 and \$1,542,503 for the years ended May 31, 2023 and 2022, respectively. Interest in the amount of \$168,376 and \$150,872 was capitalized as a component of property and equipment in 2023 and 2022, respectively.

14. LINE-OF-CREDIT

In 2023, the College had available a line-of-credit with a commercial bank that permitted borrowing up to \$10,000,000, expiring on December 31, 2023. The line carries an interest rate of 1.50 percentage points above prime (8.25% at May 31, 2023). There was no balance outstanding on the line-of-credit at May 31, 2023 and 2022.

15. RETIREMENT PLANS

Eligible employees of the College are participants in a contributory retirement plan under arrangements primarily with the Teachers Insurance and Annuity Association and College Retirement Equities Fund.

If an employee contributes at least 2% of annual compensation to the Plan, the College contributes an amount equal to 8% of the respective employee's annual compensation. The total expense related to this plan amounted to \$3,033,857 and \$2,941,457 in 2023 and 2022, respectively. All required contributions to this plan have been made as of May 31, 2023 and 2022.

The College provides certain health care and life insurance benefits to retired employees and continues to fund such benefit costs principally on a pay-as-you-go basis.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

15. RETIREMENT PLANS (Continued)

The College is self-insured for the healthcare and life insurance benefits, available to active employees and retirees under age 65. The plan is treated as an experience-rated plan and the amounts recognized reflect implicit subsidies generated by higher healthcare costs for retirees that are not directly reflected in the premium rates.

The following sets forth information about the postretirement benefit plan and amounts recognized in the accompanying financial statements as of May 31:

	<u>2023</u>	<u>2022</u>
Service cost	\$ 159,904	\$ 160,160
Other components:		
Interest cost	<u>168,318</u>	<u>123,530</u>
Net periodic post-employment benefit cost	<u>328,222</u>	<u>283,690</u>
Net periodic post-employment benefit cost, net of service costs	<u>\$ 168,318</u>	<u>\$ 123,530</u>

The assumptions used to develop the net periodic post-employment benefit expense were:

	<u>2023</u>	<u>2022</u>
Discount rate	5.00%	4.20%
Medical care cost trend rate	5.50%	6.10%

The medical care cost trend rate used in the computation reduces to 4.21% in 2070 and ultimately to 4.00%.

The measurement date for the Plan year is May 31. Information about the Plan's benefit obligation is as follows:

	<u>2023</u>	<u>2022</u>
Accumulated postretirement benefit obligation	\$ (3,936,741)	\$ (4,092,210)
Plan assets at fair value	<u>-</u>	<u>-</u>
Funded status	<u>\$ (3,936,741)</u>	<u>\$ (4,092,210)</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

15. RETIREMENT PLANS (Continued)

Reconciliation of funded status at May 31:

	<u>2023</u>	<u>2022</u>
Funded status at beginning of year	\$ (4,092,210)	\$ (4,056,418)
Net periodic post-employment benefit cost	(328,222)	(283,690)
College contributions	59,408	66,662
Actuarial gain and amortization of prior service cost	<u>424,283</u>	<u>181,236</u>
Funded status at end of year	<u>\$ (3,936,741)</u>	<u>\$ (4,092,210)</u>

The service cost component of net periodic post-employment benefit costs is included as a component of operating expenses in the accompanying consolidated statement of activities. All other amounts are recorded as a component of other non-operating loss on the accompanying consolidated statement of activities and changes in net assets. Amounts recorded as a component of other non-operating gain (loss) were \$315,373 and \$124,368 for the years ended May 31, 2023 and 2022, respectively.

Amounts unamortized at May 31 are as follows:

	<u>2023</u>	<u>2022</u>
Unrecognized net gain (loss)	<u>\$ 452,697</u>	<u>\$ 28,414</u>
	<u>\$ 452,697</u>	<u>\$ 28,414</u>

The College expects to amortize \$4,604 of net gain in fiscal 2024.

	<u>2023</u>	<u>2022</u>
Weighted-average assumptions:		
Discounted rate	4.20%	3.10%
Expected return on plan assets	N/A	N/A
Rate of compensation increase	N/A	N/A

The mortality assumption was based on the PRI-2012 Mortality Tables, using Scale MP-2021 for male and females for fiscal year 2023.

Increasing the medical care cost trend rate by 1% changes the accumulated postretirement benefit obligation to \$4,216,996 and \$4,409,184, at May 31, 2023 and 2022, respectively. Decreasing the medical care cost trend rate by 1% changes the accumulated postretirement benefit obligation to \$3,697,489 and \$3,823,146, at May 31, 2023 and 2022, respectively.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2023**

15. RETIREMENT PLANS (Continued)

The following post-retirement healthcare benefits are expected to be paid:

<u>Fiscal Year</u>	<u>Benefits</u>
2024	\$ 195,666
2025	\$ 201,349
2026	\$ 221,340
2027	\$ 234,439
2028	\$ 241,804
Years 2029 – 2033	\$ 1,473,469

The College expects to contribute \$195,666 in fiscal 2024.

16. FUNCTIONAL EXPENSES

The Organizations' expenses on a natural and functional basis for year ended May 31, 2023 are as follows:

	<u>Instruction</u>	<u>Academic Support</u>	<u>Student Services</u>	<u>Institutional Support</u>	<u>Auxiliary Enterprises</u>	<u>Total</u>
Salaries and benefits	\$34,691,369	\$ 8,258,502	\$ 8,717,178	\$ 8,738,704	\$ 2,483,188	\$ 62,888,941
Interest and amortization expense	573,332	838	382,965	7,018	327,447	1,291,600
Depreciation and accretion	3,128,737	478,414	1,820,545	934,531	3,634,829	9,997,056
Purchased services	762,640	265,891	447,607	2,861,187	8,326,354	12,663,679
Occupancy costs	1,172,684	318,248	781,318	1,855,630	1,626,999	5,754,879
Other operating expenses	<u>1,928,476</u>	<u>2,075,398</u>	<u>3,494,200</u>	<u>4,493,199</u>	<u>1,018,196</u>	<u>13,009,469</u>
	<u>\$42,257,238</u>	<u>\$11,397,291</u>	<u>\$15,643,813</u>	<u>\$18,890,269</u>	<u>\$17,417,013</u>	<u>\$105,605,624</u>

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

16. FUNCTIONAL EXPENSES (Continued)

The Organizations' expenses on a natural and functional basis for year ended May 31, 2022 are as follows:

	<u>Instruction</u>	<u>Academic Support</u>	<u>Student Services</u>	<u>Institutional Support</u>	<u>Auxiliary Enterprises</u>	<u>Total</u>
Salaries and benefits	\$34,215,357	\$ 7,888,169	\$ 8,602,679	\$ 8,711,352	\$ 2,595,501	\$ 62,013,058
Interest and amortization expense	621,436	2,103	421,809	17,624	400,650	1,463,622
Depreciation and accretion	3,116,735	476,579	1,813,561	928,935	3,621,114	9,956,924
Purchased services	628,116	166,016	402,076	2,263,508	6,956,878	10,416,594
Occupancy costs	1,214,758	362,837	821,525	1,774,902	1,468,026	5,642,048
Other operating expenses	<u>1,620,905</u>	<u>1,518,627</u>	<u>2,791,113</u>	<u>3,767,879</u>	<u>655,785</u>	<u>10,354,309</u>
	<u>41,417,307</u>	<u>10,414,331</u>	<u>14,852,763</u>	<u>17,464,200</u>	<u>15,697,954</u>	<u>99,846,555</u>
Student emergency relief aid	-	-	<u>3,581,291</u>	-	-	<u>3,581,291</u>
	<u>\$41,417,307</u>	<u>\$10,414,331</u>	<u>\$18,434,054</u>	<u>\$17,464,200</u>	<u>\$15,697,954</u>	<u>\$103,427,846</u>

17. COMMITMENTS AND CONTINGENCIES

Commitments

The College has an agreement with a third party to manage and operate food service for the College through May 2033. Under the terms of the agreement, the College pays the third party a fixed management fee plus actual costs incurred, up to the annually approved budget. The fixed management fee is \$206,000 for the year ending May 31, 2024.

Self-Insurance

The College is self-insured for risk of loss related to its employee health benefit coverage. The liability estimate is based on a lag analysis derived from specific historical claims experience for incurred but not yet paid or reported claims. The liability amounted to approximately \$612,000 and \$947,000 at May 31, 2023 and 2022, respectively, and is included as a component of accrued expenses and other liabilities in the accompanying consolidated statement of financial position.

Litigation

The College has been named as a defendant in several litigation actions. Due to the preliminary nature of these actions, no estimate of ultimate liability in excess of insured limits, if any, to the College can be made. Consequently, no reserves have been recorded in the accompanying consolidated financial statements for the settlement of these matters. Management does not believe the settlement of these matters will have a material adverse effect on the College's financial position.

ST. JOHN FISHER COLLEGE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2023

18. CONDITIONAL ASSET RETIREMENT OBLIGATION

GAAP requires that conditional asset retirement obligations meeting the definition of liabilities should be recognized when incurred if their fair values can be reasonably estimated, even if conditional on a future event. The College has conditional asset retirement obligations primarily associated with asbestos abatement costs for certain facilities.

Amounts related to the asset retirement obligation were as follows at May 31:

	<u>2023</u>	<u>2022</u>
Asset retirement obligation, beginning of year	\$ 1,504,410	\$ 1,442,802
Accretion expense	114,849	70,265
Release of obligation during year	<u>(200,114)</u>	<u>(8,657)</u>
Asset retirement obligation, end of year	<u>\$ 1,419,145</u>	<u>\$ 1,504,410</u>

19. DEPARTMENT OF EDUCATION REQUIRED DISCLOSURES

The following information is required by the U.S. Department of Education as supplemental support for Exhibit I - Financial Responsibility Supplemental Schedule, for the year ended May 31, 2023:

Components of land, buildings, and equipment, net:	
Land, buildings, and equipment, net, pre-implementation	\$ 132,073,684
Land, buildings, and equipment, net, post-implementation with outstanding debt for original purchase	
Land, buildings, and equipment, net, post-implementation without outstanding debt for original purchase	14,522,309
Construction in progress	<u>4,940,764</u>
	<u>\$ 151,536,757</u>
Lease right-of-use asset, post-implementation	<u>\$ 1,780,776</u>
Components of long-term debt:	
Long-term debt for long-term purposes, pre-implementation	\$ 28,275,000
Long-term debt for long-term purposes, post-implementation	<u>1,918,290</u>
	<u>\$ 30,193,290</u>

20. SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 25, 2023, which is the date the consolidated financial statements were issued.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

September 25, 2023

To the Board of Trustees of
St. John Fisher College:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the consolidated financial statements of St. John Fisher College and Subsidiaries (collectively, the Organizations), which comprise the consolidated statement of financial position as of May 31, 2023, and the related consolidated statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 25, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organizations' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

171 Sully's Trail
Pittsford, New York 14534
p (585) 381-1000
f (585) 381-3131

www.bonadio.com

(Continued)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organizations' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organizations' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organizations' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bonadio & Co., LLP

St. John Fisher College

**FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE
MAY 31, 2023**

PRIMARY RESERVE RATIO			
<u>Expendable Net Assets</u>		<u>Financial Statement Location</u>	
=	Net assets without donor restrictions	214,614,863	Statement of Financial Position - Net assets without donor restrictions
+	Net assets with donor restrictions	56,121,115	Statement of Financial Position - Net assets with donor restrictions
-	Annuities with donor restrictions	-	NA
-	Term endowments with donor restrictions	-	NA
-	Life income funds with donor restrictions	-	N/A
-	Net assets with donor restrictions in perpetuity	29,917,562	Notes of the Financial Statements- Classification of Net Assets FN 2- Endowment-scholarships and Endowment-other restricted purposes
-	Secured and Unsecured related party receivable	-	N/A
-	Property, plant and equipment, net (includes Construction in progress):		
	Property, plant and equipment pre-implementation	132,073,684	Note of the Financial Statements Department of Education Required Disclosures, FN 19
	Property, plant and equipment post-implementation with outstanding debt for original purchase	-	Note of the Financial Statements Department of Education Required Disclosures, FN 19
	Property, plant and equipment post-implementation without outstanding debt for original purchase	14,522,309	Note of the Financial Statements Department of Education Required Disclosures, FN 19
	Construction in progress	4,940,764	Note of the Financial Statements Department of Education Required Disclosures, FN 19
-	Total Property, plant, and equipment, net	151,536,757	
	Lease right-of-use asset, net:		
	Lease right-of-use asset, pre-implementation	-	N/A
	Lease right-of-use asset, post-implementation	1,780,776	Note of the Financial Statements Department of Education Required Disclosures, FN 19
-	Total Lease Right-of-Use Asset, net	1,780,776	
-	Intangible assets	-	N/A
+	Post-employment and defined benefit pension liabilities	3,936,741	Statement of Financial Position - Accrued Post - Retirement Benefits
+	Long-term debt - for long term purposes, not to exceed total net PP&E:		
	Long-term debt - for long term purposes pre-implementation	28,275,000	Note of the Financial Statements Department of Education Required Disclosures, FN 19
	Long-term debt - for long term purposes post-implementation	1,918,290	Note of the Financial Statements Department of Education Required Disclosures, FN 19
	Line of Credit for Construction in progress	-	N/A
	Total Long-term debt - for long term purposes	30,193,290	
+	Lease right-of-use liability		
	Operating lease	302,827	Notes to the Financial Statements Leases, FN 12
	Finance lease	1,418,416	Notes to the Financial Statements Leases, FN 12
	Total Lease right-of-use liability	1,721,243	
	Expendable Net Assets:	123,352,157	
	Total Expenses and Losses:		
=	Total expenses without donor restrictions - taken directly from Statement of Activities	105,605,624	Statement of Activities - Total Operating Expenses, (Total from Statement of Activities prior to adjustments)
+	Non-Operating and Net Investment (loss)	2,940,401	Statement of Activities Non-Operating Loss without donor restriction
-	Net investment losses without donor restrictions	(1,314,652)	Statement of Activities - Investment income allocated to operations and long-term investing activities
-	Pension-related changes other than net periodic costs	(315,373)	Notes to the Financial Statements Retirement Plans FN 15
	Total Expenses and Losses:	106,916,000	

"The accompanying notes are an integral part of this schedule."

FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE
MAY 31, 2023
(Continued)

EQUITY RATIO		
<u>Modified Net Assets</u>		<u>FS Location</u>
= Net assets without donor restrictions	214,614,863	Statement of Financial Position - Net Assets without Donor Restrictions
+ Net assets with donor restrictions	56,121,115	Statement of Financial Position - Total Net Assets with Donor Restriction
- Intangible assets	-	N/A
- Unsecured related party receivables	-	N/A
Modified Net Assets:	270,735,978	
Modified Assets		
= Total assets	331,463,091	Statement of Financial Position - Total assets
- Lease right-of-use asset pre-implementation	-	N/A
+ Pre-implementation right-of-use asset liability	-	N/A
- Intangible assets	-	N/A
- Unsecured related party receivables	-	N/A
Modified Assets:	331,463,091	
NET INCOME RATIO		
		<u>FS Location</u>
Change in Net Assets Without Donor Restrictions	(3,668,313)	Statement of Activities - Change in Net Assets Without Donor Restrictions
Total Revenues and Gains	107,538,780	Statement of Activities - Total Operating Revenue Without Donor Restrictions

The accompanying notes are an integral part of this schedule.

APPENDIX C

Form of Indenture

[THIS PAGE INTENTIONALLY LEFT BLANK]

MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION

AND

MANUFACTURERS AND TRADERS TRUST COMPANY,
as Trustee

INDENTURE OF TRUST

Dated as of June 1, 2024

Relating to:

\$46,980,000

Monroe County Industrial Development Corporation
Tax-Exempt Revenue Bonds
(St. John Fisher University Project), Series 2024

THIS INDENTURE OF TRUST (i) AFFECTS TANGIBLE AND INTANGIBLE PERSONAL PROPERTY, (ii) CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS AND (iii) IS INTENDED TO CONSTITUTE A SECURITY AGREEMENT UNDER THE UNIFORM COMMERCIAL CODE.

TABLE OF CONTENTS

	<u>Page</u>
RECITALS.....	1
GRANTING CLAUSES.....	3
<u>ARTICLE I</u> DEFINITIONS AND RULES OF CONSTRUCTION.....	6
Section 1.01. Definitions of Terms	6
Section 1.02. Rules of Construction	19
<u>ARTICLE II</u> AUTHORIZATION AND ISSUANCE OF BONDS	21
Section 2.01. Authorized Amount of Bonds	21
Section 2.02. Purpose for Which Series 2024 Bonds May Be Issued	21
Section 2.03. Issuance of Series 2024 Bonds; Details of the Series 2024 Bonds.....	21
Section 2.04. Execution; Special Obligations.....	23
Section 2.05. Authentication.....	23
Section 2.06. Form of Series 2024 Bonds; Preparation of Series 2024 Bonds.....	23
Section 2.07. Delivery of Series 2024 Bonds	24
Section 2.08. Mutilated, Lost, Stolen or Destroyed Bonds.....	25
Section 2.09. Negotiability of Bonds and Registration Books	26
Section 2.10. Transfer of the Bonds.....	26
Section 2.11. Regulations with Respect to Transfers.....	27
Section 2.12. Book-Entry System.....	27
Section 2.13. Additional Bonds	28
<u>ARTICLE III</u> REDEMPTION OF BONDS PRIOR TO MATURITY.....	32
Section 3.01. Redemption Dates and Prices	32
Section 3.02. Notice of Redemption.....	35
Section 3.03. Payment of Redeemed Series 2024 Bonds	35
Section 3.04. Partial Redemption of Series 2024 Bonds	36
Section 3.05. Selection of Bonds to be Called for Redemption.....	36
<u>ARTICLE IV</u> FUNDS, REVENUES, BOND PROCEEDS AND APPLICATION THEREOF.....	37
Section 4.01. Establishment of Funds and Accounts	37
Section 4.02. Application of Series 2024 Bond Proceeds and Allocation Thereof	37
Section 4.03. Moneys to be Held in Trust.....	37
Section 4.04. Use of Moneys in the Project Fund.....	37
Section 4.05. Payments into the Bond Fund.....	38
Section 4.06. Use of Moneys in the Bond Fund	38
Section 4.07. Payments into Renewal Fund; Application of Renewal Fund	39
Section 4.08. Reserved.....	40
Section 4.09. Payments Into Rebate Fund; Application of Rebate Fund.....	40
Section 4.10. Reserved.....	41
Section 4.11. Investment of Moneys.....	41
Section 4.12. Payment to University Upon Payment of Bonds	42

Section 4.13. Reports and Information Regarding Funds.....	43
<u>ARTICLE V GENERAL COVENANTS AND PROVISIONS</u>	44
Section 5.01. Authority of Issuer; Validity of Indenture and Bonds.....	44
Section 5.02. Performance of Covenants.....	44
Section 5.03. Payment of Principal, Premium, if any, and Interest	44
Section 5.04. Deposit of Revenues	44
Section 5.05. Priority of Security Interest.....	44
Section 5.06. Enforcement of Duties and Obligations of the University.....	44
Section 5.07. Reserved.....	45
Section 5.08. Maintenance and Modification of the Facility.....	45
Section 5.09. Insurance.....	45
Section 5.10. Filing of Documents and Security Instruments	45
Section 5.11. Rights Under Financing Documents.....	45
Section 5.12. Failure to Present Bonds	45
Section 5.13. Cancellation	46
Section 5.14. Payments Due on Other Than Business Days.....	46
Section 5.15. Covenant Against Arbitrage Bonds; Tax Exemption.....	46
Section 5.16. Covenant Regarding Adjustment of Debts	46
Section 5.17. Limitation on Obligations of the Issuer	46
Section 5.18. Inspection of Books	47
Section 5.19. List of Owners.....	47
Section 5.20. Instruments of Further Assurance	47
<u>ARTICLE VI PRIORITY RIGHTS OF TRUSTEE</u>	48
Section 6.01. Priority Rights of Trustee.....	48
<u>ARTICLE VII DISCHARGE OF LIEN; DEFEASANCE OF BONDS</u>	49
Section 7.01. Discharge of Lien.....	49
Section 7.02. Defeasance of Bonds.....	49
<u>ARTICLE VIII DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND</u> <u>HOLDERS</u>	51
Section 8.01. Events of Default	51
Section 8.02. Acceleration	51
Section 8.03. Enforcement of Remedies.....	52
Section 8.04. Reserved.....	53
Section 8.05. Application of Moneys	53
Section 8.06. Remedies Vested in Trustee	54
Section 8.07. Remedies Not Exclusive.....	54
Section 8.08. Majority Bondholders Control Proceedings	54
Section 8.09. Individual Holder Action Restricted	55
Section 8.10. Termination of Proceedings	55
Section 8.11. Waiver and Non-Waiver of Event of Default.....	55
Section 8.12. Notice of Defaults	56
<u>ARTICLE IX THE TRUSTEE AND PAYING AGENT</u>	57

Section 9.01. Appointment of Trustee and Acceptance of Duties	57
Section 9.02. Fees, Charges and Expenses of the Trustee, Bond Registrar and Paying Agents	60
Section 9.03. Intervention by Trustee	61
Section 9.04. Right of Trustee to Pay Taxes, Insurance Premiums and Other Charges	61
Section 9.05. Merger or Consolidation of Trustee	61
Section 9.06. Resignation by the Trustee.....	61
Section 9.07. Removal of the Trustee	61
Section 9.08. Appointment of Successor Trustee by the Holders; Temporary Trustee.....	62
Section 9.09. Concerning Successor Trustees.....	63
Section 9.10. Successor Trustee as Custodian of Funds, Paying Agent and Bond Registrar	63
Section 9.11. Appointment, Resignation or Removal of Paying Agent and Bond Registrar; Successors	63
Section 9.12. Continuing Disclosure	64
<u>ARTICLE X SUPPLEMENTAL INDENTURES</u>	65
Section 10.01. Supplemental Indentures Not Requiring Consent of Holders.....	65
Section 10.02. Supplemental Indentures Requiring Consent of Holders.....	65
Section 10.03. Consent of University to Supplemental Indentures	67
Section 10.04. Effect of Supplemental Indentures.....	67
<u>ARTICLE XI AMENDMENT OF LOAN AGREEMENT, PLEDGE AND SECURITY AGREEMENT, INTERCREDITOR AGREEMENT, AND TAX COMPLIANCE AGREEMENT</u>	68
Section 11.01. Amendments to Loan Agreement	68
Section 11.02. Amendments to Pledge and Security Agreement and Intercreditor Agreement.....	68
Section 11.03. Amendments to Tax Compliance Agreement	69
Section 11.04. Consent of Trustee	69
<u>ARTICLE XII MISCELLANEOUS</u>	70
Section 12.01. Consent of Holders	70
Section 12.02. Limitation of Rights.....	70
Section 12.03. Severability	70
Section 12.04. Notices	71
Section 12.05. Counterparts.....	71
Section 12.06. Applicable Law	71
Section 12.07. No Recourse; Special Obligations	71
<u>EXHIBIT A FORMS OF BOND</u>	
<u>EXHIBIT B FORM OF REQUISITION FOR PAYMENT AND REIMBURSEMENT</u>	

INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of June 1, 2024 (the “**Indenture**”), is by and between the **MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION**, a not for profit local development corporation duly organized and existing under the laws of the State of New York (the “**Issuer**”), having its principal office at 50 West Main Street, Rochester, New York 14614, and **MANUFACTURERS AND TRADERS TRUST COMPANY**, a banking corporation duly organized and existing under the laws of the State of New York, authorized to accept and execute trusts of the character hereinafter set forth and having a corporate trust office at 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202 (the “**Trustee**”).

W I T N E S S E T H:

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law (“**N-PCL**”) of the State of New York (the “**State**”), as amended (hereinafter collectively called the “**Act**”), and pursuant to its certificate of incorporation, as amended (the “**Certificate**”), the Issuer was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, the Act further authorizes the Issuer to issue its bonds and to loan the proceeds thereof for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds so issued and any agreements made in connection therewith, to pledge certain revenues and receipts to secure the payment of such bonds and interest thereon; and

WHEREAS, by resolution adopted May 8, 2024 (the “**Bond Resolution**”), the Issuer determined to issue its \$46,980,000 Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the “**Series 2024 Bonds**”) for the purpose of financing or refinancing the Project (as defined below) consisting of: (a)(i) the renovation, modernization, upgrading, furnishing and equipping of the Lavery Library on the Campus, including interior work, and site work outside of the Lavery Library building such as new pathways and stairways, landscaping and a new plaza area (collectively, the “**2024 Facility**”), (ii) the current refunding of all or a portion of the Issuer’s Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2011 (the “**Series 2011 Bonds**”), which Series 2011 Bonds were originally issued in an aggregate principal amount of \$13,855,000 and are currently outstanding in an aggregate principal amount of \$8,605,000; and (iii) the current refunding of all or a portion of the Issuer’s Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2014A (the “**Series 2014A Bonds**”), which Series 2014A Bonds were originally issued in an aggregate principal amount of \$17,000,000 and are currently outstanding in an aggregate principal amount of \$14,365,000; (b) the funding of capitalized interest and a debt service reserve fund, if required; and (c) the payment of certain costs

and expenses associated with the issuance of the Series 2024 Bonds (collectively (a) through (c), the “**Project**”); and

WHEREAS, the proceeds of the Series 2011 Bonds were used for the purpose of financing a certain project (the “**2011 Project**”) consisting of: (a) the refinancing of the outstanding principal amount of the St. John Fisher College Revenue Bonds, Series 2008A issued by the Dormitory Authority of the State of New York (“**DASNY**”) in the original principal amount of \$13,200,000 for the benefit of the University for the purpose of paying in full an interim bank loan the proceeds of which were used to redeem the Variable Rate Demand Civic Facility Revenue Bonds (St. John Fisher College Project), Series 2005 (the “**Series 2005 Bonds**”), issued by the County of Monroe Industrial Development Agency (“**COMIDA**”) in the original principal amount of \$14,300,000 for the benefit of the University, the proceeds of which were used to finance (i) the construction of a 220-bed, approximately 47,000 square foot residence hall and an approximately 30,500 square foot student center and the renovation of various existing academic, administrative and student residence buildings and the acquisition and installation of the various equipment and furniture to be used in such improvements (collectively, the “**2011 Facility**”); (ii) the payment of certain costs of issuance in connection with the issuance of the Series 2005 Bonds and (iii) the funding of a debt service reserve fund as security for the Series 2005 Bonds; (b) the funding of a debt service reserve fund as security for the Series 2011 Bonds, and (c) the payment of certain costs of issuance of the Series 2011 Bonds; and

WHEREAS, the proceeds of the Series 2014A Bonds were used for the purpose of financing a certain project (the “**2014A Project**”) consisting of: (a)(i) the acquisition, construction and equipping on the Campus of an approximately 30,750 square-foot two-story addition to the existing approximately 61,700 square-foot Joseph S. Skalny Science Center facility (the “**Skalny Science Center**”) to house the University’s academic programming to serve its science, nursing and pharmacy students and faculty and provide laboratory space, classroom space, faculty/student research space and faculty offices, together with ancillary and related facilities and improvements, and related site improvements and landscaping improvements (collectively, the “**Skalny Science Center Addition Improvements**”) and (ii) the renovation, equipping and modernization of the existing Skalny Science Center for purposes of providing for enlarged and/or updated laboratory space and/or space for such other instructional purposes (collectively, the “**Skalny Science Center Renovation Improvements**”, and collectively with the Skalny Science Center Addition Improvements, the “**Skalny Science Center Improvements**”); (b)(i) the acquisition, construction and equipping on the Campus of an approximately 5,800 square-foot one-story addition to the existing approximately 105,200 square-foot Ralph C. Wilson, Jr. Athletic Center and Manning & Napier Varsity Gym facility (collectively, the “**Athletic Center**”) to house the University’s additional athletic coaching offices and staff, together with ancillary and related facilities and improvements, and related site improvements and landscaping improvements (collectively, the “**Athletic Center Addition Improvements**”) and (ii) the renovation, equipping and modernization of the existing Athletic Center for purposes of providing for enlarged and/or updated locker room space and expansion of the general fitness area (collectively, the “**Athletic Center Renovation Improvements**”, and collectively with the Athletic Center Addition Improvements, the “**Athletic Center Improvements**”); (c) the renovation, equipping and modernization of various buildings and facilities throughout the Campus (collectively, the “**Miscellaneous Improvements**”, and collectively with the Skalny Science Center Improvements and the Athletic Center Improvements, the “**Improvements**”); (d) the acquisition and installation in and around the Improvements of

certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the “**2014 Equipment**”, and together with the Improvements, the “**2014 Facility**” and, together with the 2024 Facility and the 2011 Facility, the “**Facility**”) and (e) the payment of certain costs and expenses incidental to the issuance of the Series 2014A Bonds; and

WHEREAS, pursuant to (i) a certain Loan Agreement, dated as of June 1, 2024 (the “**Loan Agreement**”), by and between the Issuer and the University, the Issuer has agreed to loan the proceeds of the Series 2024 Bonds to the University with the debt service payments thereunder in an amount sufficient to pay, among other things, the principal of, redemption price of, and interest on, the Series 2024 Bonds, and (ii) the University will execute the Promissory Note in favor of the Issuer to evidence the University’s obligation under the Loan Agreement to repay the loan, and the Issuer will endorse the Promissory Note to the Trustee; and

WHEREAS, as security for the Series 2024 Bonds, the Issuer assigned to the Trustee all of its rights (except its Reserved Rights as defined herein) under the Loan Agreement pursuant to the Indenture; and

WHEREAS, the Series 2024 Bonds are being purchased by Morgan Stanley & Co. LLC (the “**Representative**”), acting on behalf of itself and KeyBanc Capital Markets Inc. (collectively, the “**Underwriters**”), pursuant to a certain Bond Purchase Agreement, dated June 13, 2024 (the “**Bond Purchase Agreement**”), by and among the Issuer, the University and the Representative; and

WHEREAS, the Series 2024 Bonds and the Trustee’s Certificate of Authentication to be endorsed thereon are all to be in substantially the form attached hereto as **Exhibit A**, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture; and

WHEREAS, all things necessary to make the Series 2024 Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid lien on the properties mortgaged and the pledge and assignment of the loan payments, revenues and receipts herein made to the payment of the principal of and interest on the Series 2024 Bonds, have been done and performed, and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Series 2024 Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, THE PARTIES HERETO FURTHER DECLARE:

GRANTING CLAUSES

That the Issuer, in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Series 2024 Bonds by the Holders (as hereinafter defined) and as security for the Series 2024 Bonds in the aggregate principal amount of \$46,980,000, each series of Additional Bonds (as hereinafter defined) issued in accordance with Section 2.13 hereof, and the payment of all other sums required to be paid hereunder, does hereby grant a security interest in, release, assign, transfer and pledge unto the Trustee, and its successors and assigns forever, for the benefit of the Holders and all future Holders

of the Series 2024 Bonds and Additional Bonds, the following described property (the “**Trust Estate**”):

A. All right, title and interest of the Issuer in and to the moneys in all funds and accounts established by or pursuant to this Indenture or the Loan Agreement or any and all amendments or supplements thereto and held by the Trustee (except moneys deposited with, paid to, or received by the Trustee (i) for the redemption of the Bonds, notice of the redemption of which has been given, (ii) for deposit into the Rebate Fund (as hereinafter defined) or (iii) from income derived from the investment of either of the foregoing), and the income thereon, subject to the provisions of this Indenture and the Loan Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

B. All right, title and interest of the Issuer in and to the Loan Agreement, including all payments, revenues and receipts payable or receivable thereunder and all liens and security interests granted thereunder; and

C. All right, title and interest of the Issuer in and to the Promissory Note; and

D. Any and all other Property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Issuer, the University or by anyone in their behalf or with their written consent in favor of the Trustee, which is hereby authorized to receive any and all such Property at any and all times and to hold and apply the same subject to the terms hereof.

EXCEPTING THEREFROM the Unassigned Rights.

TO HAVE AND TO HOLD the Trust Estate hereby pledged, assigned and conveyed as aforesaid, or intended so to be, unto the Trustee and its successors in trust and their respective assigns forever;

IN CONSIDERATION of the purchase and acceptance of the Bonds authorized to be issued pursuant to this Indenture by those who shall hold the same from time to time: (i) this Indenture shall be deemed to be and shall constitute a contract among the Issuer, the Trustee and the Holders from time to time of the Bonds, and (ii) the pledge made and consolidated in this Indenture and the covenants set forth herein to be performed by the Issuer shall be for the equal and ratable benefit, security and protection of all Holders of the Bonds secured by this Indenture without privilege, priority or distinction as to the Lien (as hereinafter defined) or otherwise of any of the Bonds over any other of the Bonds, except in the case of funds held hereunder for the benefit of particular Holders;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, (i) shall pay or cause to be paid the principal of, premium, if any, and interest on the Bonds at the times and in the manner mentioned herein and in the Bonds, (ii) shall perform and observe all the covenants to be performed and observed hereunder, and (iii) shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof and of the Loan Agreement, then upon such final payments this Indenture and the rights hereby granted shall cease, terminate and be void, otherwise this Indenture shall be and remain in full force and effect;

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED by and between the parties hereto that all of the Trust Estate is to be held and applied subject to the further covenants, agreements and conditions set forth in the Loan Agreement and herein.

THE TRUSTEE SHALL, have and may enforce a security interest, to secure payment of all sums due or to become due to the Trustee for the benefit of the Holders under the Bonds, the Indenture, the Loan Agreement and the other Financing Documents in any or all of the Trust Estate. Such security interest is to attach at the earliest moment permitted by law and also to include and attach to all additions and accessions thereto, all substitutions and replacements therefor, all proceeds thereof, including insurance proceeds, and all contract rights, payments and general intangibles of the Issuer obtained in connection with or relating to the Trust Estate (excepting the Unassigned Rights) as well as any and all items of property in the foregoing classifications which are hereafter acquired, reconstructed and equipped. The Issuer shall, at the request of the Trustee, deliver to the Trustee any and all further instruments which the Trustee shall require in order to further secure and perfect the security interest created by this Indenture. Pursuant to the Uniform Commercial Code of the State, the Issuer hereby appoints and authorizes the Trustee as its lawful agent and attorney, to file any UCC-3 financing statement changes if the Trustee shall determine that such are necessary or advisable in order to perfect its security interests in the Trust Estate and shall pay to the Trustee on demand (but solely from amounts received by Issuer under the Loan Agreement) any expenses incurred by the Trustee in connection with the preparation, execution and filing of such statements and any continuation statements that may be filed by the Trustee.

The following information is stated in order to facilitate filings under the Uniform Commercial Code: The Secured Party is Manufacturers and Traders Trust Company, as Trustee. Its address from which information concerning the security interest may be obtained is: 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202. The Debtor is Monroe County Industrial Development Corporation, a not for profit local development corporation organized under the laws of the State of New York. Its address is: 50 West Main Street, Rochester, New York 14614.

THIS INDENTURE FURTHER WITNESSETH, that the Issuer hereby agrees and covenants with the Trustee for the equal and proportional benefit of the Holders from time to time of the Bonds as follows:

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions of Terms. The following words and terms as used in this Indenture shall have the following meanings unless the context or use indicates another or different meaning or intent:

“Accountant” means a nationally or regionally recognized firm of independent certified public accountants selected by the University having expertise in the particular businesses in which the University is engaged.

“Act” means Section 1411 of the Not-For-Profit Corporation Law of the State of New York as amended.

“Act of Bankruptcy” means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the University as debtor or the Issuer as debtor under any applicable bankruptcy, insolvency, reorganization or similar law as now or hereafter in effect.

“Additional Bonds” means any bonds, other than the Series 2024 Bonds, issued pursuant to Section 2.13 of the Indenture.

“Authorized Investments” means any of the following: (A) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America; (B) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (1) U.S. Export-Import Bank (“Eximbank”), (2) Farmers Home Administration (“FmHA”), (3) Federal Financing Bank, (4) Federal Housing Administration Debentures (“FHA”), (5) General Services Administration, (6) Government National Mortgage Association (“GNMA” or “Ginnie Mae”), (7) U.S. Maritime Administration, and (8) U.S. Department of Housing and Urban Development (“HUD”); (C) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (1) Federal Home Loan Bank System, (2) Federal Home Loan Mortgage Corporation (“FHLMC” or “Freddie Mac”), (3) Federal National Mortgage Association (“FNMA” or “Fannie Mae”), (4) Student Loan Marketing Association (“SLMA” or “Sallie Mae”), (5) Resolution Funding Corp. (“REFCORP”) obligations, and (6) Farm Credit System; (D) money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating from at least one Rating Agency in the top rating category; (E) certificates of deposit issued by commercial banks, savings and loan associations or mutual savings banks and secured at all times by collateral described in (A) and/or (B) above, which collateral is held by a third party and the bondholders must have a perfected first security interest in the collateral; (F) certificates of deposit, savings accounts, deposit accounts or money market deposits

which are fully insured by the Federal Deposit Insurance Corporation, including the Bank Insurance Fund and the Savings Association Insurance Fund; (G) investment agreements, including guaranteed investment contracts, forward purchase agreements and reserve fund put agreements acceptable to the University and entered into by the Trustee at the written direction of the University; (H) commercial paper rated, at the time of purchase rated by at least one Rating Agency in one of the top two short-term rating categories assigned by such agency; (I) bonds or notes issued by any state or municipality which are rated by at least two Rating Agencies in one of the two highest rating categories assigned by such agencies; and (J) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating from at least one Rating Agency in one of the top two short-term rating categories assigned by such agency.

“Authorized Representative” means with respect to the Issuer, its President, Vice President or Executive Director, with respect to the University, its President or its Vice President of Finance and Administration & CFO, and, with respect to both, such additional persons as, at the time, are designated to act on behalf of the Issuer or the University, as the case may be, by written certificate furnished to the Trustee and to the Issuer or the University, as the case may be, containing the specimen signature of each such person and signed on behalf of (i) the Issuer by its President, Vice President or Executive Director, or (ii) the University by its President or its Vice President of Finance and Administration & CFO.

“Bond” or “Bonds” means, the Series 2024 Bonds and any Additional Bonds, authorized to be issued pursuant to this Indenture to finance a portion of the Project Costs.

“Bond Counsel” means the law firm of Nixon Peabody LLP or an attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

“Bond Fund” means the fund so designated which is created by Section 4.01 of this Indenture.

“Bondholder” or “Holder” or “Owner” means the registered owner at the time in question of any Bond, as shown on the registration books maintained by the Bond Registrar pursuant to this Indenture.

“Bond Payment Date” means any date on which a Debt Service Payment shall be payable on any of the Bonds according to their terms so long as any of the Bonds shall be Outstanding.

“Bond Proceeds” means the sum of the face amount of the Series 2024 Bonds plus accrued interest, if any, premium, if any, less the sum of the original issue discount plus the Underwriters’ spread or similar discount, if any.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated June 13, 2024, by and among the Issuer, the University and the Representative.

“Bond Registrar” means the Trustee, acting as such, and any successor bond registrar for the Bonds appointed pursuant to Article IX hereof, their respective successors and any other

corporation which may at any time be substituted in their respective places pursuant to this Indenture.

“Bond Resolution” means the resolution adopted by the Issuer on May 8, 2024 authorizing the issuance, execution, sale and delivery of the Series 2024 Bonds and the execution and delivery of Issuer Documents, as such resolution may be amended or supplemented from time to time.

“Bond Year” means the one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year begins on the dated date of original issuance of the Bonds and ends one year later.

“Business Day” means a day other than a Saturday, Sunday, legal holiday or other day on which the Trustee is authorized by law or executive order to remain closed.

“Campus” means the University’s approximately 154-acre main campus located at 3690 East Avenue in the Town of Pittsford, New York.

“Capital Additions” means all property or interests in property, real, personal and mixed (a) which constitute additions, improvements or extraordinary repairs to or replacements of all or any part of the Facility, and (b) the cost of which is properly capitalized under generally accepted accounting principles.

“Certificates of Authentication of the Trustee” and “Trustee’s Certificates of Authentication” means the certificates executed by an authorized officer of the Trustee certifying the due authentication of the Bonds.

“Closing” or “Closing Date” means the date of the sale and delivery of the Series 2024 Bonds and the delivery of the Financing Documents.

“Code” means the Internal Revenue Code of 1986, as amended, and the final, temporary and proposed regulations of the United States Department of the Treasury promulgated thereunder. References to Sections of the Code shall be construed also to refer to successor and renumbered sections.

“Company” means St. John Fisher Real Estate, LLC, a limited liability company organized under the laws of the State of New York, its successors and assigns, and of which the University is the sole member thereof.

“Completion Date” means the date of completion of the Project as certified pursuant to the Loan Agreement.

“Condemnation” means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any governmental entity or other Person acting under Governmental Authority.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement, dated as of June 1, 2024, by and between the University and Manufacturers and Traders Trust Company, as dissemination agent, as the same may be amended or supplemented from time to time.

“Contract Term” means the period commencing with the Closing Date and continuing until the principal of, premium, if any, and interest on the Bonds have been paid in full, or provision therefor has been made pursuant to Article VII of this Indenture, and all other amounts due under the Loan Agreement have been paid in full.

“Debt Service Coverage Ratio” is the ratio of Operating Revenues Available for Debt Service to Annual Debt Service.

“Debt Service Payment” means, with respect to any Bond Payment Date, (i) the interest payable on such Bond Payment Date on the Bonds Outstanding, plus (ii) the principal, if any, payable on such Bond Payment Date on the Bonds Outstanding, plus (iii) the premium, if any, payable on such Bond Payment Date on the Bonds Outstanding.

“Default Rate” means the lesser of the applicable Fixed Interest Rate plus two hundred (200) basis points or the maximum rate permitted by law, that being the rate at which interest accrues on the Bonds from and after the date of occurrence of an Event of Default and for so long as such Event of Default remains in effect.

“Defeasance Obligations” shall mean (i) cash; (ii) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – (SLGBs)); (iii) direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury; (iv) obligations of Resolution Funding Corp. (“REFCORP”) (*provided, however*, that, only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form shall qualify as Defeasance Obligations); (v) pre-refunded municipal bonds rated “AAA” or its equivalent by at least two (2) Rating Agencies (*provided, however*, that, if such pre-funded municipal bonds are only rated by one Rating Agency, then such pre-refunded bonds shall have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or “AAA” or equivalent rated pre-refunded municipals; and (vi) obligations issued by the following agencies which are backed by the full faith and credit of the U.S.: (a) U.S. Export-Import Bank (Eximbank) Direct Obligations or fully guaranteed certificates of beneficial ownership; (b) Farmers Home Administration (FmHA); (c) Federal Financing Bank; (d) General Services Administration Participation Certificates; (e) U.S. Maritime Administration Guaranteed Title XI financing; and (f) U.S. Department of Housing and Urban Development (HUD) Project Notes, Local Authority Bonds, New Communities Debentures – U.S. government guaranteed debentures, U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds.

“Depository” or “DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Equipment” means all machinery, equipment and other tangible personal property used and to be used in connection with the Facility and acquired in whole or in part with the Bond Proceeds with such additions thereto and substitutions therefor as may exist from time to time.

“Event of Default” means any of those events defined as Events of Default by Section 8.01 of this Indenture or, when used with respect to the Loan Agreement, any of those events defined as Events of Default by Section 7.1 of the Loan Agreement.

“Extraordinary Services” and “Extraordinary Expenses” means all services rendered and all reasonable, out-of-pocket expenses (including counsels’ fees) incurred by the Trustee or any Paying Agent under this Indenture other than Ordinary Services and Ordinary Expenses including but not limited to, the services rendered and expenses reasonably incurred by the Trustee with respect to any Event of Default under the Financing Documents, or the happening of an occurrence which, with the passage of time or the giving of a notice, would ripen into an Event of Default.

“Facility” shall have the meaning assigned to such term in the WHEREAS paragraphs of this Indenture.

“Favorable Opinion of Bond Counsel” shall mean, with respect to any action, the occurrence of which requires such an opinion, an unqualified Opinion of Counsel, which shall be a Bond Counsel, to the effect that such action is permitted under the Act and the Indenture and will not impair the exclusion of interest on the Bonds from gross income for purposes of Federal income taxation (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Bonds).

“Financing Documents” or “Bond Documents” means, collectively, the Bonds, this Indenture, the Loan Agreement, the Pledge and Security Agreement, the Promissory Note, the Tax Compliance Agreement, the Continuing Disclosure Agreement, any other document or instrument executed in connection therewith to secure the University’s obligation to repay the Series 2024 Bonds or make the debt service payments due under the Loan Agreement, and any other instrument or document supplemental thereto.

“Fiscal Year” means the fiscal year of the University currently commencing on June 1 and ending on May 31 of each year, or such other fiscal year of similar length adopted by the University for accounting purposes as to which the University shall have given prior written notice thereof to the Issuer and the Trustee at least ninety (90) days prior to the commencement thereof.

“Fixed Interest Rate” means the interest rates on the Bonds as set forth in this Indenture, from and including the date of issuance of the Bonds, through but not including the final maturity date on the Bonds.

“Governmental Authority” means the United States, the State, and any other state or any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of these, having jurisdiction over the construction, equipping, ownership, leasing, operation and/or maintenance of the Facility.

“Governmental Obligations” means (i) any bonds or other obligations of the United States of America which, as to principal and interest, constitute direct obligations of or are guaranteed by the United States of America, (ii) any bonds, debentures, participation certificates, notes or other obligations of any agency or other corporation which has been or may hereafter be created by or pursuant to an Act of Congress of the United States as an agency or instrumentality thereof, the bonds, debentures, participation certificates, notes or other obligations of which are unconditionally guaranteed by the United States of America, (iii) any bond or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any state (a) which are not callable prior to maturity or as to which irrevocable instructions

have been given to the trustee or other fiduciary of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (b) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iii), as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (iii) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iii), as appropriate; and (iv) any certificates or other evidences of an ownership interest in obligations of the character described in clauses (i) and (ii) hereof or in specific portions thereof, including, without limitation, portions consisting solely of the principal thereof or solely of the interest thereon.

“Gross Revenues” or “Pledged Revenues” shall have the meaning assigned to such term in the Pledge and Security Agreement.

“Hazardous Materials” means any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum-based products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials as set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601, et seq.), Articles 15 or 27 of the New York Environmental Conservation Law, or any other applicable Environmental Law and the regulations promulgated thereunder.

“Indebtedness” shall mean without duplication, (i) all indebtedness of the University for borrowed moneys or which has been incurred or assumed in connection with the Project, (ii) all indebtedness, no matter how created, secured by the Facility or other property of the University, whether or not such indebtedness is assumed by the University, (iii) the liability of the University under any lease of real or personal property that is properly capitalized on the balance sheet of the University in accordance with generally accepted accounting principles, and (iv) any guaranty by the University of any other Person for borrowed moneys or which has been incurred or assumed by such Person in connection with the acquisition of property or the leasing of real or personal property which is properly capitalized on the balance sheet of such Person in accordance with generally accepted accounting principles, excluding Indebtedness that has been defeased.

“Indenture” means this Indenture of Trust, dated as of June 1, 2024, by and between the Issuer and the Trustee, as it may be amended or supplemented by any additional Supplemental Indenture.

“Independent Counsel” means an attorney or attorneys or firm or firms of attorneys duly admitted to practice law before the highest court in the State.

“Intercreditor Agreement” means, with respect to the Pledged Revenues, the Second Amended and Restated Intercreditor Agreement, dated as of June 1, 2024, by and between the Series 2012 Trustee and the Trustee, as it may be further amended or supplemented from time to time.

“Interest Payment Date” means the first day of each June 1 and December 1 (or the next succeeding Business Day if such first day is not a Business Day), commencing with December 1, 2024.

“Issuer” means (i) Monroe County Industrial Development Corporation and its successors and assigns and (ii) any not-for-profit corporation resulting from or surviving any consolidation or merger to which the Monroe County Industrial Development Corporation or its successors or assigns may be a party.

“Issuer Documents” means the Bonds, this Indenture, the Loan Agreement and the Tax Compliance Agreement.

“Lien” means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including but not limited to a security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term “Lien” includes reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases and other similar encumbrances, including but not limited to, mechanics’, materialmen’s, warehousemen’s and carriers’ liens and other similar encumbrances affecting real property. For the purposes hereof, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

“Loan Agreement” means the Loan Agreement, dated as of June 1, 2024, by and between the Issuer and the University, as it may be further amended or supplemented from time to time.

“Long-Term Indebtedness” means Indebtedness having an original maturity of greater than one (1) year or Indebtedness on which the University has an option to extend the maturity thereof for a period of greater than one (1) year beyond the date of the original incurrence thereof.

“Loss Event” means in the event that at any time during the term of the Loan Agreement, the whole or part of the Facility shall be damaged or destroyed, or the whole or any part of the Facility shall be taken or condemned by a competent authority for any public use or purpose, or by agreement between the University and those authorized to exercise such right, or if the temporary use of the Facility or any part thereof shall be so taken by condemnation or agreement.

“Maximum Annual Debt Service” means on any date, the greatest amount required in the then current or future Fiscal Year of Annual Debt Service.

“Net Proceeds” means so much of the gross proceeds with respect to which that term is used as remain after payment of all expenses, costs and taxes (including attorneys’ fees and disbursements and Trustee’s fees and disbursements) incurred in obtaining such gross proceeds.

“Office of the Trustee” means the corporate trust office of the Trustee located at 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202.

“Official Statement” means the Official Statement, dated June 13, 2024, with respect to the offering and sale of the Series 2024 Bonds.

“Operating Revenues Available for Debt Service” means total unrestricted operating revenues, including funds made available for operations from endowment funds and from other temporarily restricted resources, minus total unrestricted operating expenses, excluding depreciation, amortization, and interest expenses as displayed or included in the University’s audited financial statements produced in accordance with generally accepted accounting principles then applicable to the University, and excluding (i) any gains or losses resulting from either the extinguishment of Indebtedness, the sale, exchange or other disposition of capital assets not in the ordinary course of business, (ii) earnings resulting from any reappraisal, revaluation or write-up or write-down of fixed or capital assets, (iii) any non-cash adjustment for changes in accounting estimates, change in generally accepted accounting principles, or other non-cash adjustments made in accordance with generally accepted accounting principles, (iv) extraordinary items, (v) any realized gains or losses on the sale of investments or interest exchange agreements, and (vi) any unrealized gains/appreciation or losses/depreciation on the carrying value of investments or interest exchange agreements.

“Ordinary Services” and “Ordinary Expenses” means those services normally rendered and those reasonable, out-of-pocket expenses normally incurred by a trustee or paying agent under instruments similar to this Indenture, including reasonable fees and disbursements of counsel to the Trustee.

“Opinion of Counsel” shall mean a written opinion of counsel who may (except as otherwise expressly provided in the Loan Agreement or any other Financing Document) be counsel for the University or the Issuer and who shall be acceptable to the Trustee.

“Outstanding” or “Bonds Outstanding” or “Outstanding Bonds” means when used with reference to a Bond or Bonds, as of any particular date, all Bonds which have been issued, executed, authenticated and delivered under the Indenture, except:

- (i) Bonds cancelled by the Trustee because of payment or redemption prior to maturity or surrendered to the Trustee under the Indenture for cancellation;
- (ii) any Bond (or portion of a Bond) for the payment or redemption of which there has been separately set aside and held in the Bond Fund either:
 - (A) moneys and/or
 - (B) Defeasance Obligations in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall

be necessary to provide moneys, in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment or redemption date, which payment or redemption date shall be specified in irrevocable instructions given to the Trustee to apply such moneys and/or Defeasance Obligations to such payment on the date so specified, provided, that, if such Bond or portion thereof is to be redeemed, notice of such redemption shall have been given as provided in the Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice; and

(iii) Bonds in exchange for or in lieu of which other Bonds shall have been authenticated and delivered under Article II hereof, provided, however, that, in determining whether the Holders of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture, such Bonds including Series 2024 Bonds owned by the University or any affiliate of the University shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded. Bonds which have been pledged in good faith to a Person may be regarded as Outstanding for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the University or any affiliate of the University.

“Parity Obligations” means Long-Term Indebtedness of the University incurred in accordance with Section 3.8 of the Pledge and Security Agreement including obligations of the University to one or more commercial banks or financial institutions obligated to contribute to making loans, purchasing bonds or otherwise making funds available as security for the payment of the principal and interest when due on Long-Term Indebtedness of the University incurred in accordance with Section 3.8 of the Pledge and Security Agreement.

“Participant” means any of those brokers, dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as securities depository.

“Paying Agent” means the Trustee, acting as such, and any additional paying agent for the Bonds appointed pursuant to Article IX hereof, their respective successors and any other corporation which may at any time be substituted in their respective places pursuant to this Indenture.

“Permitted Encumbrances” means:

(i) the Series 2012 Pledge and Security Agreement, the Pledge and Security Agreement, the Intercreditor Agreement, the Indenture, the Series 2012 Mortgage and any other Financing Document;

(ii) liens for real estate taxes, assessments, levies and other governmental charges, the payment of which is not in default;

(iii) utility, access and other easements and rights-of-way restrictions and exceptions that an Authorized Representative of the University certifies to the Issuer and

the Trustee will not interfere with or impair the University's use of the Facility as provided in the Loan Agreement;

(iv) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to property similar in character to the Facility and as do not, either singly or in the aggregate, materially impair the property affected thereby for the purpose for which it is owned by the University;

(v) any mechanic's, workmen's, repairmen's, materialmen's, contractors', warehousemen's, carriers', suppliers' or vendors' lien or right in respect thereof if payment is not yet due and payable, or are insured over, or which are not delinquent, or the amount or validity of which, are being contested and execution thereon is stayed or has been due for less than 90 days;

(vi) any mortgage, lien, security interest or other encumbrance which exists in favor of the Trustee and the Series 2012 Trustee;

(vii) any lien on Property, Plant or Equipment, provided, that, the amount of Property, Plant and Equipment encumbered pursuant to this clause (vii) does not exceed ten percent (10%) of the current value of the Property, Plant and Equipment of the University, as applicable;

(viii) such other liens and exceptions to title that do not materially impair the value of the Facility as approved in writing by the Trustee;

(ix) deposits, endorsements, guaranties, and other encumbrances incurred in the ordinary course of business and which do not secure Indebtedness;

(x) liens granted on a parity or subordinate basis with the Liens granted to the Trustee as security for the Bonds to secure indebtedness incurred or permitted pursuant to the Loan Agreement;

(xi) Liens to secure Indebtedness permitted to be incurred pursuant to the Loan Agreement;

(xii) any Lien permitted under the Pledge and Security Agreement; and

(xiii) those Liens on the Facility in existence as of the date of the Indenture.

“Person” means an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision or branch thereof.

“Plans and Specifications” means the plans and specifications for the 2024 Facility prepared for the University, as the same may be amended or supplemented from time to time.

“Pledge and Security Agreement” means the Pledge and Security Agreement, dated as of June 1, 2024, by and between the University and the Trustee, as it may be amended or supplemented from time to time.

“Preliminary Official Statement” means the Preliminary Official Statement, dated June 6, 2024, with respect to the offering and sale of the Series 2024 Bonds.

“Project” shall have the meaning assigned to such term in the WHEREAS paragraphs of this Indenture.

“Project Costs” means the costs of the Project including those costs specifically set forth in Section 2.4 of the Loan Agreement.

“Project Fund” means the fund so designated which is created by Section 4.01 of this Indenture.

“Promissory Note” shall mean, (i) collectively, the Promissory Note with respect to the Series 2024 Bonds in substantially the form of Schedule B to the Loan Agreement, (ii) with respect to any Series of Additional Bonds, that certain Promissory Note in substantially the form of any related Exhibit to an amendment to the Loan Agreement, and (iii) with respect to the Bonds, collectively, those certain Promissory Notes described in clauses (i) and (ii) above, and shall include in each case any and all amendments thereof and supplements thereto made in conformity with the Loan Agreement and this Indenture.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Property, Plant and Equipment” shall mean all property of the University that is considered net property, plant and equipment under generally accepted accounting principles.

“Rating Agency” means any nationally recognized securities rating agency.

“Rebate Amount” means with respect to the Bonds, the amount computed as described in the Tax Compliance Agreement.

“Rebate Fund” means the fund so designated pursuant to Section 4.01 of this Indenture.

“Record Date” means the Regular Record Date or the Special Record Date, as the case may be.

“Redemption Date” means the date determined by the Trustee, following receipt by the Trustee of notice from the Issuer or the University, on behalf of the Issuer, pursuant to this Indenture as of the date as of which a redemption shall be effective.

“Redemption Price” means, when used with respect to a Bond, the principal amount thereof plus the applicable redemption premium, if any, payable thereon, plus accrued interest to the Redemption Date.

“Regular Record Date” means, with respect to any Bond Payment Date, the fifteenth (15th) day of the calendar month (whether or not a Business Day) next preceding such Bond Payment Date.

“Renewal Fund” means the fund so designated and created pursuant to Section 4.01 of this Indenture.

“Reporting Date” means the reporting date of compliance with Section 6.20 of the Loan Agreement, such date being no later than one hundred fifty (150) days following the end of each Fiscal Year, commencing with the Fiscal Year ending May 31, 2024.

“Representative” means Morgan Stanley & Co. LLC, acting on behalf of itself and KeyBanc Capital Markets Inc., and their respective successors or assigns.

“Request for Disbursement” means a request for disbursement by the University to the Trustee substantially in the form of Exhibit B attached to this Indenture.

“SEQR Act” means the State Environmental Quality Review Act, as amended, and the regulations thereunder.

“Series 2011 Bonds” means the Issuer’s \$13,855,000 Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2011.

“Series 2012 Assignment of Mortgage” means the Assignment of Mortgage and Security Agreement, dated as of June 1, 2012, from the Issuer to the Series 2012 Trustee and acknowledged by the University and the Company, and as recorded with the Monroe County Clerk on June 1, 2012, in Liber 1695 of Assignment of Mortgage, at page 471.

“Series 2012 Bonds” means the Issuer’s \$23,680,000 Tax-Exempt Revenue Refunding Bonds (St. John Fisher College Project), Series 2012A.

“Series 2012 Mortgage” means the Mortgage and Security Agreement, dated as of June 1, 2012, from the University and the Company to the Issuer, as recorded with the Monroe County Clerk on June 1, 2012, in Liber 24378 of Mortgages, at page 87, and as assigned to the Series 2012 Trustee pursuant to the Series 2012 Assignment of Mortgage, and as may be amended, modified or supplemented from time to time.

“Series 2012 Pledge and Security Agreement” means the pledge and security agreement, dated as of June 1, 2012, by and between the University and the Series 2012 Trustee, as amended or supplemented from time to time.

“Series 2012 Revenue Pledge” means the security interest in Pledged Revenues of the University granted by the University to the Series 2012 Trustee under the terms of the Series 2012 Pledge and Security Agreement.

“Series 2012 Trustee” means The Bank of New York Mellon, or its successors and assigns, as trustee with respect to the Series 2012 Bonds.

“Series 2014A Bonds” means the Issuer’s \$17,000,000 original principal amount Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2014A.

“Series 2014A Trustee” means The Bank of New York Mellon, or its successors and assigns, as trustee with respect to the Series 2014A Bonds.

“Series 2024 Bonds” means the Issuer’s \$46,980,000 original principal amount Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024.

“Short-Term Indebtedness” means any Indebtedness that is not Long-Term Indebtedness.

“Special Record Date” means a date for the payment of interest on the Bonds after an Event of Default has occurred fixed by the Trustee pursuant to Section 2.03(b) of this Indenture.

“State” means the State of New York.

“Supplemental Indenture” means any indenture supplemental to or amendatory of this Indenture, which may be executed by the Issuer and the Trustee in accordance with Article X of this Indenture.

“Tax Compliance Agreement” means the Tax Regulatory Agreement, dated the Closing Date, by and between the Issuer and the University, as the same may be amended, modified or supplemented from time to time in accordance with the terms thereof and this Indenture.

“Tax-Exempt Organization” means any corporation (or other entity) determined by the Internal Revenue Service to be exempt from taxation for federal income tax purposes under Section 501(c)(3) of the Code.

“Testing Date” means the last day of the University’s Fiscal Year.

“Trustee” means Manufacturers and Traders Trust Company, a banking corporation organized and existing under the laws of the State of New York, as Trustee under the Indenture, and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as such hereunder.

“Trust Estate” means all Property which may from time to time become subject to the Lien of this Indenture.

“Unassigned Rights”, “Reserved Rights” or “Issuer’s Reserved Rights”, shall mean collectively:

(i) the right of the Issuer in its own behalf to receive all Opinions of Counsel, reports, financial statements, certificates, insurance policies, binders or certificates, or other notices or communications required to be delivered to the Issuer under the Loan Agreement;

(ii) the right of the Issuer to grant or withhold any consents or approvals required of the Issuer under the Loan Agreement;

(iii) the right of the Issuer to enforce, in its own behalf, the obligation of the University to complete the Project;

(iv) the right of the Issuer, in its own behalf (or on behalf of the appropriate taxing authorities), to enforce, receive amounts payable under or otherwise exercise its rights under Sections 1.5, 2.1, 2.2, 3.1, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 5.1, 6.1, 6.2, 6.3, 6.5, 6.6, 6.10, 6.11, 6.13, 6.18, 6.19, 7.7, 8.1, 8.2, 8.4, 9.3, 9.10, 9.13, 9.17, 9.18 and 9.19 of the Loan Agreement; and

(v) the right of the Issuer, in its own behalf, to declare an Event of Default under Section 7.1 of the Loan Agreement with respect to any of the Issuer's Reserved Rights.

“Underwriters” means, collectively, Morgan Stanley & Co. LLC and Keybank Capital Markets Inc., and their respective successors or assigns.

“University” means St. John Fisher University, a not-for-profit education corporation and organization described in Section 501(c)(3) of the Code, organized and existing under the laws of the State of New York, with an office located at 3690 East Avenue, Rochester, New York 14618 and its successors and assigns.

“University Documents” means the Loan Agreement, the Tax Compliance Agreement, the Pledge and Security Agreement, the Promissory Note, the Continuing Disclosure Agreement, the Preliminary Official Statement and the Official Statement.

“Unrestricted Operating Revenues” means total unrestricted operating revenues, including funds made available for operations from endowment funds and from other temporarily restricted resources as displayed or included in the University's audited financial statements produced in accordance with generally accepted accounting principles then applicable to the University, and excluding (i) any gains resulting from either the extinguishment of Indebtedness, the sale, exchange or other disposition of capital assets not in the ordinary course of business, (ii) earnings resulting from any reappraisal, revaluation or write-up or write-down of fixed or capital assets, (iii), any realized gains on the sale of investments or interest exchange agreements and (iv) any unrealized gains/appreciation on the carrying value of investments or interest exchange agreements.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Indenture:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of Bonds shall not be deemed to refer to or connote the payment of Bonds at their stated maturity.

(c) All references herein to particular articles or sections are references to articles or sections of this Indenture.

(d) The table of contents and headings of the several Sections herein are solely for convenience of reference and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Indenture.

(e) This Indenture shall be construed for the benefit of the University as well as for the parties hereto to the extent not inconsistent with the rights of the Trustee and the Holders.

(f) The use of the neuter gender shall include the masculine and feminine genders as well.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01. Authorized Amount of Bonds. No Bonds may be authenticated and issued under the provisions of this Indenture except in accordance with this Article II. Except as otherwise provided in Section 2.08 and Section 2.13 hereof, the aggregate principal amount of the Series 2024 Bonds which may be authenticated and issued under this Indenture is \$46,980,000.

Section 2.02. Purpose for Which Series 2024 Bonds May Be Issued. The Series 2024 Bonds may be issued only for the purpose of providing funds to pay the Project Costs. Each Series of Additional Bonds shall be issued only for the purpose provided in the Supplemental Indenture executed in connection therewith.

Section 2.03. Issuance of Series 2024 Bonds; Details of the Series 2024 Bonds.

(a) The Series 2024 Bonds shall be designated “Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024” and shall be issued in the aggregate principal amount of \$46,980,000. The Series 2024 Bonds shall be issuable in the denomination of \$5,000 or any integral multiple of \$5,000 in excess thereof. Unless the Issuer shall otherwise direct, the Series 2024 Bonds shall be lettered “R” and shall be numbered consecutively from R-1 upwards, in the order of issuance according to the records of the Trustee.

The Series 2024 Bonds shall be dated the Closing Date, and shall bear interest from such date, or from the most recent Bond Payment Date to which interest has been paid, payable semi-annually on June 1 and December 1 of each year, commencing with December 1, 2024.

The Series 2024 Bonds shall mature on June 1 of each of the following years, in the following respective principal amounts and shall bear interest at the following respective per annum interest rates computed on the basis of a three hundred sixty (360) day year composed of twelve (12) thirty (30) day months:

[Tables On Following Page]

Year	Principal Amount	Interest Rate
2025	\$505,000	5.000%
2026	940,000	5.000
2027	1,450,000	5.000
2028	1,515,000	5.000
2029	1,595,000	5.000
2030	1,675,000	5.000
2031	1,760,000	5.000
2032	1,855,000	5.000
2033	1,945,000	5.000
2034	2,045,000	5.000
2035	1,345,000	5.000
2036	1,415,000	5.000
2037	1,490,000	5.000
2038	1,570,000	5.000
2039	1,650,000	5.000
2040	1,735,000	5.000
2041	1,825,000	5.000
2042	1,915,000	5.000
2043	2,010,000	5.000
2044	2,115,000	5.000
2049*	6,360,000	5.250
2054*	8,265,000	5.250

* Term Bonds

The Bonds maturing on June 1, 2049 and June 1, 2054 shall be subject to sinking fund redemptions in accordance with Section 3.01(b) hereof.

(b) Except as provided in Section 2.12 herein, the principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America at the Office of the Trustee, or of its successor in trust. Interest on Bonds due on any Bond Payment Date shall be payable to the Person in whose name such Bond is registered at the close of business on the Regular Record Date with respect to such Bond Payment Date, irrespective of any transfer or exchange of such Bond subsequent to such Regular Record Date and prior to such Bond Payment Date, unless the Issuer shall default in the payment of interest due on such Bond Payment Date. In the event of any such default, such defaulted interest shall be payable to the Person in whose name such bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest established by notice mailed by the Trustee to the Owners of Bonds not less than fifteen (15) days preceding such Special Record Date. Such notices shall be mailed to the Persons in whose name the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing. Payment of interest on the Bonds will be made by (i) check or draft mailed to the address of the Person in whose name such Bonds are registered, as such address appears on the registration books maintained by the Trustee, or (ii) at such other address furnished to the Trustee in writing by the Holder at least five (5) Business Days prior to the date of payment, or at the election of an Owner of at least \$1,000,000 aggregate principal amount of Bonds, by bank wire transfer to a bank account maintained by such Owner in the United States of America designated

in written instructions delivered to the Trustee at least five (5) Business Days prior to the date of such payment, which written instructions may relate to multiple Bond Payment Dates.

(c) Notwithstanding anything in subsections (a) of this Section 2.03 to the contrary, in the event of an occurrence of an Event of Default, the Bonds shall bear interest at the Default Rate from and after the date of said Event of Default and for so long as such Event of Default remains in effect.

Section 2.04. Execution; Special Obligations.

(a) The Bonds shall be executed in the name and on behalf of the Issuer with the manual or facsimile signature of its President, Vice President or Executive Director. Each such facsimile signature shall have the same force and effect as if manually signed. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature shall, nevertheless, be valid and sufficient for all purposes as if he/she had remained in office until such delivery; and any Bond may be signed on behalf of the Issuer, manually or in facsimile, by the person who, on the date of execution of such Bond, shall be the proper officer of the Issuer, although on the date of execution of this Indenture such person was not such officer.

(b) The Bonds and the premium, if any, and interest thereon shall be special obligations of the Issuer payable solely from the Trust Estate. THE BONDS AND INTEREST THEREON ARE NOT A DEBT OF THE STATE, MONROE COUNTY, NEW YORK, OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER), AND NEITHER THE STATE, MONROE COUNTY, NEW YORK NOR ANY SUCH POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) SHALL BE LIABLE THEREON.

Section 2.05. Authentication. No Bond shall be valid for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a Certificate of Authentication substantially in the form attached hereto as part of Exhibit A duly executed by the Trustee. Such executed Certificate of Authentication by the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been executed by the Trustee if signed by an authorized signatory of the Trustee but it shall not be necessary that the same person sign the Certificate of Authentication on all of the Bonds issued hereunder.

Section 2.06. Form of Series 2024 Bonds; Preparation of Series 2024 Bonds.

(a) The Series 2024 Bonds issued under this Indenture shall be substantially in the form set forth in Exhibit A hereto with such appropriate variations, omissions and insertions as are permitted or required by this Indenture. Each Series of Additional Bonds issued under this Indenture shall be substantially in the form provided for in the Supplemental Indenture executed by the Issuer and the Trustee in connection therewith in accordance with Article X hereof.

(b) The Bonds shall be prepared, executed and delivered to the Trustee in the form of typewritten bonds printed on bond safety paper.

Section 2.07. Delivery of Series 2024 Bonds.

(a) Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver the Series 2024 Bonds to the Trustee and the Trustee shall authenticate the Series 2024 Bonds and deliver them upon receipt of the Bond Proceeds in accordance with the directions of the Issuer and the provisions of this Section 2.07.

(b) Prior to or simultaneously with the delivery by the Trustee of the Series 2024 Bonds there shall be filed with the Trustee the following:

(i) original executed counterparts of the Financing Documents and the Bond Purchase Agreement;

(ii) a duly certified copy of the Bond Resolution authorizing the execution and delivery of the Financing Documents and the issuance, execution and delivery of the Series 2024 Bonds;

(iii) a certificate of the Issuer, dated as of the Closing Date, regarding the corporate existence of the Issuer; the due authorization, execution and delivery by the Issuer of each of the Issuer Documents; the absence of material litigation involving the Issuer; the absence of defaults by the Issuer; and such other matters as the Trustee, the Representative or Bond Counsel may request;

(iv) a certificate of the University, dated as of the Closing Date, regarding the valid corporate existence of the University; the due authorization, execution and delivery by the University of the University Documents; the absence of material litigation involving the University; and the absence of defaults by the University; and such other matters as the Issuer, the Trustee, the Representative or Bond Counsel may request;

(v) a certificate of the Trustee, dated as of the Closing Date, regarding the organization and existence of the Trustee; the due authorization, execution and delivery by the Trustee of this Indenture; the incumbency of officers of the Trustee authorized to execute, acknowledge and deliver this Indenture, and all other instruments necessary or proper in connection with the exercise by the Trustee of its duties under this Indenture; and the due authentication by the Trustee of the Series 2024 Bonds;

(vi) an opinion of counsel for the Issuer, dated as of the Closing Date, to the effect that the Issuer is a duly organized and existing not-for-profit local development corporation; and that each of the Financing Documents to which the Issuer is a party has been duly authorized by the Issuer, is in full force and effect and is valid and binding upon the Issuer in accordance with its terms; and addressing such other matters as the Trustee, the Representative or Bond Counsel may request;

(vii) an opinion of counsel to the Trustee, dated as of the Closing Date, as to the valid existence of the Trustee; the due authorization, execution and delivery by the Trustee of this Indenture; and such other matters as the Issuer, the Representative or Bond Counsel may reasonably request;

(viii) an opinion or opinions of counsel to the University, dated as of the Closing Date, as to the valid existence of the University; the status of the University as an organization described in Section 501(c)(3) of the Code; the due authorization, execution and delivery by the University of the Financing Documents to which the University is a party and the Bond Purchase Agreement; the absence of material litigation involving the University; and such other matters as the Issuer, the Representative or Bond Counsel may request;

(ix) an opinion of Bond Counsel, dated as of the Closing Date, to the effect that (A) the Issuer is duly authorized and entitled to issue the Series 2024 Bonds, (B) upon the execution, authentication and delivery thereof, the Series 2024 Bonds will be duly and validly issued and will constitute valid and binding special obligations of the Issuer, (C) under existing law, the interest on the Series 2024 Bonds is excluded from gross income for Federal income tax purposes except under certain conditions to be more fully expressed in such opinion, and (D) under existing law, the interest on the Series 2024 Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof;

(x) an authorization to the Trustee, signed by an Authorized Representative of the Issuer, to authenticate and deliver the Series 2024 Bonds to the purchaser or purchasers therein identified upon the terms specified therein;

(xi) notice from any rating agencies rating the Series 2024 Bonds on the Closing Date, if any, of the rating(s) to be assigned the Series 2024 Bonds on the Closing Date;

(xii) UCC-1 financing statements relating to (i) the security interests granted pursuant to this Indenture to the Trustee, and (ii) the security interests granted to the Trustee pursuant to the Pledge and Security Agreement;

(xiii) Reserved;

(xiv) to the extent not previously provided, certificates for policies of insurance with the coverages required to be delivered to the Trustee by the Loan Agreement; and

(xv) such other documents as the Trustee, its counsel or Bond Counsel may reasonably require.

Section 2.08. Mutilated, Lost, Stolen or Destroyed Bonds.

(a) In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and, upon its request, the Trustee shall authenticate and deliver a new Bond of like maturity, interest rate and principal amount as the mutilated, destroyed, lost or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Issuer and to the Trustee (i) such security or indemnity as may be required by them to save each of them harmless from all risks, however remote, and (ii) evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Bond and/or the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, the Issuer or the Trustee may require the payment by the Bondholder of

a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees, of the Issuer or the Trustee. In case any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Issuer and to the Trustee such security or indemnity as they may require to save them harmless and evidence to the satisfaction of the Issuer and the Trustee of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof. In executing a new Bond or authorizing payment of any mutilated, lost, stolen or destroyed Bond, the Issuer may rely conclusively upon a representation by the Trustee that the Trustee is satisfied with the adequacy of the evidence presented concerning the mutilation, loss, theft or destruction of any Bond and the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this Section 2.08 shall constitute an additional contractual obligation of the Issuer (whether or not the mutilated, destroyed, lost or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Indenture equally and proportionately with all other Bonds duly issued under this Indenture.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section 2.08 are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude all other rights or remedies notwithstanding any law or statute existing or hereinafter enacted to the contrary.

Section 2.09. Negotiability of Bonds and Registration Books.

(a) All Bonds issued under this Indenture shall be subject to the provisions for registration and transfer contained in this Indenture and in the Bonds.

(b) So long as any Bonds shall remain Outstanding, the Issuer shall maintain books at the Office of the Trustee for the registration of transfer of Bonds. The Trustee is hereby appointed Bond Registrar for the purpose of registering transfers on such registration books. By executing this Indenture, the Trustee accepts the duties and obligations of Bond Registrar for the Issuer. The Trustee, as Bond Registrar, shall register on such books and permit to be transferred thereon, under such reasonable regulations as the Issuer or the Trustee may prescribe, any Bond entitled to registration or transfer.

Section 2.10. Transfer of the Bonds.

(a) Each Bond shall be transferable only on the registration books of the Issuer, maintained by the Trustee, as Bond Registrar. Upon surrender thereof at the Office of the Trustee, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Trustee duly executed by the Owner or his/her attorney duly authorized in writing and in either case accompanied by a guaranty of signature satisfactory to the Trustee, the Issuer shall execute and the Trustee shall authenticate and deliver, in the name of the transferee or transferees, a new Bond or Bonds in authorized denominations for a like aggregate principal amount.

(b) The Issuer, the Trustee, and any Paying Agent may deem and treat the Person in whose name any Bond shall be registered upon the books of the Issuer on the Record Date as the

absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or Redemption Price of and interest on such Bond and for all other purposes. All such payments so made to any such Owner or upon his/her order shall be valid and effectual to satisfy and discharge the liability of the Issuer upon such Bond to the extent of the sum or sums so paid. Neither the Issuer, the Trustee, nor any Paying Agent shall be affected by any notice to the contrary. Any Owner may designate a nominee in whose name such Bond may be registered.

Section 2.11. Regulations with Respect to Transfers.

(a) The Trustee shall not be required to exchange or register a transfer of (1) any Bonds during the fifteen (15) day period next preceding (i) a Bond Payment Date or (ii) the date of selection of Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Bonds selected for redemption, or (2) any Bonds selected, called or being called for redemption in whole or in part except, in the case of any Bond to be redeemed in part, the portion thereof not so to be redeemed.

(b) All Bonds surrendered in any transfer shall forthwith be canceled in accordance with the provisions of Section 5.13 hereof.

(c) For every transfer of Bonds, the Issuer and the Trustee may make a charge sufficient to reimburse them for (i) any tax, fee or other governmental charge required to be paid with respect to such transfer, (ii) the cost of preparing each new Bond, and (iii) any other expenses of the Issuer or the Trustee, as the case may be, incurred in connection therewith, and any such charges shall be paid by the University.

Section 2.12. Book-Entry System. (a) The Series 2024 Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Series 2024 Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the name of the Nominee (as defined in paragraph (d) of this Section 2.12), as nominee of the Depository. Except as provided in Section 2.12(c) hereof, all of the Outstanding Bonds shall be registered in the name of the Nominee.

(b) With respect to the Bonds registered in the name of the Nominee, the Issuer and the Trustee shall have no responsibility or obligation to any Participant or to any Person on behalf of which a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery or timeliness of delivery by the Depository to any Participant or by a Participant to any other Person, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be redeemed in the event the Issuer redeems the Bonds in part, (iv) the payment by the Depository to any Participant or by any Participant to any other Person, of any amount with respect to the principal amount of, Redemption Price, if any, or interest on the Bonds, or (v) any consent given or other action taken by the Depository, or the Nominee, as Owner. The Issuer and the Trustee may treat and consider the Person in whose name each Bond is registered as the holder and absolute owner of such Bond for the purpose of payment of the

principal amount, Redemption Price, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal amount of, Redemption Price, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown on the registration books of the Issuer, maintained by the Trustee, as Bond Registrar, or his/her respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of the principal amount of, Redemption Price, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, shall receive a Bond evidencing the obligation of the Issuer to make payments of the principal amount of, Redemption Price, if any, and interest pursuant to this Indenture. Upon delivery by the Depository to the Owner, the Trustee and the Issuer of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to record dates, the term "Nominee" in this Indenture shall refer to such nominee of the Depository.

(c) In the event (i) the Depository determines not to continue to act as securities depository for the Bonds, or (ii) the Depository shall no longer so act and gives notice to the Trustee of such determination, then the Issuer will discontinue the book-entry system with the Depository with respect to the Bonds. If the Issuer determines to replace the Depository with another qualified securities depository, the Issuer shall prepare or direct the preparation of a new single, separate, fully registered Bond for each of the maturities of the applicable Bonds, registered in the name of such successor or substitute qualified securities depository or its nominee. If the Issuer fails to identify another qualified securities depository to replace the Depository then the Bonds shall no longer be restricted to being registered in the name of the Nominee, but shall be registered in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of the Indenture.

(d) The initial Depository shall be DTC. The initial Nominee shall be Cede & Co., as the Nominee of DTC.

(e) In order to qualify the Bonds for the Depository's book-entry system, an Authorized Representative of the Issuer has executed and delivered to the Depository a Letter of Representations for the Bonds. The execution and delivery of the Letter of Representations shall not in any way limit the provisions of this Section 2.12 or in any other way impose upon the Issuer any obligation whatsoever with respect to Persons having interests in the Bonds other than the Owners, as shown on the Bond Register.

Section 2.13. Additional Bonds.

(a) The Issuer may issue Additional Bonds hereunder from time to time on a pari passu basis with the Series 2024 Bonds issued hereunder for any of the purposes listed below:

(1) To pay the cost of completing the Facility or completing an addition thereto substantially based on the original general design and scope of the Facility or such addition thereto set forth in the original plans and specifications therefor, with such changes as may

have become necessary to carry out such original design, or to reimburse expenditures of the University for any such costs;

(2) To pay the cost of Capital Additions or to reimburse expenditures of the University for any such cost;

(3) To pay the cost of refunding through redemption of any Outstanding Bonds issued under this Indenture and subject to such redemption; or

(4) To pay the cost of any additional project approved by the Issuer.

(b) In any such event the Trustee shall, at the written request of the Issuer, authenticate the Additional Bonds and deliver them as specified in the request, but only upon receipt of:

(1) (A) a Supplemental Indenture setting forth the terms of the Additional Bonds and, for Additional Bonds described in subsection (a)(2) or (4) above, describing the Capital Additions to become part of the Facility; and (B) a supplement to the Loan Agreement providing for additional Debt Service Payments to be made by the University sufficient to cover the debt service due on the Additional Bonds.

(2) For Additional Bonds described in subsection (a)(1), (a)(2) or (a)(4) above, a certificate signed by the chief executive officer and chief financial officer of the University stating that the proceeds of the Additional Bonds plus other amounts, if any, available to the University for the purpose will be sufficient to pay the cost thereof; and (ii) payments and additional payments, if any, scheduled to be paid by the University under the Loan Agreement will be adequate to satisfy all of the Debt Service Payments required to be made on the Bonds to remain Outstanding during the remaining life thereof; provided, however, such Additional Bonds shall not be issued to cure any deficiencies existing on the date of such certification in any funds required to be maintained under this Indenture;

(3) For Additional Bonds described in subsection (a)(1) above, (i) a certificate of the University stating (A) the estimated cost of completion of the Facility or the addition thereto and (B) that all approvals required for completion of the Facility or addition thereto have been obtained, other than approvals (including, without limitation, building permits) for any portions of the Facility or such addition thereto which, based on consultations with the University and the contractor or other construction manager, will be obtained in due course so as not to interrupt or delay construction of the Facility or such addition thereto and other than licenses or permits required for occupancy or operation of the Facility or such addition thereto upon its completion;

(4) For Additional Bonds described in subsection (a)(3) above, (A) a certificate of an Authorized Representative of the University that notice of redemption of the Bonds to be refunded has been given or that provisions have been made therefor, and (B) a certificate of an Accountant stating that the proceeds of the Additional Bonds plus the other amounts, if any, stated to be available for the purpose, will be sufficient to accomplish the purpose of the refunding and to pay the cost of refunding, which shall be itemized in reasonable detail;

(5) For any Additional Bonds, a certified resolution of the Issuer (A) stating the purpose of the issue, (B) establishing the series of Additional Bonds to be issued and providing the terms and form of Additional Bonds thereof and directing the payments to be made into the funds established hereunder, (C) authorizing the execution and delivery of the Additional Bonds to be issued and (D) authorizing redemption of any previously issued Bonds which are to be refunded;

(6) For any Additional Bonds, a certificate of an Authorized Representative of the University stating (A) that no Event of Default hereunder or under the Loan Agreement has occurred and is continuing (except, in the case of Additional Bonds described in subsection (a)(1) above, for an Event of Default, if any, resulting from non-completion of the Facility or an addition thereto) and (B) that the proceeds of the Additional Bonds plus other amounts, if any, stated to be available for that purpose will be sufficient to pay the costs for which the Additional Bonds are being issued, which shall be itemized in reasonable detail;

(7) For any Additional Bonds, a certified resolution of the Board of Trustees of the University (A) approving the issuance of the Additional Bonds and the terms thereof, (B) authorizing the execution of any required amendments or supplements to this Indenture and the Loan Agreement, (C) for Additional Bonds described in subsection (a) (1) or (2) above, approving construction of the Facility or an addition thereto, and (D) for Additional Bonds described in subsection (a)(3) above, authorizing redemption of the Bonds to be refunded;

(8) For any Additional Bonds, an opinion or opinions of Bond Counsel to the effect that (A) the purpose of the Additional Bonds is one for which Additional Bonds may be issued under this Section, (B) all conditions prescribed herein as precedent to the issuance of the Additional Bonds have been fulfilled, (C) the Additional Bonds have been validly authorized and executed and when authenticated and delivered pursuant to the request of the Issuer will be valid, legally binding, special obligations of the Issuer, and will be entitled to the benefit and security of this Indenture, (D) all consents of any regulatory bodies required as a condition to the valid issuance of the Additional Bonds have been obtained and (E) issuance of such Additional Bonds will not adversely affect the tax status of Outstanding Bonds;

(9) For any Additional Bonds, a certificate of an Authorized Representative of the University, (i) evidencing the University's Maximum Annual Debt Service on all outstanding and proposed Long-Term Indebtedness is less than ten percent (10%) of the University's Unrestricted Operating Revenues as stated in the University's most recently available audited financial statements and (ii) for so long as the Series 2012 Bonds are outstanding, containing pro forma calculations demonstrating a Debt Service Coverage Ratio of 1.00:1.00 or higher for the most recently concluded Fiscal Year for which audited financial statements are available taking into account the Additional Bonds proposed to be issued. For the avoidance of doubt, the requirement to demonstrate the Debt Service Coverage Ratio described in clause (ii) will only apply while the Series 2012 are outstanding, and upon payment in full of the Series 2012 Bonds, this requirement will be of no further force and effect.

(10) An opinion of Independent Counsel to the University reasonably acceptable to the Issuer.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE III

REDEMPTION OF BONDS PRIOR TO MATURITY

Section 3.01. Redemption Dates and Prices.

(a) Extraordinary Redemption Without Premium. The Series 2024 Bonds are subject to redemption prior to maturity, at the option of the Issuer exercised at the direction of the University (which option shall be exercised upon the giving of notice by the University to the Issuer and the Trustee of its intention to prepay all amounts due under the Loan Agreement), as a whole, on any date, at a Redemption Price equal to one hundred percent (100%) of the unpaid principal amount thereof, plus accrued interest to the date of redemption, if one or more of the following events shall have occurred:

(i) Damage or destruction of all or any part (if damage or destruction of such part causes it to be impracticable for the Facility to continue to operate normally) of the Facility as evidenced by an opinion of an Independent Engineer filed with the Issuer and the Trustee that (a) the damaged or destroyed Facility or portion thereof cannot be reasonably restored within a period of one (1) year from the date of such damage or destruction to the condition thereof immediately preceding such damage or destruction, (b) the University is thereby prevented or likely to be prevented from carrying on its normal operations in the Facility or such portion thereof for a period of one (1) year from the date of such damage or destruction, or (c) the restoration cost of the Facility or such portion thereof would exceed the total amount of all insurance proceeds, including any deductible amount, in respect of such damage or destruction; or

(ii) Title to, or the temporary use of, all or substantially all of the Facility shall have been taken or condemned by a competent authority which taking or condemnation results, or is likely to result, in the University being thereby prevented or likely to be prevented from carrying on its normal operations in the Facility for a period of one (1) year from the date of such taking or condemnation, as evidenced by an opinion of an Independent Engineer filed with the Issuer and the Trustee; or

(iii) As a result of changes in the Constitution of the United States of America or of the State of New York or of legislative or executive action of said State or any political subdivision thereof or of the United States of America or by final decree or judgment of any court after the contest thereof by the University, the Loan Agreement becomes void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein.

If the Series 2024 Bonds are to be redeemed in whole as a result of the occurrence of any of the events described above, the University is required under the Loan Agreement to deliver to the Issuer and the Trustee a certificate of an Authorized Representative of the University stating that, as a result of the occurrence of the event giving rise to such redemption, the University has discontinued, or at the earliest practicable date will discontinue, its operation of the Facility for its intended purposes.

(b) Mandatory Sinking Fund Redemption of Series 2024 Bonds Without Premium. The Series 2024 Bonds maturing on June 1, 2049 shall be subject to mandatory redemption on the sinking fund redemption dates and in the sinking fund redemption amounts set forth in the following table, at a Redemption Price equal to 100% of the principal amount thereof being redeemed plus accrued interest to the Redemption Date:

<u>Sinking Fund Redemption Dates</u> <u>(June 1)</u>	<u>Sinking Fund Redemption Amounts</u>
2045	\$1,140,000
2046	1,205,000
2047	1,270,000
2048	1,335,000
2049*	1,410,000

*Maturity Date

The Series 2024 Bonds maturing on June 1, 2054 shall be subject to mandatory redemption on the sinking fund redemption dates and in the sinking fund redemption amounts set forth in the following table, at a Redemption Price equal to 100% of the principal amount thereof being redeemed plus accrued interest to the Redemption Date:

<u>Sinking Fund Redemption Dates</u> <u>(June 1)</u>	<u>Sinking Fund Redemption Amounts</u>
2050	\$1,485,000
2051	1,565,000
2052	1,650,000
2053	1,735,000
2054*	1,830,000

*Maturity Date

Not less than twenty (20) days nor more than sixty (60) days next preceding a sinking fund redemption date, the Trustee shall select for redemption on such date a principal amount of Bonds subject to redemption, in an amount not exceeding that necessary to complete the retirement of an aggregate principal amount of Bonds equal to such sinking fund redemption amount, as of such sinking fund redemption date. Accrued interest and principal on such Bonds so redeemed shall be paid from the Bond Fund, and all expenses in connection with such redemption shall be paid by the University. All Bonds shall be redeemed in the manner provided in Sections 3.02 and 3.03 hereof. The University may, at its election upon delivery to the Trustee of a certificate signed by an Authorized Representative of the University, apply as a credit against the aggregate principal amount of Bonds subject to redemption on such sinking fund redemption date the principal amount of Bonds of the same maturity acquired by the University and delivered to the Trustee for cancellation not less than ninety (90) days prior to such sinking fund redemption date, or redeemed otherwise than pursuant to an optional redemption as provided herein which have not theretofore been used for the purposes of any such credit.

(c) Reserved.

(d) Reserved.

(e) Optional Redemption. The Series 2024 Bonds maturing after June 1, 2034 are subject to redemption by the Issuer at the option of the University on or after June 1, 2034, in whole or in part at any time, at a Redemption Price equal to 100% of the principal amount of each Series 2024 Bond or portion thereof to be redeemed, plus accrued interest, if any, to the Redemption Date.

The Trustee shall call Series 2024 Bonds for redemption pursuant to this Section 3.01(e) upon receipt of notice from the Issuer, or the University on behalf of the Issuer, directing such redemption, which notice shall be sent to the Trustee at least thirty (30) days prior to the Redemption Date or such fewer number of days as shall be acceptable to the Trustee and shall specify (i) the principal amount of Series 2024 Bonds so to be called for redemption, and (ii) the applicable Redemption Price. The Issuer shall direct the Trustee to call Series 2024 Bonds for optional redemption when and only when it shall have been notified by the University to do so.

(f) Purchase of Series 2024 Bonds in Lieu of Redemption. If the Series 2024 Bonds are called for redemption in whole or in part pursuant to the terms of this Indenture, the Series 2024 Bonds called for redemption may be purchased in lieu of redemption in accordance with this Section 3.01(f) and Sections 6.18(c) and 8.3 of the Loan Agreement. Purchase in lieu of redemption shall be available for all of the Series 2024 Bonds called for redemption or for such lesser portion of such Series 2024 Bonds as constitute Authorized Denominations. The University may direct the Trustee to purchase all or such lesser portion of the Series 2024 Bonds so called for redemption. Any such direction to the Trustee must:

(i) be in writing;

(ii) state either that all of the Series 2024 Bonds called for redemption are to be purchased or, if less than all of the Series 2024 Bonds called for redemption are to be purchased, identify those Series 2024 Bonds to be purchased in Authorized Denominations; and

(iii) be received by the Trustee no later than 12:00 noon, New York City time, one (1) Business Day prior to the Redemption Date.

If so directed, the Trustee shall purchase such Series 2024 Bonds on the date which otherwise would be the date of redemption of the Series 2024 Bonds. Any of the Series 2024 Bonds called for redemption that are not purchased in lieu of redemption shall be redeemed as otherwise required by this Indenture on the date set for redemption. On or prior to the scheduled redemption date, any direction given to the Trustee pursuant to this Section 3.01(f) may be withdrawn by notice to the Trustee. The purchase shall be made for the account of the University or its designee. The purchase price of the Series 2024 Bonds shall be equal to the Outstanding principal of, accrued and unpaid interest on, and the redemption premium, if any, which would have been payable on such Series 2024 Bonds on the applicable redemption date for such redemption. To pay the purchase price of such Series 2024 Bonds, the Trustee shall use such moneys (including, to the extent applicable, moneys on deposit in the various funds and accounts

established under this Indenture except the Rebate Fund) that the Trustee would have used to pay the Outstanding principal of, accrued and unpaid interest on, and the redemption premium, if any, that would have been payable on the Series 2024 Bonds on the date set for redemption. The Trustee shall not purchase the Series 2024 Bonds pursuant to this Section 3.01(f) if, by no later than the date set for redemption, sufficient moneys have not been deposited with the Trustee, or such moneys are deposited, but are not available. No notice of the purchase in lieu of redemption shall be required to be given to the Holders (other than the notice of redemption otherwise required under this Indenture).

Section 3.02. Notice of Redemption.

(a) When Series 2024 Bonds are to be redeemed pursuant to Section 3.01 hereof, the Trustee shall give notice of the redemption of the Series 2024 Bonds in the name of the Issuer and at the expense of the University stating: (1) the Series 2024 Bonds to be redeemed; (2) the Redemption Date; (3) that such Series 2024 Bonds will be redeemed at the Office of the Trustee; (4) that on the Redemption Date there shall become due and payable upon each Series 2024 Bond to be redeemed the Redemption Price thereof (except in the case of a redemption pursuant to Section 3.01(b) hereof, in which case the principal will be due and payable on the Redemption Date and the interest will be paid on such date as provided in Article II hereof); and (5) that from and after the Redemption Date interest thereon shall cease to accrue. With respect to any optional redemption under the Indenture, any such notice of redemption may state that the redemption is conditioned upon receipt by the Trustee, on or prior to the Redemption Date, of moneys sufficient, together with any other moneys held by the Trustee and available therefor, to pay on the Redemption Date the Redemption Price of the Series 2024 Bonds to be redeemed, and that if such moneys are not received on or prior to such Redemption Date such notice shall be of no force or effect and such Series 2024 Bonds shall not be required to be redeemed.

(b) The Trustee shall mail a copy of the notice required by this Section 3.02, postage prepaid, not less than twenty (20) days nor more than sixty (60) days prior to the Redemption Date, to each Holder at the address of such Holder appearing on the registration books of the Issuer, maintained by the Trustee, as Bond Registrar. If the Series 2024 Bonds are registered to Cede & Co., such notice shall be submitted electronically to The Depository Trust Company. Such mailing shall not be a condition precedent to such redemption, and failure to so mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of the Series 2024 Bonds.

Section 3.03. Payment of Redeemed Series 2024 Bonds.

(a) After notice shall have been given in the manner provided in Section 3.02 hereof, the Series 2024 Bonds or portions thereof called for redemption shall become due and payable on the Redemption Date so designated. Upon presentation and surrender of such Series 2024 Bonds at the Office of the Trustee or as otherwise provided in Sections 2.03(b) hereof, such Series 2024 Bonds shall be paid at the Redemption Price from moneys on deposit with the Trustee and part of the Trust Estate.

(b) If, on the Redemption Date, moneys for the redemption of all Series 2024 Bonds or portions thereof to be redeemed, together with interest thereon to the Redemption Date, shall be

held by the Trustee in the Bond Fund so as to be available therefor on such date, the Series 2024 Bonds or portions thereof so called for redemption shall cease to bear interest, and such Series 2024 Bonds or portions thereof shall no longer be Outstanding hereunder or be secured by or be entitled to the benefits of this Indenture. In the event the Owner fails to present or surrender its Series 2024 Bonds on the Redemption Date, the Trustee shall deposit such moneys in a separate non-interest bearing account, in trust for the benefit of such Owner, and the funds held in such account shall not be invested by the Trustee. If such moneys shall not be available on the Redemption Date, such Series 2024 Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Indenture; additionally, the Trustee shall within fifteen (15) days after the proposed Redemption Date notify all affected Holders that the redemption has been revoked.

Section 3.04. Partial Redemption of Series 2024 Bonds. Upon surrender of any Bonds for redemption in part only, the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder thereof a new Bond or Bonds of the same series in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Section 3.05. Selection of Bonds to be Called for Redemption. If less than all Bonds of the same series and maturity are to be redeemed, the Bonds of such series and maturity to be called for redemption shall be selected by lot. If less than all of the Bonds of the same series and different maturities are to be redeemed, the Bonds to be redeemed shall be as directed by the University in writing, or if no such written direction is received by the Trustee, the principal amount of such redemption shall be applied in inverse order of maturity and by lot within a maturity.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE IV

FUNDS, REVENUES, BOND PROCEEDS AND APPLICATION THEREOF

Section 4.01. Establishment of Funds and Accounts. The following trust funds and accounts therein are hereby established with the Trustee and shall be held, maintained and administered by the Trustee on behalf of the Issuer in accordance with this Indenture:

(a) Monroe County Industrial Development Corporation Project Fund (St. John Fisher University Project), Series 2024 (the “Project Fund”);

(b) Monroe County Industrial Development Corporation Bond Fund (St. John Fisher University Project), Series 2024 (the “Bond Fund”);

(c) Monroe County Industrial Development Corporation Renewal Fund (St. John Fisher University Project), Series 2024 (the “Renewal Fund”); and

(d) Monroe County Industrial Development Corporation Rebate Fund (St. John Fisher University Project), Series 2024 (the “Rebate Fund”).

Section 4.02. Application of Series 2024 Bond Proceeds and Allocation Thereof. Upon the receipt of the proceeds of the Bonds, the Trustee shall deposit such proceeds as follows:

(a) In the Bond Fund: all accrued interest, if any, paid by the purchaser of the Series 2024 Bonds; and

(b) In the Project Fund: the balance of the proceeds received from the sale of the Series 2024 Bonds.

Section 4.03. Moneys to be Held in Trust. All moneys deposited with, paid to or received by the Trustee for the account of the Issuer shall be held by the Trustee in trust and shall be subject to the Lien of this Indenture and held for the security of the Holders until paid in full, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein; provided, however, that moneys which have been deposited with, paid to, or received by the Trustee (i) for the redemption of a portion of the Bonds, notice of the redemption of which has been given or (ii) for the payment of Bonds or interest thereon due and payable otherwise than by acceleration, notice of the acceleration of which has been given by declaration, shall be held in trust for and subject to a Lien in favor of only the Holders of such Bonds so called for redemption or so due and payable; and provided further that moneys paid to the Trustee to be deposited into the Rebate Fund shall not be subject to the Lien of this Indenture and shall be applied only as provided in Section 4.09 hereof.

Section 4.04. Use of Moneys in the Project Fund.

(a) Moneys in the Project Fund shall be applied and expended by the Trustee in accordance with the provisions of the Loan Agreement and particularly Section 2.4 thereof and this Section 4.04.

(b) The Trustee is hereby authorized to disburse from the Project Fund the amount required for the payment of Project Costs and is directed to issue its checks (or, at the written direction of the University, make wire transfers) for each disbursement from the Project Fund, upon receipt of a requisition (in substantially the form attached hereto as Exhibit B) submitted to the Trustee and signed by an Authorized Representative of the University. The Trustee shall be entitled to rely on the correctness and accuracy of such requisition as well as the propriety of the signature thereon. Upon completion of the Project and the delivery of the Project completion certificate as required by Section 2.2 of the Loan Agreement, the Trustee shall transfer any remaining funds into the Bond Fund.

(c) The Trustee shall maintain adequate records pertaining to the Project Fund and all disbursements therefrom. Until the Project Fund has been fully expended, the Trustee shall furnish the Issuer and the University with monthly statements showing all receipts and disbursements from the Project Fund since the date of the last statement.

(d) The completion of the Project and payment or provision for payment of items included within the Project Costs shall be evidenced by the filing with the Trustee of the certificate required by Section 2.2 of the Loan Agreement. As soon as practicable and in any event not more than sixty (60) days from the date of the certificate referred to in the preceding sentence, any balance remaining in the Project Fund, except for (i) amounts the University shall have directed the Trustee to retain for any item included within the Project Costs not then due and payable, and (ii) amounts required to be transferred to the Rebate Fund by the Tax Compliance Agreement and Section 4.09 hereof, shall without further authorization be transferred to the Bond Fund and thereafter be applied to pay principal on the Bonds or to redeem the Bonds in accordance with Section 3.01(b) hereof as directed by the University.

(e) All net income or gain received from investments of amounts held in the Project Fund shall be retained in the Project Fund.

(f) If an Event of Default hereunder shall have occurred and the Outstanding principal amount of the Bonds shall have been declared due and payable pursuant to Article VIII hereof, the entire balance remaining in the Project Fund after making the transfer to the Rebate Fund required by the Tax Compliance Agreement and Section 4.09 hereof, shall be transferred to the Bond Fund.

Section 4.05. Payments into the Bond Fund. There shall be deposited by the Trustee into the Bond Fund when and as received the following: (i) accrued interest, if any, as provided in Section 4.02 hereof, (ii) any and all payments received by the Trustee under Section 3.2(a) of the Loan Agreement, (iii) the balance in the Project Fund, the Renewal Fund and the Rebate Fund to the extent specified in this Article IV, (iv) the amount of net income or gain received from the investments of moneys in the Bond Fund and (v) all other moneys received by the Trustee under and pursuant to any of the provisions of the Loan Agreement or this Indenture which by the terms hereof or the Loan Agreement are required to be or which are accompanied by directions that such moneys are to be paid into the Bond Fund.

Section 4.06. Use of Moneys in the Bond Fund. So long as there remain any Bonds Outstanding, moneys in the Bond Fund shall be used solely for the payment, when due, of Debt Service Payments on the Bonds or for the redemption of the Bonds as herein provided.

Section 4.07. Payments into Renewal Fund; Application of Renewal Fund.

(a) The Net Proceeds resulting from any casualty insurance proceeds or Condemnation award with respect to the Facility deposited or delivered to the Trustee pursuant to the Loan Agreement shall be deposited in the Renewal Fund. The amounts in the Renewal Fund shall be subject to a security interest, lien and charge in favor of the Trustee until disbursed as provided in this Section.

(b) In the event the Series 2024 Bonds shall be subject to redemption in whole or in part pursuant to the terms set forth in the Series 2024 Bonds or this Indenture, and the University shall have so directed the Trustee in writing within ninety (90) days of the occurrence of such event, the Trustee shall transfer the amounts deposited in the Renewal Fund to the Bond Fund for the redemption of such Series 2024 Bonds.

If, on the other hand,

(i) such Series 2024 Bonds shall not be subject to optional redemption (whether by reason of such event or otherwise), or

(ii) such Series 2024 Bonds shall be subject to optional redemption (whether by reason of such event or otherwise) and the University shall have failed to direct the Trustee, within ninety (90) days of the occurrence of a Loss Event, to transfer the amounts deposited in the Renewal Fund to the Bond Fund for redemption of such Series 2024 Bonds, or

(iii) the University shall have notified the Trustee pursuant to the Loan Agreement of its intent to rebuild, replace, repair and restore the Facility in writing,

the Trustee shall, in accordance with subsection (d) below, from time to time disburse the amounts on deposit in the Renewal Fund to the University to pay costs of such rebuilding, replacement, repair and restoration.

(c) Reserved.

(d) The Trustee is hereby authorized to apply the amounts in the Renewal Fund to the payment (or reimbursement to the extent the same have been paid by or on behalf of the University or the Issuer) of the costs required for the rebuilding, replacement, repair and restoration of the Facility upon written instructions from the University. The Trustee is further authorized and directed to issue its checks for each disbursement from the Renewal Fund upon a requisition submitted to the Trustee, signed by an Authorized Representative of the University. Such requisition shall (i) state the requisition number, (ii) specify the nature of each item and certify the same to be correct and proper under this Section and the Loan Agreement, as the case may be, and that such item has been properly paid or incurred as a Project Costs, (iii) certify that none of the items for which the requisition is made has formed the basis for any disbursement theretofore made from such Renewal Fund, (iv) certify that the payee and amount stated with respect to each item in the requisition are correct and that such item is due and owing, (v) specify the name and address of the Person to whom payment is due or has been made, (vi) certify that no Event of Default shall exist and be continuing under this Indenture or the Loan Agreement or any other Financing Document, nor any condition, event or act which, with notice or lapse of time or both would

constitute such an Event of Default, (vii) certify that such Authorized Representative of the University has no knowledge of any vendor's lien, mechanic's lien or security interest which should be satisfied or discharged before the payment as requisitioned is made and which will not be discharged by such payment, and (viii) if the payment is a reimbursement to the University for costs or expenses of the University incurred by reason of work performed or supervised by officers, partners or employees of the University or any affiliate of the University, certify that such officers, partners or employees were specifically employed for such purpose and that the amount to be paid does not exceed the actual cost thereof to the University. The Trustee shall be entitled to rely on such requisition. The Trustee shall keep and maintain adequate records pertaining to the Renewal Fund and all disbursements therefrom and shall furnish copies of same to the Issuer or the University upon reasonable written request therefor.

(e) The date of completion of the restoration of the Facility shall be evidenced to the Issuer and the Trustee by a certificate of an Authorized Representative of the University stating (i) the date of such completion, (ii) that all labor, services, machinery, equipment, materials and supplies used therefor and all costs and expenses in connection therewith have been paid for or will be paid with the final advance, (iii) that the Facility has been restored to substantially its condition immediately prior to the Loss Event, or to a condition of at least equivalent value, operating efficiency and function, (iv) that all Property included as part of the Facility is subject to the Loan Agreement, and (v) that the restored Facility is ready for occupancy, use and operation for its intended purposes. Notwithstanding the foregoing, such certificate shall state (A) that it is given without prejudice to any rights of the University against third parties that exist at the date of such certificate or which may subsequently come into being, (B) that it is given only for the purposes of this Section and the Loan Agreement, and (C) that no Person other than the Issuer or the Trustee may benefit therefrom. Such certificate shall be accompanied by (1) a certificate of occupancy, if required, and any and all permissions, licenses or consents required of governmental authorities for the occupancy, operation and use of the Facility for the purposes contemplated by the Loan Agreement; and (2) a certificate of an Authorized Representative of the University delivered to the Issuer and the Trustee to the effect that the Facility as restored is adequately described for such purposes in the Loan Agreement and this Indenture.

(f) All earnings on amounts on deposit in the Renewal Fund shall be retained in such Renewal Fund and shall be disbursed in accordance with the provisions of this Section 4.07.

(g) Any surplus remaining in the Renewal Fund after the completion of the rebuilding, replacement, repair and restoration of the Facility shall be transferred by the Trustee to the Bond Fund for redemption of the Series 2024 Bonds.

Section 4.08. Reserved.

Section 4.09. Payments Into Rebate Fund; Application of Rebate Fund.

(a) The Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, Lien or charge in favor of the Trustee, the Owner of any Bond or any other Person.

(b) All net income or gain received from investments of moneys held in the Rebate Fund shall be retained by the Trustee in the Rebate Fund.

(c) The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Representative of the University together with funds in the amount of such Rebate Amount, in accordance with the Tax Compliance Agreement, shall deposit such Rebate Amount in the Rebate Fund.

(d) In the event that on the first day of any Bond Year the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Representative of the University, shall withdraw such excess amount and prior to the applicable Completion Date, deposit it in the Project Fund or, after the applicable Completion Date, deposit it in the Bond Fund.

(e) With respect to the Series 2024 Bonds, the Trustee, upon the receipt of written instructions from an Authorized Representative of the University, shall pay to the United States, out of amounts in the Rebate Fund, (i) not later than thirty (30) days after the last day of the fifth (5th) Bond Year and after every fifth (5th) Bond Year thereafter, an amount equal to ninety percent (90%) of the balance, if any, in the Rebate Fund as of the date of such payment and (ii) notwithstanding the provisions of Section 7.02 hereof, not later than thirty (30) days after the date on which all Series 2024 Bonds have been paid in full, the balance in the Rebate Fund.

(f) Notwithstanding any other provision in this Indenture or any of the other Financing Documents, general or specific, to the contrary, the Trustee shall have no obligations hereunder or thereunder relating to rebate requirements except to comply with specific written instructions received by the Trustee from the University with respect to deposits into the Rebate Fund and release of the moneys therefrom. The Trustee shall not have any responsibility hereunder or under any of the Financing Documents to make any calculations relating to arbitrage restrictions or rebate requirements, or the excludability of the interest on the Series 2024 Bonds from gross income for Federal income tax purposes or to verify, confirm or review (and the Trustee shall not verify, confirm or review) any such calculations or requirements, or the excludability of the interest on the Series 2024 Bonds from gross income for Federal income tax purposes or to take any other action with respect thereto hereunder or thereunder. The Trustee shall not have any responsibility to notify the Issuer, the University or any other person of any failure by the University or any other person to provide to the Trustee timely written certifications relating to arbitrage restrictions or rebate requirements as required hereunder or under any other document relating to the Series 2024 Bonds, including, without limitation, certifications regarding investments in certificates of deposit or investment agreements or certifications regarding rebate payments which may be due and payable to the Internal Revenue Service.

Section 4.10. Reserved.

Section 4.11. Investment of Moneys.

(a) Moneys held in any fund established pursuant to Section 4.01 hereof (other than the Bond Fund) shall be invested and reinvested by the Trustee in Authorized Investments, pursuant to direction by the Authorized Representative of the University. Moneys held in the Bond

Fund shall be invested and reinvested, pursuant to direction by the Authorized Representative of the University, only in Governmental Obligations maturing as needed. The investment direction given by the Authorized Representative of the University must be in writing and upon which direction the Trustee may rely without further inquiry. Such investments shall mature in such amounts and have maturity dates or be subject to redemption at the option of the Trustee on or prior to the date on which the amounts invested therein will be needed for the purposes of such funds. The Trustee may at any time sell or otherwise reduce to cash a sufficient amount of such investments whenever the cash balance in such funds is insufficient for the purposes thereof. Any such investments shall be held by or under control of the Trustee and shall be deemed at all times a part of the fund for which such moneys are invested, and the interest accruing thereon and any profit realized from such investments shall be credited to and held in, and any loss shall be charged, with respect to the Bond Fund, the Rebate Fund, the Project Fund, the Renewal Fund and any other special fund held with respect to the Bonds, to such fund. All investments hereunder shall be registered in the name of the Trustee, as Trustee under this Indenture.

(b) In the event that the Trustee shall not have duly received a direction for investment for any moneys in any fund under this Indenture by 11:00 a.m. on the Business Day on which such moneys are to be invested or re-invested, such moneys shall remain uninvested until such time as the Trustee shall duly receive direction for investment.

(c) Any investment herein authorized is subject to the condition that no use of the proceeds of any Bonds or of any other moneys shall be made which, if such use had been reasonably expected on the date of issue of such Bonds, would cause such Bonds to be “arbitrage bonds” within the meaning of such quoted term in Section 148 of the Code. The Trustee shall not be liable if such use shall cause the Bonds to be “arbitrage bonds”, provided only that the Trustee shall have made such investment pursuant to the written direction or oral direction by an Authorized Representative of the University as provided in this Section 4.11.

(d) The Trustee may make any investment permitted by this Section through its own investment department. The Trustee shall not be liable for any depreciation in the value of any investment made pursuant to this Section or for any loss arising from any such investment.

(e) The Trustee shall cooperate with the Issuer and the University with respect to filing reports or forms required pursuant to Section 148(f) of the Code, but the Trustee shall not be required to file and shall not be liable for any failure by any person to file any reports or forms required pursuant to Section 148(f) of the Code.

Section 4.12. Payment to University Upon Payment of Bonds. Except as otherwise specifically provided herein, after payment in full of (1) the principal of, premium, if any, and interest on all the Bonds (or after provision for the payment thereof has been made in accordance with Article VII of this Indenture), (2) the fees, charges and expenses of the Trustee and Paying Agent, and (3) all other amounts required to be paid under this Indenture, and the Loan Agreement, and provided that all moneys required to be paid into the Rebate Fund have been paid or adequately provided for, all amounts remaining in any fund established pursuant to Section 4.01 hereof (except the Rebate Fund) or otherwise held by the Trustee and by any additional Paying Agent for the account of the Issuer or the University hereunder and under the Loan Agreement shall be paid to the University.

Section 4.13. Reports and Information Regarding Funds. The Trustee shall throughout the Contract Term furnish the University as soon as practicable after the first day of each month with a statement showing receipts and disbursements (including all transactions involving cash or Authorized Investments) with respect to any trust fund of the Issuer provided for in this Indenture. In addition, the Trustee agrees to cooperate, in providing such information as may be required by the Issuer to assist it in preparing and furnishing such reports or other accounting statements as may be required by any governmental law or regulation with respect to any of the Issuer's funds held by the Trustee.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE V

GENERAL COVENANTS AND PROVISIONS

Section 5.01. Authority of Issuer; Validity of Indenture and Bonds. The Issuer hereby covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act and Resolution No. 288 of 2009 of the Monroe County Legislature, to issue the Bonds authorized hereby, to execute this Indenture and to pledge the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture and the Loan Agreement has been duly and effectively taken; and that such Bonds in the hands of the Holders thereof are and will be valid and enforceable special obligations of the Issuer according to the import thereof.

Section 5.02. Performance of Covenants. The Issuer hereby covenants that it will faithfully observe and perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be observed or performed contained (i) in this Indenture, (ii) in any Bond executed, authenticated and delivered hereunder, (iii) in the Loan Agreement and (iv) in the Issuer Documents.

Section 5.03. Payment of Principal, Premium, if any, and Interest. Subject to the limitation contained in Section 2.04(b) hereof, the Issuer hereby covenants that it will promptly pay or cause to be paid the Debt Service Payments on the Bonds at the place, on the dates and in the manner provided herein. All Debt Service Payments on the Bonds shall be a special obligation of the Issuer and payable solely from payments and receipts received pursuant to the Loan Agreement. Nothing in the Bonds or in this Indenture shall be construed as creating a general obligation of the Issuer or pledging any funds or assets of the Issuer other than those pledged hereby. Neither the State, Monroe County, New York, nor any political subdivision thereof (other than the Issuer) shall in any event be liable for the payment of any Debt Service Payment on the Bonds or for the performance of any pledge, mortgage, obligation or agreement undertaken by the Issuer.

Section 5.04. Deposit of Revenues. The Issuer hereby covenants that it will deposit, or cause to be deposited, with the Trustee for its account so much of the payments and receipts derived by the Issuer pursuant to the Loan Agreement (except payments and receipts derived pursuant to the Unassigned Rights), this Indenture or otherwise as may be required to pay the Debt Service Payments on the Bonds as the same become due and payable.

Section 5.05. Priority of Security Interest. The Issuer hereby covenants that the Indenture is a first Lien upon the Trust Estate and the Issuer agrees not to create or suffer to be created any Lien, having priority or preference over this Indenture upon the Trust Estate or any part thereof.

Section 5.06. Enforcement of Duties and Obligations of the University. Subject to the provisions of Section 5.17 hereof, the Issuer hereby covenants, at the request of the Trustee, that it shall take all legally available action to cause the University to fully perform all duties and acts and to fully comply with the covenants of the University contained in the Loan Agreement in the manner and at the times provided in the Loan Agreement.

Section 5.07. Reserved.

Section 5.08. Maintenance and Modification of the Facility. Subject to Section 5.17 hereof, the Issuer hereby covenants that it shall take all legally available action to cause the University to maintain, preserve and keep the Facility in good condition, repair and working order.

Section 5.09. Insurance. Subject to Section 5.17 hereof, the Issuer hereby covenants that it shall take all legally available action to cause the University to procure and maintain insurance on the Facility as provided in Section 4.4 of the Loan Agreement.

Section 5.10. Filing of Documents and Security Instruments.

(a) The Issuer hereby covenants that it will direct the University to file all documents, including without limitation initial financing statements under the Uniform Commercial Code of the State, in such manner and in such places as may be required by law in order to create, protect and maintain in force the Lien of, and the security interests created by, this Indenture.

(b) Pursuant to the Uniform Commercial Code of the State, the Issuer hereby appoints and authorizes the Trustee, as its lawful agent and attorney, without the signature of the Issuer, to file any UCC continuation statements as are necessary in order to perfect the Trustee's security interest in the Trust Estate. The University is required under the Loan Agreement to pay to the Trustee, on demand, any expenses incurred by the Trustee in connection with the preparation and filing of such statements.

Section 5.11. Rights Under Financing Documents. The Financing Documents, duly executed counterparts of which have been filed with the Trustee, set forth certain covenants and obligations of the parties thereto. Reference is hereby made thereto for a detailed statement of the covenants, obligations and rights of the parties thereto. The Issuer agrees that the Trustee, in its name or in the name of the Issuer, may enforce all rights of the Issuer (except for certain of the Unassigned Rights) and all obligations of the University under the Loan Agreement for and on behalf of the Bondholders, whether or not any Event of Default exists hereunder.

Section 5.12. Failure to Present Bonds. Subject to the provisions of Section 2.08 hereof, in the event any Bond shall not be presented for payment when the principal or premium thereon, if any, becomes due, either at maturity or at the date fixed for prior redemption thereof or otherwise, if moneys sufficient to pay such Bond shall be held by the Trustee for the benefit of the Holder thereof, all liability of the Issuer to the Trustee thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged. Thereupon, the Trustee shall hold such moneys without liability for interest thereon, for the benefit of the Holder of such Bond who shall thereafter be restricted exclusively to such moneys for any claim under this Indenture or on, or with respect to, said Bond. Except as may otherwise be required by applicable law, if any Bond shall not be presented for payment within the period of three (3) years following the date when such Bond becomes due, whether by maturity or call for redemption or otherwise, the Trustee shall pay to the University the funds theretofore held by it for payment of such Bond, and the Owner of such Bond shall thereafter look only to the University for payment thereof, and such Bond shall, subject to the defense of any applicable statute of limitations, thereafter be an unsecured obligation of the University. Except as may otherwise be required by applicable law, the Trustee shall, at least sixty

(60) days prior to the expiration of such three (3) year period, give written notice to any Bondholder who has not presented any Bond for payment at such Bondholder's address on the registration books of the Issuer, maintained by the Trustee, as Bond Registrar that any moneys held for the payment of any such Bond will be returned as provided in this Section 5.12 at the expiration of such three (3) year period. The failure of the Trustee to give any such notice shall not affect the validity of any return of funds pursuant to this Section 5.12.

Section 5.13. Cancellation. All Bonds which have been paid, redeemed, purchased or surrendered shall be canceled and, subject to the record retention requirements of the Securities Exchange Act of 1934, as amended, or other applicable law, cremated or otherwise destroyed by the Trustee. The Trustee shall deliver to the Issuer and the University a certificate evidencing such cremation or other destruction.

Section 5.14. Payments Due on Other Than Business Days. In any case where a Bond Payment Date shall not be a Business Day, then payment of the principal of, premium, if any, and interest on the Bonds need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date due and no interest shall accrue for the period after such date.

Section 5.15. Covenant Against Arbitrage Bonds; Tax Exemption. Notwithstanding any other provision of this Indenture, so long as the Bonds shall be Outstanding, the Issuer shall not use, or direct or permit the use of, the proceeds of the Bonds or any other moneys within its control (including without limitation any moneys in the Bond Fund and the proceeds of any insurance award with respect to the Facility) in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of such quoted term in Section 148 of the Code and the Issuer further covenants that it will comply with the requirement of such section and all regulations thereunder. The Issuer shall not take any action, or fail to take any action, within its control that would cause the interest on the Bonds to be includable in gross income for federal tax purposes.

Section 5.16. Covenant Regarding Adjustment of Debts. In any case under Chapter 9 of Title 11 of the United States Code involving the Issuer as debtor, the Issuer, unless compelled by a court of competent jurisdiction, shall neither list the Trust Estate or any part thereof as an asset or property of the Issuer nor list any amounts owed upon the Bonds Outstanding as a debt of or claim against the Issuer.

Section 5.17. Limitation on Obligations of the Issuer. Notwithstanding any provision of this Indenture to the contrary, the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof (other than pursuant to Section 5.03 hereof, and then only to the extent set forth therein), unless (i) it shall have been requested to do so in writing by the Trustee or the Holders of not less than fifty-one percent (51%) of the Bonds then Outstanding or the University and (ii) if compliance with such request is reasonably expected to result in the incurrance by the Issuer or any member, employee, agent or servant of the Issuer of any liability, fees, expenses or other costs it shall have received from the Trustee, such Holders or the University, as the case may be, security or indemnity reasonably satisfactory to the Issuer for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs; provided, however, that no limitation on the obligations of the Issuer contained in this

Section 5.17 by virtue of any lack of assurance provided in (ii) hereof shall be deemed to prevent the occurrence and full force and effect of an Event of Default pursuant to Section 8.01 hereof.

Section 5.18. Inspection of Books. All books and records, if any, in the Issuer's possession relating to the Facility and the amounts derived from the Facility shall at all reasonable times be open to inspection by such Accountants or other agents as the Trustee may from time to time designate.

Section 5.19. List of Owners. The Trustee, as Bond Registrar, will keep on file a list of names and addresses of the Owners of all Bonds as from time to time registered on the registration books maintained by the Trustee as Bond Registrar, together with the principal amount and numbers of such Bonds. The Issuer shall have no responsibility with regard to the accuracy of such list. At reasonable times and under reasonable regulations, established by the Trustee, said list may be inspected and copied for any purpose by the University or by the Owners (or designated representative thereof) of fifty-one percent (51%) or more in aggregate principal amount of Outstanding Bonds, such possession or ownership and the authority of such designated representative to be evidenced to the satisfaction of the Trustee. Each Owner, by the purchase and acceptance of a Bond, shall be deemed to consent to the disclosure of his or her name, address, and the principal amount of the Bond held by him or her and to agree that the Trustee shall not be held accountable for the disclosure of such information. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE TRUSTEE SHALL TREAT CEDE & CO. AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES HEREUNDER, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE TRUSTEE TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS HEREUNDER.

Section 5.20. Instruments of Further Assurance. The Issuer covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee all and singular its interest in all Property purported to be made subject to the Lien hereof by the granting clauses hereof, and in the Trust Estate herein described and pledged hereby to the payment of the principal of, premium, if any, on and interest on the Bonds. Any and all interest in the Trust Estate or any other property hereafter acquired which is of any kind or nature herein provided to be and become subject to the Lien hereof shall, without any further conveyance, assignment or act on the part of the Issuer or the Trustee, become and be subject to the Lien of this Indenture as fully and completely as though specifically described herein, but nothing contained in this sentence shall be deemed to modify or change the obligations of the Issuer under this Section 5.20. The Issuer covenants and agrees that, except as herein otherwise provided, it has not and will not sell, convey, mortgage, encumber or otherwise dispose of all or any part of its interest in the Trust Estate.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE VI

PRIORITY RIGHTS OF TRUSTEE

Section 6.01. Priority Rights of Trustee. The rights and privileges of the University set forth in the Loan Agreement are specifically made subject and subordinate to the rights and privileges under the Financing Documents of the Trustee and the Holders of the Bonds.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE VII

DISCHARGE OF LIEN; DEFEASANCE OF BONDS

Section 7.01. Discharge of Lien.

(a) If the Issuer shall pay or cause to be paid to the Holders of all the Outstanding Bonds the principal thereof, premium, if any, and interest thereon, at the times and in the manner stipulated therein and in this Indenture and if there shall have been paid all fees, charges and expenses of the Trustee or any additional Paying Agent required to be paid under Section 9.02 hereof, then the Lien on the Trust Estate hereby created for the benefit of the Bondholders so paid and the Trustee's right, title and interest in and to the Loan Agreement shall be released, discharged and satisfied. In such event, except as otherwise specifically provided herein, the Trustee and any additional Paying Agent shall pay or deliver all moneys or securities held by either of them pursuant to this Indenture which are not required for the payment of such Bonds (except for moneys and securities held with respect to the Unassigned Rights, which shall be paid or delivered to the Issuer and except for moneys in the Rebate Fund which shall be applied only as provided in Section 4.09 hereof) to the University. If the Issuer does not pay or cause to be paid, at the same time, all Outstanding Bonds, then the Trustee and any additional Paying Agent shall not return those moneys and securities held under this Indenture as security for the benefit of the Bondholders not so paid or not caused to be so paid.

(b) When all of the Outstanding Bonds shall have been paid in full or provision for such full payment of all Outstanding Bonds shall have been made in accordance with this Section 7.01, the Trustee and the Issuer shall take all appropriate action to cause the Lien of this Indenture upon the Trust Estate, and the Trustee's right, title and interest in and to the Loan Agreement, the Intercreditor Agreement, and the Pledge and Security Agreement, to be released, discharged, satisfied and canceled of record.

(c) Notwithstanding the fact that the Lien of this Indenture upon the Trust Estate may have been discharged and canceled in accordance with this Section 7.01 hereof, this Indenture and the rights granted and duties imposed hereby, shall nevertheless continue and subsist until the principal, premium, if any, and interest on all of the Bonds shall have been fully paid or the Trustee shall have returned to the University pursuant to Section 5.12 hereof all funds theretofore held by the Trustee for payment of any Bonds not theretofore presented for payment.

Section 7.02. Defeasance of Bonds.

(a) Any Outstanding Bond shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning of, and with the effect expressed in, subsection (a) of Section 7.01 if (i) there shall have been irrevocably deposited with the Trustee sufficient Defeasance Obligations, in accordance with subsection (b) of this Section 7.02 which will, without further investment, be sufficient, together with other amounts held for such payment, to pay the principal of the Bonds when due or to redeem the Bonds at the Redemption Price, if any, specified in Section 3.01 hereof, (ii) in the event such Bonds are to be redeemed prior to maturity in accordance with Section 3.01 hereof, all action required by the provisions of this Indenture to redeem the Bonds shall have been taken or provided for to the satisfaction of the Trustee, and

notice thereof in accordance with Section 3.02 hereof shall have been duly given or provisions satisfactory to the Trustee shall have been made for the giving of such notice, (iii) provision shall have been made for the payment of all fees and expenses of the Trustee and of any additional Paying Agents with respect to the Bonds, (iv) the Issuer shall have been reimbursed for all of its expenses under the Financing Documents and (v) all other payments required to be made under the Loan Agreement and this Indenture with respect to the Bonds shall have been made or provided for. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or entitled to the benefit of this Indenture, except for the purposes of any such payment from such moneys or Defeasance Obligations.

(b) For the purposes of subsection (a)(i) of this Section 7.02 the Trustee shall be deemed to hold sufficient moneys to pay the principal of an Outstanding Bond not then due or to redeem Outstanding Bonds prior to the maturity thereof only if there shall be on deposit with the Trustee for such purpose Defeasance Obligations maturing or redeemable at the option of the holder thereof not later than (i) the maturity date of such Bonds, or (ii) the first date following the date on which such Bonds are to be redeemed pursuant to Article III hereof (whichever may first occur), or both cash and such Defeasance Obligations, in an amount which, together with income to be earned on such Defeasance Obligations (without reinvestment) prior to such maturity date or Redemption Date, equals the principal due on such Bond, together with the premium, if any, due thereon and all interest thereon which has accrued and which will accrue to such maturity date or Redemption Date. The University, at its own expense, shall deliver to the Trustee a report and/or opinion from an Accountant as to whether the cash or Defeasance Obligations held by the Trustee meet the requirements of this subsection (b).

(c) Upon the defeasance of all Outstanding Bonds in accordance with this Section 7.02, the Trustee shall hold in trust, for the benefit of the Holders of such Bonds, all such moneys and/or Defeasance Obligations and shall make no other or different investment of such moneys and/or Defeasance Obligations and shall apply the proceeds thereof and the income therefrom only to the payment of such Bonds.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE VIII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND HOLDERS

Section 8.01. Events of Default. The following shall be “Events of Default” under this Indenture, and the terms “Event of Default” or “Default” shall mean, when they are used in this Indenture, any one or more of the following events:

(a) A default in the due and punctual payment of the interest on any Bond, irrespective of notice; or

(b) A default in the due and punctual payment of the principal or Redemption Price of any Bond whether at the stated maturity thereof, upon proceedings for redemption thereof (except with respect to a proposed redemption under Section 3.01(e) hereof for which the notice of redemption shall no longer be of force or effect in accordance with Section 3.02(a) hereof), or upon the maturity thereof by declaration or otherwise; or

(c) (i) Subject to clause (ii) below, the failure by the Issuer to observe and perform any covenant, condition or agreement hereunder on its part to be observed or performed (except obligations referred to in Section 8.01(a) and (b) hereof) for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Issuer and the University by the Trustee or by the Holders of not less than fifty-one percent (51%) of the aggregate principal amount of Outstanding Bonds;

(ii) If the covenant, condition, or agreement which the Issuer has failed to observe or perform is of such a nature that it cannot reasonably be fully cured within such thirty (30) days, the Issuer shall not be in default if the Issuer commences a cure within such thirty (30) days and thereafter diligently proceeds with all action required to complete the cure, and, in any event, completes such cure within sixty (60) days of such written notice from the Trustee or the Holders of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds Outstanding, unless the Trustee or the Holders of not less than fifty-one percent (51%) of the aggregate principal amount of the Outstanding Bonds shall give their written consent to a longer period; or

(d) The occurrence and continuance of an “Event of Default” under the Loan Agreement; or

(e) Reserved; or

(f) The occurrence and continuance of an “Event of Default” under the Pledge and Security Agreement.

Section 8.02. Acceleration.

(a) Upon the occurrence and continuance of an Event of Default under Section 8.01 hereof, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) of the aggregate principal amount of the Outstanding Bonds shall, by written notice delivered to the Issuer and the University declare all Bonds Outstanding immediately due and

payable, and such Bonds shall become immediately due and payable, anything in the Bonds or in this Indenture to the contrary notwithstanding.

(b) Upon the acceleration, by declaration or otherwise, of the Bonds, the Trustee shall exercise its option under Section 7.2(a) of the Loan Agreement to declare all unpaid installments payable by the University under Section 3.2(a) of the Loan Agreement to be immediately due and payable.

Section 8.03. Enforcement of Remedies.

(a) In the event the Bonds are declared immediately due and payable, the Trustee may, and upon the written request of the Holders as set forth in subsection (d) of this Section shall, proceed forthwith to protect and enforce its rights and the rights of the Holders under the Act, the Bonds, the Loan Agreement, the Pledge and Security Agreement, and this Indenture by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem necessary or expedient. Upon the occurrence and continuance of any Event of Default, and upon being provided with the security and indemnity if so required pursuant to Section 9.01(b)(xiv) hereof, the Trustee shall exercise such of the rights and powers vested in the Trustee by this Indenture and use the same degree of care and skill in their exercise as a prudent man would exercise or use in the circumstances in the conduct of his/her own affairs. In considering what actions are or are not prudent in the circumstances the Trustee shall consider whether (i) to take such action as may be necessary or proper to sequester the rents and income of the Facility or any portion thereof, (ii) to procure from the University an assignment of rents and/or a consent to enter into possession of the Facility or any portion thereof and to collect rents therefrom, (iii) to apply to the court for the appointment of a receiver of the rents and income of the Facility or any portion thereof, (iv) to declare due and payable forthwith any principal amount remaining due and unpaid and commence an action of foreclosure, (v) to apply the moneys received as rents and income from the Facility or any portion thereof as well as moneys received by the Trustee from any receiver appointed for the Facility or any portion thereof in his/her discretion, to the maintenance and operation of the Facility or any portion thereof, the payment of taxes, water rents and assessments levied thereon and any arrears thereof, to the payment of underlying liens and to the creation and maintenance of a reserve or sinking fund, and (vi) to take any other remedy allowed under any of the other Financing Documents.

(b) The Trustee may sue for, enforce payment of and receive any amounts due or becoming due from the Issuer or the University for the payment of the principal, premium, if any, and interest on the Outstanding Bonds under any of the provisions of this Indenture, the Bonds, the Pledge and Security Agreement, or the Loan Agreement without prejudice to any other right or remedy of the Trustee or of the Holders.

(c) Notwithstanding anything to the contrary contained in the foregoing paragraph (a), upon the occurrence and continuance of any Event of Default the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of, premium, if any, on and interest on the Bonds then Outstanding and to enforce and compel the performance of the duties and obligations of the Issuer and the University under the Financing Documents. In addition, the Trustee may, without notice to the Issuer or the

University, exercise any and all remedies afforded the Issuer under Article VII of the Loan Agreement in its name or the name of the Issuer without the necessity of joining the Issuer.

(d) Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Holders of not less than fifty-one percent (51%) in the aggregate principal amount of the Outstanding Bonds may, and if provided with the security and indemnity required by Section 9.01(b)(xiv) hereof shall, institute and maintain such suits and proceedings as advised by such Holders shall be necessary or expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture or of any resolution authorizing the Bonds, or to preserve or protect the interests of the Holders; provided that such request is in accordance with law and the provisions of this Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders not making such request.

Section 8.04. Reserved.

Section 8.05. Application of Moneys.

(a) The Net Proceeds received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII shall be deposited in the Bond Fund.

(b) All moneys in the Bond Fund following the occurrence of an Event of Default shall be applied to the payment of the reasonable fees and expenses of the Issuer and the Trustee and then, subject to the Intercreditor Agreement, as follows:

(i) Unless the principal of all the Bonds shall have become due or shall have been declared due and payable,

FIRST - To the payment of all installments of the interest then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto without any discrimination or preference.

SECOND - To the payment of the unpaid principal or Redemption Price of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in order of their due dates, with interest on such Bonds, at the rate or rates expressed thereon, from the respective dates upon which such Bonds became due and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, to the Persons entitled thereto without any discrimination or preference.

THIRD - To the payment of the principal or Redemption Price of and interest on the Bonds as the same become due and payable.

(ii) If the principal of all the Bonds shall have become due by declaration or otherwise, to the payment of the principal and interest (at the rate or rates expressed thereon) then due and unpaid upon all of the Bonds, without preference or priority of

principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably according to the amounts due respectively for principal and interest, to the Persons entitled thereto without discrimination or preference.

(iii) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article VIII then, subject to the provisions of paragraph (b)(ii) of this Section 8.05 in the event that the principal of all the Bonds shall later become due by declaration or otherwise, the moneys shall be applied in accordance with the provisions of paragraph (b)(i) of this Section 8.05.

(c) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section 8.05, such moneys shall be applied within five (5) Business Days of the Trustee's receipt of such moneys. On the date of a declaration of an acceleration of the Bonds, pursuant to Section 8.02(a) hereof, interest on the amount of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the application of any such moneys and of the fixing of any such date. The Trustee shall not be required to make payment to the Holder of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.06. Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under this Indenture, or the Loan Agreement or under the Bonds may be enforced by the Trustee without the possession of the Bonds or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiff or defendant the Holders. Subject to the provisions of Section 8.05 hereof, any recovery of judgment shall be for the equal benefit of the Holders of the Outstanding Bonds.

Section 8.07. Remedies Not Exclusive. No remedy conferred upon or reserved to the Trustee or to the Holders by this Indenture is intended to be exclusive of any other remedy. Each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Holders now or hereafter existing at law or in equity or by statute.

Section 8.08. Majority Bondholders Control Proceedings. If an Event of Default shall have occurred and be continuing, notwithstanding anything in this Indenture to the contrary, the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of this Indenture or for the appointment of a receiver or any other proceedings hereunder, provided that the Trustee is provided with the security and indemnity set forth in Section 9.01(b)(xiv) hereof and that such direction is in accordance with law and the provisions of this Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of Bondholders not joining in such direction, and provided further, that nothing in this Section 8.08 shall impair the right of the Trustee in its discretion to take any other action under this Indenture which it may deem proper and which is not inconsistent with such direction by Bondholders.

Section 8.09. Individual Holder Action Restricted.

(a) No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for any remedy under the Indenture unless:

(i) an Event of Default has occurred of which the Trustee has been notified as provided in Section 9.01(b)(ix) hereof or of which by said Section the Trustee is deemed to have notice, and

(ii) the Holders of at least fifty-one percent (51%) in aggregate principal amount of Bonds Outstanding shall have made written request to the Trustee to proceed to exercise the powers granted in this Indenture or to institute such action, suit or proceeding in its own name, and

(iii) such Holders shall have offered the Trustee indemnity as provided in Section 9.01(b)(xiv) hereof, and

(iv) the Trustee shall have failed or refused to exercise the powers herein granted or to institute such action, suit or proceedings in its own name for a period of sixty (60) days after receipt by it of such request and offer of indemnity.

(b) No one or more Holders of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of this Indenture or to enforce any right hereunder except in the manner herein provided and for the equal benefit of the Holders of all Bonds Outstanding.

(c) Nothing contained in this Indenture shall affect or impair, or be construed to affect or impair, the right of the Holder of any Bond (i) to receive payment of the principal of or premium, if any, or interest on such Bond on or after the due date thereof, or (ii) to institute suit for the enforcement of any such payment on or after such due date; provided, however, no Holder of any Bond may institute or prosecute any such suit or enter judgment therein if, and to the extent that, the institution or prosecution of such suit or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture on the Trust Estate for the equal and ratable benefit of all Holders of Bonds.

Section 8.10. Termination of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Holders, then the Issuer, the University, the Trustee, and the Holders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceeding had been taken.

Section 8.11. Waiver and Non-Waiver of Event of Default.

(a) Subject to the provisions of Section 8.08 hereof, the Trustee may at its discretion waive any Event of Default hereunder and its consequences and annul any acceleration in accordance with Section 8.02 hereof, and shall do so upon the written request of the Holders of at least fifty-one percent (51%) in aggregate principal amount of all the Bonds then Outstanding;

provided, however, that there shall not be waived (A) any Event of Default in the payment of the principal of, or premium, if any, on any Outstanding Bonds when due (whether at maturity or mandatory or optional redemption), or (B) any default in the payment when due of the interest on any such Bonds, or (C) any default upon which prior action has been taken by the Holders of a majority in the aggregate principal amount of the Bonds then Outstanding, unless prior to such waiver or rescission all arrears of interest, with interest, to the extent permitted by law, on all arrears of payments of principal when due, and all expenses of the Trustee in connection with such default shall have been paid or provided for. No such waiver shall extend to or affect any other existing or any subsequent Event of Default.

(b) No delay or omission of the Trustee to exercise any right or power accruing upon any Event of Default shall impair any such right or power nor shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article VIII to the Trustee and the Holders may be exercised from time to time and as often as may be deemed necessary or expedient.

Section 8.12. Notice of Defaults.

(a) Promptly after (i) the receipt of notice of an Event of Default as provided in Section 9.01(b)(ix) hereof, or (ii) the occurrence of an Event of Default of which the Trustee is deemed to have notice by such Section, the Trustee shall, unless such Event of Default shall have theretofore been cured, give written notice thereof by first class mail to each Holder; provided that, except in the case of a default in the payment of the principal of or premium, if any, or interest on the Bonds, the Trustee may withhold such notice if, in its sole judgment, it determines that the withholding of such notice is in the best interest of the Holders.

(b) The Trustee shall promptly notify the Issuer and the University of any Event of Default known to the Trustee.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE IX

THE TRUSTEE AND PAYING AGENT

Section 9.01. Appointment of Trustee and Acceptance of Duties.

(a) Manufacturers and Traders Trust Company is hereby appointed as Trustee. The Trustee shall signify its acceptance of the duties and obligations of the Trustee, subject to the terms and conditions set forth in subsection (b) of this Section 9.01, by executing this Indenture.

(b) The acceptance by the Trustee of the trusts imposed upon it by this Indenture and its agreement to perform said trusts is subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(i) Prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred and has not been cured, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable and prudent man would use, under the circumstances, in the conduct of his/her own affairs.

(ii) The Trustee may execute any of the trusts or powers conferred upon it in this Indenture and perform any of its duties hereunder by or through attorneys, agents or employees, and shall be entitled to act upon the opinion or advice of its counsel concerning all matters with respect to the trust and its duties hereunder and may in all cases pay such reasonable compensation to all such attorneys and agents as may reasonably be employed in connection with the trust hereunder. The Trustee may act upon an opinion of Independent Counsel selected with reasonable care and shall not be responsible for any loss or damages resulting from any action taken or omitted to be taken in good faith in reliance upon such opinion of Independent Counsel.

(iii) Except as expressly provided herein, the Trustee shall not be responsible for any recital herein or in the Bonds (except in respect of the Certificate of Authentication of the Trustee endorsed on the Bonds) or for the validity of the execution by the Issuer of the Indenture or for the sufficiency of security for the Bonds or for the recording or re-recording or the filing or re-filing of any of the Financing Documents or for insuring any Property securing the Bonds, or for collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplement hereto or any instrument of further assurance, or for the sufficiency or validity of the security for the Bonds, or for any of the Financing Documents, or for any value of or title to any Property securing the Bonds, or for the performance or observance of any covenants, conditions or agreements on the part of the Issuer or on the part of the University under any of the Financing Documents.

(iv) The Trustee may become a Holder of the Bonds with the same rights which it would have if it were not Trustee.

(v) The Trustee may deal with any Person with the same rights which it would have and in the same manner as if it were not Trustee.

(vi) The Trustee shall be protected in acting in good faith upon any notice, request, requisition, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to the Indenture upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the Holder of any Bond shall be conclusive and binding upon all future Owners of the same Bond and of any Bond or Bonds issued in exchange therefor or in place thereof.

(vii) The Trustee may rely upon:

(1) a certificate, signed by an Authorized Representative of the Issuer,

(A) as to the existence or non-existence of any fact or facts stated therein,

(B) as to the sufficiency or validity of any instrument, paper or proceeding, other than a resolution of the Issuer, or

(C) prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Section 9.01(b)(ix) hereof or of which by said Section the Trustee is deemed to have notice, as to the necessity or appropriateness of any particular dealing, transaction, or action; and

(2) a certificate, signed by the Secretary, Assistant Secretary or other authorized designee of the Issuer, as to the due adoption and validity of a resolution of the Issuer.

(viii) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its willful misconduct or gross negligence.

(ix) The Trustee shall not be required to take notice or be deemed to have notice of an Event of Default, except for a default in payment of principal, Redemption Price or interest on any of the Bonds, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer, the University or the Holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Office of the Trustee, and, in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default, except as aforesaid.

(x) All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust in the manner and for the purpose for which they were received but need not be segregated from other moneys held by the Trustee except to the extent

required by this Indenture or by law. The Trustee shall not be liable for any interest on any moneys received hereunder.

(xi) At any reasonable time, the Trustee and its duly authorized agents, experts, and representatives may (but shall not be obligated to) inspect any of the security for the Bonds and any books, papers and records of the Issuer or the University pertaining to the Facility and the Bonds.

(xii) The Trustee shall not be required to give any bond or surety in respect of the execution of the trusts and powers intended to be conferred upon it in this Indenture or otherwise in respect of the premises.

(xiii) The Trustee may (but shall not be obligated to) demand, as a condition of the withdrawal of any moneys or the taking of any other action contemplated by this Indenture, any certificates, opinions, appraisals, or other information, or corporate action or evidence thereof (in addition to any other prerequisites required in any other Section of this Indenture) which the Trustee may reasonably deem desirable for the purpose of establishing the right of the Issuer to the withdrawal of the moneys or the taking of the other action. The Trustee shall not have to risk or expend its own funds.

(xiv) Before taking any action under this Indenture or the other Financing Documents, the Trustee may require that satisfactory security or indemnity be furnished to it for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which may be adjudicated to have resulted from its own willful misconduct or gross negligence by reason of any action so taken; provided, however, that the failure to provide the Trustee with the security and indemnity referred to in this paragraph (xiv) shall not nullify or otherwise affect the occurrence of an Event of Default hereunder.

(xv) [Reserved].

(xvi) The Trustee shall be protected and shall incur no liability in acting or proceeding (including the disbursements of Bond Proceeds), or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared or furnished pursuant to any of the provisions of this Indenture or, at the sole cost or expense of the University, and when determined necessary in the reasonable discretion of the Trustee upon the written opinion of any attorney (who may be an attorney for the Issuer), engineer, appraiser, or accountant believed by the Trustee to be qualified in relation to the subject matter and the Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon such opinion.

(xvii) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, debenture or

other paper or documents, but the Trustee, in its discretion, may make such further inquiry or investigation, and it shall be entitled to examine the books, records and premises of the Issuer, personally or by agent or attorney.

(xviii) The Trustee shall not be personally liable for any debts contracted or for damages to Persons or to personal Property injured or damaged, or for salaries or nonfulfillment of contracts, during any period in which it may be in the possession of or managing any Property subject to the Lien of the Financing Documents as in this Indenture provided. In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(xix) Neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the Issuer, the Institution, or any of their respective directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all such Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(xx) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

Section 9.02. Fees, Charges and Expenses of the Trustee, Bond Registrar and Paying Agents. The Trustee, the Bond Registrar and any Paying Agent shall be entitled to receive and collect from University as provided in the Loan Agreement payment or reimbursement for reasonable fees for their Ordinary Services rendered hereunder and all Ordinary Expenses reasonably and necessarily paid or incurred in connection with such Ordinary Services and, in the event that it should become necessary that the Trustee, the Bond Registrar or any Paying Agent perform Extraordinary Services, reasonable extra compensation therefor, for reasonable and necessary Extraordinary Expenses in connection therewith; provided, that if such Extraordinary Services or Extraordinary Expenses are occasioned by the gross negligence or willful misconduct of the Trustee, the Bond Registrar or any Paying Agent, as the case may be, it shall not be entitled to compensation or reimbursement therefor. Upon an Event of Default, but only upon an Event of Default, the Trustee, the Bond Registrar and any Paying Agent shall have a first Lien, with right of payment prior to payment on account of interest on, or principal of, any Bond, upon the Trust Estate (but not including any amounts held by the Trustee under Section 3.03, 5.12 or Article VII) for the foregoing fees and expenses.

Section 9.03. Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee, has a substantial bearing on the interests of the Holders, the Trustee may, and if so requested in writing by the Holders of fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding shall, intervene on behalf of the Holders.

Section 9.04. Right of Trustee to Pay Taxes, Insurance Premiums and Other Charges.

(a) If any tax, assessment or governmental or other charge upon any part of the Trust Estate is not paid or any insurance is not maintained as required herein, or if an Event of Default occurs and the Trustee incurs costs and expenses in accordance with Section 7.7 of the Loan Agreement, the Trustee may pay such tax, assessment, governmental or other charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Holders hereunder arising in consequence of such failure. Any amount so paid under this Section 9.04 shall become so much additional indebtedness secured by this Indenture, and the same shall be given a preference in payment over the Bonds and interest thereon and shall be paid out of the proceeds of revenues collected from the Trust Estate, if not otherwise caused to be paid.

(b) The Trustee shall be under no obligation to make any payment described in subsection (a) of this Section 9.04 unless it shall have been requested in writing to do so by the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds and shall have been provided with adequate funds to make such payment.

Section 9.05. Merger or Consolidation of Trustee. Any corporation or state or national banking association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto.

Section 9.06. Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created and be discharged of its duties and obligations under this Indenture by giving not less than sixty (60) days written notice to the Issuer and the University, and by first class mail, to each Holder of an Outstanding Bond or Bonds. Such resignation shall take effect upon the date specified in such notice; provided, however, that in no event shall such a resignation take effect until a successor Trustee has been appointed pursuant to Section 9.08 of this Indenture; provided, further, however, that if a successor Trustee is not appointed within such sixty (60) day period, the Trustee may petition any court of competent jurisdiction to have a successor Trustee appointed.

Section 9.07. Removal of the Trustee. The Trustee may be removed at any time without cause by an instrument which (i) is signed by the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds, (ii) specifies the date on which such removal shall take effect and the name and address of the successor Trustee, and (iii) is delivered to the Trustee, the Issuer, and the University. The Trustee may also be removed at any time for any breach

of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Indenture or the Loan Agreement, by any court of competent jurisdiction upon the application by the Issuer, the University and the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Outstanding Bonds. Notwithstanding anything herein to the contrary, no removal shall be effective unless and until a successor Trustee is appointed as provided in Section 9.08 hereof and such removal shall not affect any past due and owing fees pursuant to Section 9.02 hereof.

Section 9.08. Appointment of Successor Trustee by the Holders; Temporary Trustee.

(a) In case the Trustee hereunder shall resign, or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor Trustee may be appointed by the Holders of at least fifty-one percent (51%) in aggregate amount of the Outstanding Bonds by an instrument signed by such Holders and delivered to such successor Trustee, the predecessor Trustee, the Issuer and the University. Notice of such appointment shall be given by first class mail to each Owner of Bonds then Outstanding within thirty (30) days after delivery to the Issuer of the instruments appointing such successor Trustee.

(b) In case of the occurrence of any event affecting the Trustee hereunder described in subsection (a) of this Section 9.08, the Issuer, by an instrument signed by the Chair, Vice Chair or Executive Director, shall appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Holders in the manner provided in subsection (a) of this Section 9.08. Such instrument appointing such temporary Trustee by the Issuer shall be delivered to the temporary Trustee so appointed, to the predecessor Trustee and to the University. Any such temporary Trustee appointed by the Issuer shall immediately and without further act be superseded by any successor Trustee appointed by the Holders. Notice of any such appointment shall be given by first class mail to each Owner of Bonds within thirty (30) days after delivery to the temporary successor Trustee of the instrument appointing such successor Trustee.

(c) Any Trustee appointed pursuant to the provisions of this Section 9.08 shall be a state or national banking association, trust company or bank which is authorized to exercise the corporate trust powers intended to be conferred upon it by this Indenture, having combined capital and surplus of at least \$25,000,000 or any other corporate or individual trustee duly authorized and empowered to act as Trustee hereunder and reasonably acceptable to the Issuer and approved by the Owners of not less than fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding.

(d) In case of the occurrence of an event affecting the Trustee hereunder described in subsection (a) of this Section 9.08, and neither a successor Trustee has been appointed by the Holders pursuant to such subsection (a), nor a temporary Trustee has been appointed by the Issuer pursuant to subsection (b) of this Section 9.08 within sixty (60) days thereafter, the Trustee shall have the right to petition a court of competent jurisdiction for the appointment of a successor Trustee.

Section 9.09. Concerning Successor Trustees.

(a) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor Trustee and the Issuer an instrument accepting such appointment hereunder. Thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all the properties, rights, powers, trusts, duties and obligations of its predecessor Trustee.

(b) Upon payment of all fees and expenses, every predecessor Trustee shall, on the written request of the Issuer or the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the Properties, rights, powers and trusts of such predecessor hereunder. Every predecessor Trustee shall deliver to its successor Trustee all securities and moneys held by it as Trustee hereunder. If any instrument from the Issuer shall be requested by any successor Trustee, to more fully and certainly vest in such successor Trustee the Properties, rights, powers and duties hereby vested or intended to be vested hereunder, any and all such instruments shall be executed, acknowledged and delivered by the Issuer.

Section 9.10. Successor Trustee as Custodian of Funds, Paying Agent and Bond Registrar. In the event of a change of Trustees, the predecessor Trustee shall cease to be (i) custodian of the Funds created pursuant to Section 4.01 hereof and of all other moneys, Properties, rights and assets of the Issuer, (ii) Paying Agent for principal and interest on the Bonds and (iii) Bond Registrar, and the successor Trustee shall become such custodian, Paying Agent, and Bond Registrar. Every predecessor Trustee shall deliver to its successor Trustee all books of account, and all other records, documents and instruments relating to its duties as such custodian, Paying Agent and Bond Registrar.

Section 9.11. Appointment, Resignation or Removal of Paying Agent and Bond Registrar; Successors.

(a) The Trustee is hereby designated and, by executing this Indenture, agrees to act as Paying Agent and Bond Registrar for and in respect to the Bonds.

(b) The Issuer from time to time may appoint one or more additional Paying Agents or Bond Registrar, upon the prior written consent of the University, and, in the event of the resignation or removal of any Paying Agent or Bond Registrar, the Issuer may appoint successor Paying Agents or Bond Registrar by an instrument signed by an Authorized Representative of the Issuer and delivered to such Paying Agent or Bond Registrar and the Trustee. Any such additional Paying Agent or successor Paying Agent or successor Bond Registrar shall be a national or state banking association, trust company or bank which is authorized by law to perform all the duties imposed upon a Paying Agent by this Indenture and which has a combined capital and surplus of at least \$25,000,000. Any such additional Paying Agent or successor Paying Agent or successor Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Issuer and the Trustee a written acceptance thereof.

(c) The principal office of each Paying Agent is hereby designated as the respective office or agency of the Issuer for the payment of the principal or Redemption Price of and the interest on the Bonds. Any additional Paying Agent shall hold all moneys received by it for the

payment of principal or Redemption Price of and interest on the Bonds in trust for the benefit of the Holders. Any additional Paying Agent, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds, and may join in any action which the Holders may be entitled to take with like effect as if such association, bank or trust company were not such Paying Agent.

(d) A Paying Agent or Bond Registrar (other than the Trustee) may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least sixty (60) days written notice to the Issuer, the University and the Trustee. A Paying Agent or Bond Registrar (other than the Trustee) may be removed at any time by an instrument signed by the President, Vice President or Executive Director of the Issuer and delivered to such Paying Agent or Bond Registrar and the Trustee.

(e) In the event of the resignation or removal of a Paying Agent (other than the Trustee), such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee.

(f) In the event of the resignation or removal of a Bond Registrar (other than the Trustee), such Bond Registrar shall turn over all books and records in its possession pertaining to the Bonds to its successor, or if there be no successor, to the Trustee.

Section 9.12. Continuing Disclosure. Pursuant to the Continuing Disclosure Agreement, the University has undertaken all responsibility for compliance with continuing disclosure requirements, and neither the Issuer nor the Trustee shall have any liability to the Holders of the Bonds or any other person with respect to such disclosure matters. The Trustee hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provisions of this Indenture, failure of the University or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the written request of the Holders of at least 25% aggregate principal amount of Outstanding Bonds, shall) or any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the University to comply with its obligations under the Continuing Disclosure Agreement or to cause the Trustee to comply with its obligations under this Section 9.12.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. Supplemental Indentures Not Requiring Consent of Holders.

(a) Without the consent of or notice to any of the Holders, the Issuer and the Trustee may enter into one or more Supplemental Indentures, not inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(i) In connection with the issuance of Additional Bonds, to set forth such matters as are specifically required or permitted under the Indenture;

(ii) To cure any ambiguity or formal defect or omission in this Indenture;

(iii) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Holders or the Trustee;

(iv) To add to the covenants and agreements of the Issuer in this Indenture, other covenants and agreements to be observed by the Issuer;

(v) To more precisely identify the Trust Estate;

(vi) To subject to the Lien of the Indenture additional revenue, receipts, Property or collateral;

(vii) To evidence the appointment of a successor Trustee;

(viii) To preserve the tax-exempt status of the Bonds;

(ix) In connection with the issuance of Parity Obligations in accordance with the Pledge and Security Agreement;

(x) Reserved; or

(xi) To effect any other change herein which, in the judgment of the Trustee based on an opinion of Independent Counsel, is not to the prejudice of the Trustee or the Holders.

(b) The Trustee shall rely upon an opinion of Independent Counsel as conclusive evidence that any such Supplemental Indenture complies with the foregoing conditions and provisions.

Section 10.02. Supplemental Indentures Requiring Consent of Holders.

(a) Except as provided in Section 10.01 hereof, the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds shall have the right, from time to time, to consent to and approve the execution by the Issuer and the Trustee of such

Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in this Indenture or in any Supplemental Indenture or in the Bonds; provided, however, that nothing contained in this Section shall permit:

(i) a change in the terms of redemption or maturity of the principal or the time of payment of interest on any Outstanding Bond or a reduction in the principal amount of or premium, if any, on any Outstanding Bond or the rate of interest thereon, without the consent of the Holder of such Bond; or

(ii) the creation of a Lien upon the Trust Estate ranking prior to or on a parity with the Lien created by this Indenture, without the consent of the Holders of all Outstanding Bonds; or

(iii) the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds, without the consent of the Holders of all Outstanding Bonds; or

(iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, without the consent of the Holders of all Outstanding Bonds.

(b) If at any time the Issuer shall request the Trustee to enter into a Supplemental Indenture for any of the purposes of Section 10.02(a) hereof, the Trustee, upon being satisfactorily indemnified with respect to expenses, shall cause notice of the proposed execution of such Supplemental Indenture to be sent to each Holder at the address of such Holder appearing on the bond register; provided, however, that the failure to give such notice or any defect therein shall not affect the validity of any proceeding taken pursuant hereto. Such notice shall briefly summarize the contents of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Office of the Trustee for inspection by the Holders.

(c) If, within such period after the first mailing of the notice required by Section 10.02(b) hereof as the Issuer shall prescribe, with the approval of the Trustee, the Issuer shall deliver to the Trustee an instrument or instruments executed by the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds referring to the proposed Supplemental Indenture as described in such notice and consenting to and approving the execution thereof, the Trustee shall execute such Supplemental Indenture.

(d) If the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein or in any manner to question the propriety of the execution thereof or enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

(e) The Trustee may rely upon an opinion of Independent Counsel as conclusive evidence that (i) any Supplemental Indenture entered into by the Issuer and the Trustee and (ii) the evidence of requisite consent of the Holders thereto, comply with the provisions of this Section 10.02.

(f) The Trustee shall not be required to execute a Supplemental Indenture or amendment if such Supplemental Indenture or amendment adversely affects its duties, rights or immunities.

Section 10.03. Consent of University to Supplemental Indentures. Notwithstanding anything contained in this Indenture to the contrary, no Supplemental Indenture shall become effective unless and until the University shall have consented in writing to the execution and delivery of such Supplemental Indenture.

Section 10.04. Effect of Supplemental Indentures. Any Supplemental Indenture executed in accordance with the provisions of this Article X shall thereafter form a part of this Indenture. All the terms and conditions contained in any such Supplemental Indenture shall be part of the terms and conditions of this Indenture for any and all purposes.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ARTICLE XI

AMENDMENT OF LOAN AGREEMENT, PLEDGE AND SECURITY AGREEMENT, INTERCREDITOR AGREEMENT, AND TAX COMPLIANCE AGREEMENT

Section 11.01. Amendments to Loan Agreement.

(a) Without the consent of or notice to the Holders, the Issuer and the University may enter into, and the Trustee may consent to, any amendment, change or modification of the Loan Agreement as may be required (i) by the provisions thereof or of this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission therein, (iii) for the purpose of issuing Additional Bonds under Section 2.13 hereof, (iv) in connection with the description of the Facility, (v) in order to preserve the tax-exempt status of the Bonds, (vi) in connection with the issuance of Parity Obligations in accordance with the Pledge and Security Agreement or (vii) in connection with any other change therein, which, in the sole judgment of the Trustee based on an opinion of Independent Counsel, does not adversely affect the interests of the Trustee or the Holders.

(b) Except for amendments, changes or modifications as provided in subsection (a) of this Section 11.01, neither the Issuer nor the Trustee shall consent to any amendment, change or modification of the Loan Agreement without notice thereof being given to the Holders in the manner provided in Section 10.02 hereof and the written approval or consent of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds procured and given in the manner set forth in Section 10.02 hereof; provided, however, that no such amendment shall be permitted which changes the terms of payment thereunder without the consent of the Holders of all Outstanding Bonds.

(c) The Trustee may rely on an opinion of Independent Counsel as conclusive evidence that any such amendment, change or modification and the evidence of requisite Holder consent comply with the requirements of this Section 11.01.

Section 11.02. Amendments to Pledge and Security Agreement and Intercreditor Agreement.

(a) Without the consent of or notice to the Holders, the Issuer and the University may enter into, and the Trustee may consent to, any amendment, change or modification of the Pledge and Security Agreement, and/or Intercreditor Agreement as may be required (i) by the provisions thereof or of this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission therein, (iii) in connection with the description of the Facility, (iv) in order to preserve the tax-exempt status of the Bonds, (v) in connection with the issuance of Parity Obligations in accordance with the Pledge and Security Agreement or to spread the Lien of, or otherwise supplement, the Intercreditor Agreement in connection with the issuance of Parity Obligations, (vi) in connection with any other change therein, which, in the sole judgment of the Trustee based on an opinion of Independent Counsel, does not adversely affect the interests of the Trustee or the Holders.

(b) Except for amendments, changes or modifications as provided in subsection (a) of this Section 11.02, neither the Issuer nor the Trustee shall consent to any amendment, change or

modification of the Pledge and Security Agreement without notice thereof being given to the Holders in the manner provided in Section 10.02 hereof and the written approval or consent of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds procured and given in the manner set forth in Section 10.02 hereof; provided, however, that no such amendment shall be permitted which changes the terms of payment thereunder without the consent of the Holders of all Outstanding Bonds.

(c) The Trustee may rely on an opinion of Independent Counsel as conclusive evidence that any such amendment, change or modification and the evidence of requisite Holder consent comply with the requirements of this Section 11.02.

Section 11.03. Amendments to Tax Compliance Agreement.

(a) Without the consent of or notice to the Holders, the Issuer and the University may enter into, and the Trustee may consent to, any amendment, change or modification of the Tax Compliance Agreement as may be required (i) by the provisions thereof or of this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission therein, (iii) for the purpose of issuing Additional Bonds under Section 2.13 hereof, (iv) in connection with the description of the Facility, (v) in order to preserve the tax-exempt status of the Bonds, or (vi) in connection with any other change therein, which, in the sole judgment of the Trustee based on an opinion of Independent Counsel, does not adversely affect the interests of the Trustee or the Holders.

(b) Except for amendments, changes or modifications as provided in subsection (a) of this Section 11.03, neither the Issuer nor the Trustee shall consent to any amendment, change or modification of the Tax Compliance Agreement without notice thereof being given to the Holders in the manner provided in Section 10.02 hereof and the written approval or consent of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds procured and given in the manner set forth in Section 10.02 hereof; provided, however, that no such amendment shall be permitted which changes the terms of payment thereunder without the consent of the Holders of all Outstanding Bonds.

(c) The Trustee may rely on an opinion of Independent Counsel as conclusive evidence that any such amendment, change or modification and the evidence of requisite Holder consent comply with the requirements of this Section 11.03.

Section 11.04. Consent of Trustee. Amendments to the Loan Agreement, the Tax Compliance Agreement, the Pledge and Security Agreement, or any other Financing Document which modify or affect the duties, liabilities or obligations of the Trustee shall not become effective unless first consented to in writing by the Trustee.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Consent of Holders.

(a) Any consent, request, direction, approval, objection or other instrument required or permitted by this Indenture to be signed and executed by the Holders may be in any number of writings of similar tenor and may be signed or executed by such Holders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture and may be conclusively relied on by the Trustee with regard to any action taken thereunder:

(i) The fact and date of the execution by any Holder or his/her attorney of such instrument may be proved by (A) the certificate (which need not be acknowledged or verified) of an officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he/she purports to act, that the person signing such instrument acknowledged to him the execution thereof on such date, or (B) by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice-president of such corporation.

(ii) The ownership of any Bonds shall be proven by the bond register.

(b) Any request, consent or vote of the Holder of any Bond shall bind all future Holders of such Bond with respect to anything done or suffered to be done or omitted to be done by the Issuer or the Trustee in accordance therewith, unless and until such request, consent or vote is revoked by the filing with the Trustee of a written instrument, signed and executed by the Holder of the Bond, in form and substance and within such time as shall be satisfactory to the Trustee.

Section 12.02. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be inferred from this Indenture or the Bonds is intended or shall be construed to give to any Person, other than the parties hereto, the Holders of the Bonds and their successors and assigns, any legal or equitable right, remedy or claim under or with respect to this Indenture or any covenants, conditions and provisions herein contained. This Indenture and all of the covenants, conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto, the Holders of the Bonds and their successors and assigns as herein provided.

Section 12.03. Severability.

(a) If any provision of this Indenture shall, for any reason, be held or shall, in fact, be inoperative or unenforceable in any particular case, such circumstance shall not render the provision in question inoperative or unenforceable in any other case or circumstance or render any other provision herein contained inoperative or unenforceable.

(b) The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections in this Indenture shall not affect the remaining portion of this Indenture or any part thereof.

Section 12.04. Notices. All notices, certificates or other communications hereunder shall be in writing and unless otherwise specifically directed or permitted by another Section of this Indenture, shall be (a) personally delivered, or (b) sent by United States Postal Service prepaid registered or certified mail, return receipt requested, or (c) sent overnight via Federal Express or other substantial national delivery service, addressed as follows:

To the Issuer:

Monroe County Industrial
Development Corporation
50 West Main Street
Rochester, New York 14614
Attn: Executive Director

With Copy To:

Nixon Peabody LP
1300 Clinton Square
Rochester, New York 14604
Attn: Barry Carrigan, Esq.

To the Trustee:

Manufacturers and Traders Trust Company
285 Delaware Avenue, 3rd Floor
Buffalo, New York 14202
Attn: Corporate Trust

To the University:

St. John Fisher University
3690 East Avenue
Rochester, New York 14618
Attn: Vice President for Financial Affairs
and Chief Financial Officer

With Copy To:

Hodgson Russ LLP
90 Linden Oaks, Suite 110
Rochester, New York 14625
Attn: Brandon Cottrell, Esq.

A duplicate copy of each notice, certificate or other communication given hereunder by the Issuer or the Trustee to either of the other shall also be given to the University. The Issuer, the University and the Trustee by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. All notices shall be deemed given on the date of personal delivery or, if mailed, five (5) days after mailing, or, if given by overnight delivery service, on the date of receipt, as indicated in the records of the overnight delivery service.

Section 12.05. Counterparts. This Indenture 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.

Section 12.06. Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State of New York. The Issuer, the Institution and the Trustee hereby waive the right to trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Indenture or any of the other Financing Documents.

Section 12.07. No Recourse; Special Obligations. All covenants, stipulations, promises, agreements and obligations (collectively, the "Obligations") of the Issuer contained in the Bonds and in the other Financing Documents shall be deemed to be the Obligations of the Issuer and not

of any member, officer, agent (other than the University), servant, agent (other than the University) or employee of the Issuer (each, an “Employee of the Issuer”) in his/her individual capacity, and no recourse under or upon any Obligation in the Bonds or the other Financing Documents contained or otherwise based upon or in respect of this Indenture, the Bonds or the other Financing Documents or for any claim based hereon or thereon or otherwise in respect hereof or thereof, shall be had against any past, present or future Employee of the Issuer, as such, or of any successor public benefit corporation or political subdivision or any person executing any of the Bonds or the other Financing Documents on behalf of the Issuer, either directly or through the Issuer or any successor public benefit corporation or political subdivision or any person executing the Bonds or any other of such Financing Documents on behalf of the Issuer, it being expressly understood that the other Financing Documents and the Bonds issued thereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by any such Employee of the Issuer or of any successor public benefit corporation or political subdivision or any person executing the Bonds or the other Financing Documents on behalf of the Issuer because of the creation of the indebtedness thereby authorized, or under or by reason of the Obligations contained in the Bonds or the Financing Documents or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such Employee of the Issuer because of the creation of the indebtedness authorized by the Bonds or the other Financing Documents, or under or by reason of the Obligations contained in any of the Financing Documents or implied therefrom, are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of the Financing Documents and the issuance of the Bonds. The obligations and agreements of the Issuer contained herein shall not constitute or give rise to an obligation of the State or Monroe County, New York, and neither the State nor Monroe County, New York shall be liable thereon, and further such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from payments to be made by the University pursuant to the Loan Agreement (except for payments to the Issuer with respect to the Unassigned Rights).

Notwithstanding any provision of this Indenture to the contrary, the Issuer shall not be obligated to take any action pursuant to any provision hereof unless (1) the Issuer shall have been requested to do so in writing by the University or the Trustee and (2) if compliance with such request is reasonably expected to result in the incurrence by the Issuer (or any member, officer, agents, servant or employee of the Issuer) of any liability, fees, expenses or other costs, the Issuer shall have received from the University security or indemnity satisfactory to the Issuer for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO INDENTURE]

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name and behalf by its Executive Director and, to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be signed in its name and behalf by a duly authorized trust officer and the Issuer and the Trustee have caused this Indenture to be dated as of June 1, 2024.

MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION

By: _____
Ana J. Liss, Executive Director

MANUFACTURERS AND TRADERS TRUST COMPANY,
as trustee

By: _____
M. Anthony Argenio, Vice President

STATE OF NEW YORK)
COUNTY OF MONROE)

On the _____ day of June in the year 2024 before me, the undersigned, personally appeared **Ana J. Liss**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF ERIE)

On the _____ day of June in the year 2024 before me, the undersigned, personally appeared **M. Anthony Argenio**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

CONSENT BY THE UNIVERSITY

St. John Fisher University (the “**University**”) hereby approves, consents to and agrees to be bound by all of the terms and provisions of this Indenture, as such terms or provisions, directly or indirectly, relate to, apply to, require or prohibit action by or deal with the University, or property of the University, including, but not limited to, all provisions for the deposit or payment of moneys to funds held by the Trustee under the Indenture, as so amended. The University hereby agrees, at its own expense, to do all things and take all actions as shall be necessary to enable the Issuer to perform its obligations under the Indenture, as so amended. This paragraph shall bind the University and its successors and assigns.

ST. JOHN FISHER UNIVERSITY

By: _____
Mark D. Harris, DBA
Vice President for Finance and
Administration and Chief Financial Officer

STATE OF NEW YORK)
COUNTY OF MONROE)

On the ___ day of June in the year 2024 before me, the undersigned, personally appeared **Mark D. Harris**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

EXHIBIT A

FORM OF BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the owner hereof, Cede & Co., has an interest herein.

REGISTERED

\$ _____

R-__

**Monroe County Industrial Development Corporation
Tax-Exempt Revenue Bonds
(St. John Fisher University Project), Series 2024**

<u>Interest Rate</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>CUSIP</u>
_____%	June 27, 2024	_____	61075T__

Registered Owner: CEDE & CO. as nominee of DTC

Principal Sum: _____ (\$_____)

MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION, a not-for-profit corporation of the State of New York (the “**Issuer**”), acknowledges itself indebted and for value received does hereby promise to pay, but solely from the source and as hereinafter provided, to the Registered Owner (named above), or registered assigns, on the Maturity Date set forth above (subject to the right of prior redemption as hereinafter provided), the Principal Sum stated above and in like manner to pay interest on said sum from the Dated Date stated above or from the most recent Interest Payment Date to which interest has been paid or provided for, at the interest rate per annum specified above, semi-annually on the first (1st) day of June and December of each year (each, a “**Bond Payment Date**”), commencing with December 1, 2024, and continuing to and including the Maturity Date set forth above. Notwithstanding the foregoing, interest on this bond shall accrue at the Default Rate (as defined in the Indenture, as hereinafter defined) from and after the date of occurrence of an Event of Default under the Indenture and for so long as such Event of Default remains in effect. Interest on this bond shall be computed on the basis of a 360-day year composed of twelve (12) thirty (30) day months.

Payment of the principal of this bond, and, if this bond shall be redeemed prior to maturity, payment of the principal, redemption premium, if any, and interest accrued to the redemption date, shall be made at the corporate trust office of Manufacturers and Traders Trust Company, as Paying Agent of the Issuer (the “**Paying Agent**”) at 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202 or at the office of its successors in trust or at the office designated for such payment of any successor Paying Agent named by the Issuer. Interest hereon shall be paid to the registered owner

hereof as of the close of business on the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding such Bond Payment Date (the “**Regular Record Date**”), and shall be paid by check or draft mailed to such registered owner at the address appearing on such registration books or, at the election of a registered holder of not less than \$1,000,000 aggregate principal amount of the Bonds (as hereinafter defined), by bank wire transfer to a bank account maintained by such registered owner in the United States of America designated in written instructions delivered to the Trustee (as defined herein) at least five (5) Business Days (as hereinafter defined) prior to the date of such payment. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the Person in whose name this Bond is registered at the close of business on a date for the payment of such defaulted interest to be fixed by the Trustee (the “**Special Record Date**”), notice thereof being given to the registered owners of the Bonds not less than fifteen (15) days prior to such Special Record Date. The principal, premium, if any, and interest on this Bond are payable in lawful money of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

Any payment of interest or principal which is due on a day other than a Business Day shall be due and payable on the next succeeding Business Day with the same effect as if paid on the date due. “Business Day” means a day other than a Saturday, Sunday, legal holiday or other day on which the Trustee is authorized by law or executive order to remain closed.

This bond is one of a duly authorized issue of bonds limited in the aggregate principal amount of \$46,980,000 (the “**Bonds**”) issued and authorized to be issued for the purpose of assisting in the financing of a certain Project as set forth in the hereinafter defined Indenture.

The Bonds are all issued under and are equally and ratably secured and entitled to the security given by a certain Indenture of Trust, dated as of June 1, 2024 (the “**Indenture**”), by and between the Issuer and Manufacturers and Traders Trust Company, as trustee (the “**Trustee**”). The Indenture, among other things, grants a security interest in the Trust Estate (as defined in the Indenture) to the Trustee. The Indenture further provides that the Issuer shall deposit the Bond Proceeds with the Trustee for the account of the Issuer, and that the Trustee shall disburse said moneys to pay the Project Costs (as defined in the Indenture), but only upon satisfaction of the requirements set forth in the Indenture for making such disbursements.

The Bonds are secured by a certain Pledge and Security Agreement, dated as of June 1, 2024, by and between the University and the Trustee, pursuant to which the University grants to the Trustee a security interest in the Pledged Revenues (as defined therein) (the “**Pledge and Security Agreement**”); such pledge of Pledged Revenues to be on a parity basis with the Series 2012 Revenue Pledge, and any future Parity Obligation (as defined in the Pledge and Security Agreement).

Reference is hereby made to the Loan Agreement, the Promissory Note, the Indenture, the Pledge and Security Agreement, and the Intercreditor Agreement (as defined in the Indenture), copies of which are on file at the corporate trust office of the Trustee and at the office of the Issuer, and to all amendments and supplements thereto for the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer,

the Trustee, the University and the Holders and the terms upon which the Bonds are or may be secured.

This bond and the issue of which it is a part are special obligations and not general obligations of the Issuer and it is understood and agreed that the Owners shall look exclusively to the Trust Estate, the Indenture, and such other security as may from time to time be given for payment of obligations arising out of the Bonds and the Indenture and that any judgment rendered on the Bonds, the Indenture or such other security shall be limited to the Trust Estate and any such other security so given for the satisfaction thereof; and that no deficiency or personal judgment, nor any order or decree of specific performance shall be sought or rendered against the Issuer, its successors or assigns, in any action or proceeding brought on the Bonds, or any judgment, order or decree rendered pursuant to any such action or proceeding. Pursuant to the Loan Agreement, payments (except payments included in Unassigned Rights) payable to the Issuer are required to be made by the University directly to the Trustee and to be deposited in a separate Bond Fund held by the Trustee for the payment of the principal of, premium, if any, and interest on the Bonds.

NO COVENANT OR AGREEMENT CONTAINED IN THIS BOND OR IN THE INDENTURE OR THE LOAN AGREEMENT, OR IN ANY DOCUMENT CONNECTED THEREWITH SHALL BE DEEMED TO BE THE COVENANT OR AGREEMENT OF ANY MEMBER, OFFICER, AGENT (OTHER THAN THE UNIVERSITY) OR EMPLOYEE OF THE ISSUER IN HIS/HER INDIVIDUAL CAPACITY. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF, OR THE INTEREST ON, THIS BOND OR FOR ANY CLAIM BASED THEREON OR ON THE INDENTURE OR THE LOAN AGREEMENT, AGAINST ANY MEMBER, OFFICER, AGENT (OTHER THAN THE UNIVERSITY) OR EMPLOYEE, PAST, PRESENT OR FUTURE, OF THE ISSUER, OR OF ANY SUCCESSOR CORPORATION, AS SUCH, EITHER DIRECTLY, OR THROUGH THE ISSUER OR ANY SUCH SUCCESSOR CORPORATION, WHETHER BY VIRTUE OF ANY CONSTITUTIONAL PROVISION, STATUTE, OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR OTHERWISE, ALL SUCH LIABILITY OF SUCH MEMBERS, OFFICERS, AGENTS (OTHER THAN THE UNIVERSITY) OR EMPLOYEES, BEING RELEASED AS A CONDITION OF, AND AS CONSIDERATION FOR, THE EXECUTION AND DELIVERY OF THIS BOND AND THE INDENTURE.

THIS BOND IS NOT AND SHALL NOT BE A DEBT OR LOAN OF CREDIT OF THE STATE OF NEW YORK OR MONROE COUNTY, NEW YORK AND NEITHER THE STATE OF NEW YORK NOR MONROE COUNTY, NEW YORK SHALL BE LIABLE HEREON.

The Bonds are issuable as fully registered bonds in the denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof.

EXTRAORDINARY REDEMPTION WITHOUT PREMIUM

The Bonds are subject to redemption prior to maturity, at the option of the Issuer exercised at the direction of the University (which option shall be exercised upon the giving of notice by the University to the Issuer and the Trustee of its intention to prepay all amounts due under the Loan

Agreement), as a whole, on any date, at a Redemption Price equal to one hundred percent (100%) of the unpaid principal amount thereof, plus accrued interest to the date of redemption, upon the occurrence of certain extraordinary circumstances as set forth in the Indenture.

SINKING FUND REDEMPTION

The Bonds maturing on June 1, 2049 are subject to mandatory redemption on the sinking fund redemption dates and in the sinking fund redemption amounts set forth in the following table, at a Redemption Price equal to 100% of the principal amount thereof being redeemed plus accrued interest to the Redemption Date:

Sinking Fund Redemption Dates	Sinking Fund Redemption Amounts
2045	\$1,140,000
2046	1,205,000
2047	1,270,000
2048	1,335,000
2049*	1,410,000

*Maturity Date

The Bonds maturing on June 1, 2054 are subject to mandatory redemption on the sinking fund redemption dates and in the sinking fund redemption amounts set forth in the following table, at a Redemption Price equal to 100% of the principal amount thereof being redeemed plus accrued interest to the Redemption Date:

Sinking Fund Redemption Dates	Sinking Fund Redemption Amounts
2050	\$1,485,000
2051	1,565,000
2052	1,650,000
2053	1,735,000
2054*	1,830,000

*Maturity Date

Not less than twenty (20) days nor more than sixty (60) days next preceding a sinking fund redemption date, the Trustee shall select for redemption on such date a principal amount of Bonds subject to redemption, in an amount not exceeding that necessary to complete the retirement of an aggregate principal amount of Bonds equal to such sinking fund redemption amount, as of such sinking fund redemption date. Accrued interest and principal on such Bonds so redeemed shall be paid from the applicable account of the Bond Fund, and all expenses in connection with such redemption shall be paid by the University. All Bonds shall be redeemed in the manner provided in Sections 3.02 and 3.03 of the Indenture. The University may, at its election upon delivery to the Trustee of a certificate signed by an Authorized Representative of the University, apply as a credit against the aggregate principal amount of Bonds subject to redemption on such sinking fund redemption date the principal amount of Bonds of the same maturity acquired by the University

and delivered to the Trustee for cancellation not less than ninety (90) days prior to such sinking fund redemption date, or redeemed otherwise than pursuant to an optional redemption as provided herein which have not theretofore been used for the purposes of any such credit.

OPTIONAL REDEMPTION

The Bonds maturing after June 1, 2034 are subject to redemption by the Issuer at the option of the University on or after June 1, 2034 in whole or in part at any time, at a Redemption Price equal to 100% of the principal amount of each Series 2024 Bond or portion thereof to be redeemed, plus accrued interest, if any, to the Redemption Date.

The Trustee shall call Bonds for optional redemption pursuant to the Indenture upon receipt of notice from the Issuer, or the University on behalf of the Issuer, directing such redemption, which notice shall be sent to the Trustee at least thirty (30) days prior to the Redemption Date or such fewer number of days as shall be acceptable to the Trustee and shall specify (i) the principal amount of Bonds so to be called for redemption, and (ii) the applicable Redemption Price. The Issuer shall direct the Trustee to call Bonds for optional redemption when and only when it shall have been notified by the University to do so.

If less than all Bonds of the same series and maturity are to be redeemed, the Bonds of such series and maturity to be called for redemption shall be selected by lot. If less than all of the Bonds of the same series and different maturities are to be redeemed, the Bonds to be redeemed shall be as directed by the University in writing, or if no such written direction is received by the Trustee, the principal amount of such redemption shall be applied in inverse order of maturity and by lot within a maturity. If a portion of this bond shall be called for redemption, a new bond in the principal amount equal to the unredeemed portion hereof shall be issued to the Owner upon the surrender hereof.

In the event any of the Bonds are called for redemption as aforesaid, notice thereof identifying the Bonds to be redeemed and stating certain other matters as set forth in the Indenture shall be given by mailing a copy of such notice, postage prepaid, not less than twenty (20) days nor more than sixty (60) days prior to the Redemption Date, to each Holder of a Bond to be redeemed at the address of such Holder appearing on the registration books of the Issuer, maintained by the Trustee, as Bond Registrar. Such mailing shall not be a condition precedent to such redemption, and failure to mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of the Bonds. With respect to any optional redemption under the Indenture, any such notice of redemption may state that the redemption is conditioned upon receipt by the Trustee, on or prior to the Redemption Date, of moneys sufficient, together with any other moneys held by the Trustee and available therefor, to pay on the Redemption Date the Redemption Price of the Bonds to be redeemed, and that if such moneys are not received on or prior to such Redemption Date such notice shall be of no force or effect and such Bonds shall not be required to be redeemed.

On the specified Redemption Date, all Bonds so called for redemption shall cease to bear interest and shall no longer be secured by the Indenture.

The Holder of this bond shall have no right to enforce the provisions of the Indenture or to institute any action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as otherwise expressly provided in the Indenture. In addition, the right of the Holder of this bond to institute or prosecute a suit for the enforcement of payment hereof or to enter a judgment in any such suit is limited to the extent that such action would result in the surrender, impairment, waiver or loss of the lien of the Indenture for the equal and ratable benefit of all Holders of Bonds.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Trustee.

This bond may not be waived, changed, modified or discharged orally, but only by agreement in writing, signed by the party against whom any enforcement of any waiver, change, modification or discharge is sought. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and under the circumstances permitted by the Indenture.

Capitalized terms used in this bond and not defined herein shall have the meaning ascribed to such terms by the Indenture.

This bond is fully negotiable and transferable, as provided in the Indenture, only upon books of the Issuer kept by the Trustee, by the registered owner hereof or by his/her attorney duly authorized in writing, upon surrender of this bond, together with a written instrument of transfer satisfactory to the Trustee. Thereupon a new bond or bonds, in fully registered form without coupons, in the same aggregate principal amount and of the same maturity and rate of interest as the surrendered bond shall be issued to the transferee in exchange therefor as provided in the Indenture.

The Issuer, the Trustee and any Paying Agent may deem and treat the person in whose name this bond is registered upon the books of the Issuer on the Record Date as the absolute owner hereof, whether this bond shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and interest on this bond and for all other purposes. All such payments so made to any such Holder or upon his/her order shall be valid and effectual to satisfy and discharge the liability of the Issuer upon this bond to the extent of the sum or sums so paid. Neither the Issuer, the Trustee nor any Paying Agent shall be affected by any notice to the contrary. For every transfer of Bonds, the Issuer and the Trustee may make a charge sufficient to reimburse them for (i) any tax, fee or other governmental charge required to be paid with respect to such transfer, (ii) the cost of preparing each new Bond, and (iii) any other expenses of the Issuer or the Trustee incurred in connection therewith, and any such charges shall be paid by the University.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the owners of the Bonds at any time by the Issuer with the consent of the Holders of fifty-one percent (51%) in aggregate principal amount of the Bonds at the time Outstanding. Any such consent or any waiver by the Holders of fifty-one percent (51%) in aggregate principal amount of the Bonds shall be

conclusive and binding upon the Owner and upon all future Owners of this bond and of any bond issued in replacement hereof whether or not notation of such consent or waiver is made upon this bond. The Indenture also contains provisions which, subject to certain conditions, permit or require the Trustee to waive certain past defaults under the Indenture and their consequences.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen or be performed precedent to and in the execution and delivery of the Indenture and the issuance of this bond do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this bond and the issue of which it is a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional, statutory or corporate limitations.

IN WITNESS WHEREOF, MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION has caused this Series 2024 Bond to be executed in its name by the manual or facsimile signature of its Authorized Representative.

**MONROE COUNTY INDUSTRIAL
DEVELOPMENT CORPORATION**

By: _____
Ana J. Liss, Executive Director

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2024 Bonds described in and issued under the provisions of the within mentioned Indenture of Trust.

**MANUFACTURERS AND TRADERS TRUST
COMPANY, as Trustee**

By: _____

Name: M. Anthony Argenio

Title: Vice President

Date of Authentication: June 27, 2024

(FORM OF TRANSFER)

FOR VALUE RECEIVED, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No.) the within bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

By: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

Signature Guaranteed

Notice: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

[END OF FORM OF SERIES 2024 BOND]

EXHIBIT B

FORM OF REQUISITION FOR PAYMENT AND REIMBURSEMENT

To: Manufacturers and Traders Trust Company
285 Delaware Avenue, 3rd Floor
Buffalo, New York 14202
Attn: Corporate Trust

**Re: Monroe County Industrial Development Corporation Tax-Exempt Revenue Bonds
(St. John Fisher University Project), Series 2024**

Requisition Number: []

Date: []

Ladies and Gentlemen:

You are hereby authorized and directed to make the following disbursements from the Project Fund in accordance with Section 4.04 of that certain Indenture of Trust, dated as of June 1, 2024 (the “**Indenture**”), by and between the Monroe County Industrial Development Corporation (the “**Issuer**”) and Manufacturers and Traders Trust Company, as trustee (the “**Trustee**”).

(i) Name(s) and address(es) of the person(s) to whom payment is to be made, and the amount to be paid to each:

[]

(ii) General classification of the expenditure pursuant to the Loan Agreement, dated as of June 1, 2024 (the “**Loan Agreement**”), by and between the Issuer and St. John Fisher University (the “**University**”):

1.	Architects, Engineers or similar fees:	\$
2.	Costs of acquiring, constructing and equipping the Facility:	\$
3.	Fees and other expenses for recording and filing:	\$
4.	Fees or expenses relating to actions to protect the Trustee’s security interest in the Facility:	\$
5.	Insurance Premiums:	\$
6.	Construction period interest:	\$
7.	Legal, accounting, investment banking, etc. fees:	\$
8.	Trustee’s fees and expenses, including legal fees:	\$
9.	Administrative fee of the Issuer:	\$

- | | | |
|-----|---|----|
| 10. | Title insurance and surveying fees, if any | \$ |
| 11. | Reimbursement for payment by the University of items in 1-10 above: | \$ |

With respect to the obligation(s) referred to above, the undersigned, an Authorized Representative of the University, hereby certifies that:

- (A) items (i) and (ii) have been completed correctly and accurately;
- (B) the disbursement hereby requested is for a proper expenditure of moneys in the Project Fund pursuant to the Loan Agreement;
- (C) with respect to items covered in this requisition, the undersigned has no knowledge of any vendors', mechanics' or other liens, bailment leases, conditional sale contracts, security interests or laborers' claims which should be satisfied or discharged before the payments as requisitioned are made or which will not be discharged by such payment;
- (D) none of the amounts for which this requisition is made has been the basis for any prior disbursement from the Project Fund;
- (E) the amount hereby requested has been paid or is to be paid or shall be paid from the moneys requested and that insofar as the payment is for work, materials, supplies, or equipment, the work has been performed and the materials, supplies or equipment have been installed in the Facility or have been delivered to the Facility;
- (F) all Persons furnishing material to or performing work on the Facility have been fully paid to date or will be fully paid out of the proceeds of this requisition or future requisitions or with other sources of funds (to the extent of amounts then due and payable);
- (G) the undisbursed portion of the Project Fund is sufficient, together with any other funds of the University, to complete the Project;
- (H) such requested disbursement is consistent in all material aspects with the Tax Compliance Agreement;
- (I) there exists no "Event of Default" under any of the Financing Documents or any event, condition or act which would constitute an "Event of Default" under any of the Financing Documents but for the requirement that notice be given or time elapse or both;
- (J) if the payment is a reimbursement to the University for costs or expenses incurred by reason of work performed or supervised by officers or employees of the University, such officers or employees were specifically employed for such purpose, that the amount to be paid does not exceed the actual cost thereof to the University; and
- (K) the amounts requested by this requisition with respect to Costs of Issuance (as such term is defined in the Tax Compliance Agreement), if any, when added to all prior

amounts disbursed from the Project Fund for Costs of Issuance, does not exceed two percent (2%) of the proceeds of the Bonds.

The capitalized terms herein, unless otherwise defined, will have the meaning provided in the Indenture.

Enclosed with this requisition are true and correct copies of all supporting invoices for the expenditures referred to herein.

ST. JOHN FISHER UNIVERSITY

By: _____

[END OF FORM OF REQUISITION]

APPENDIX D

Form of Loan Agreement

[THIS PAGE INTENTIONALLY LEFT BLANK]

MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION

AND

ST. JOHN FISHER UNIVERSITY

LOAN AGREEMENT

Dated as of June 1, 2024

Relating To:

\$46,980,000

Monroe County Industrial Development Corporation
Tax-Exempt Revenue Bonds
(St. John Fisher University Project), Series 2024

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS AND REPRESENTATIONS	4
Section 1.1. Definitions.....	4
Section 1.2. Construction.....	4
Section 1.3. Representations and Warranties by Issuer	4
Section 1.4. Findings by Issuer	5
Section 1.5. Representations and Warranties by University	5
ARTICLE II THE PROJECT.....	7
Section 2.1. The Project	7
Section 2.2. Completion by University.....	7
Section 2.3. Series 2024 Bonds; Deposit of Bond Proceeds.....	8
Section 2.4. Application of Moneys in Project Fund.....	8
ARTICLE III ISSUANCE OF SERIES 2024 BONDS; PAYMENT PROVISIONS AND RELATED PROVISIONS	9
Section 3.1. Issuance of Series 2024 Bonds	9
Section 3.2. Promissory Note.....	9
Section 3.3. Payment Provisions; Pledge of Loan Agreement and of the Promissory Note.....	9
Section 3.4. Obligation of University Unconditional	11
ARTICLE IV MAINTENANCE, TAXES AND INSURANCE.....	11
Section 4.1. Maintenance, Alterations and Improvements	11
Section 4.2. Removal of Property of the Facility.....	12
Section 4.3. Taxes, Assessments and Charges	12
Section 4.4. Insurance	13
Section 4.5. Advances by Issuer or Bondholders	15
Section 4.6. Compliance with Law	15
ARTICLE V DAMAGE, DESTRUCTION AND CONDEMNATION	16
Section 5.1. Damage, Destruction and Condemnation	16
ARTICLE VI PARTICULAR COVENANTS	18
Section 6.1. Restrictions on University.....	18
Section 6.2. Indemnity	19
Section 6.3. Compensation and Expenses of Trustee, Bond Registrar, Paying Agent and Issuer	22
Section 6.4. Reserved.....	22
Section 6.5. University’s Covenant as to Tax Exemption.....	23
Section 6.6. Notice by the University	23
Section 6.7. Discharge of Liens	23
Section 6.8. Issuer’s Authority.....	23
Section 6.9. No Warranty of Condition or Suitability.....	24
Section 6.10. Amounts Remaining in Funds	24

Section 6.11.	Issuance of Additional Bonds	24
Section 6.12.	Reserved.....	25
Section 6.13.	Redemption Under Certain Circumstances; Special Covenants.....	25
Section 6.14.	Further Assurances.....	25
Section 6.15.	Filing.....	25
Section 6.16.	Right to Cure Issuer Defaults.....	26
Section 6.17.	Reserved.....	26
Section 6.18.	Preservation of Exempt Status.....	27
Section 6.19.	Securities Law Status.....	27
Section 6.20.	Debt Service Coverage Ratio.....	28
ARTICLE VII EVENTS OF DEFAULT; REMEDIES.....		28
Section 7.1.	Events of Default	28
Section 7.2.	Remedies on Default.....	29
Section 7.3.	Reserved.....	30
Section 7.4.	Remedies Cumulative	30
Section 7.5.	No Additional Waiver Implied by One Waiver	30
Section 7.6.	Effect on Discontinuance of Proceedings	31
Section 7.7.	Agreement to Pay Attorneys' Fees and Expenses.....	31
ARTICLE VIII OPTIONS		31
Section 8.1.	Options.....	31
Section 8.2.	Termination on Exercise of Option to Terminate.....	32
Section 8.3.	Option to Purchase or Invite Tenders of Bonds	32
Section 8.4.	Termination of Loan Agreement.....	33
ARTICLE IX MISCELLANEOUS		33
Section 9.1.	Indenture; Amendment.....	33
Section 9.2.	Force Majeure	33
Section 9.3.	Assignment	34
Section 9.4.	Priority of Indenture.....	34
Section 9.5.	Benefit of and Enforcement by Bondholders.....	35
Section 9.6.	Amendments	35
Section 9.7.	Notices	35
Section 9.8.	Prior Agreements Superseded	35
Section 9.9.	Severability	35
Section 9.10.	Inspection of Facility	35
Section 9.11.	Effective Date; Counterparts.....	35
Section 9.12.	Binding Effect.....	35
Section 9.13.	Net Agreement	35
Section 9.14.	Laws Governing.....	36
Section 9.15.	Investment of Funds.....	36
Section 9.16.	Investment Tax Credit.....	36
Section 9.17.	Waiver of Trial by Jury	36
Section 9.18.	Non-Discrimination	36
Section 9.19.	No Recourse under this Loan Agreement or on Bonds.....	37
Section 9.20.	Date of Loan Agreement for Reference Purposes Only.....	37

LOAN AGREEMENT

LOAN AGREEMENT, made and entered into as of June 1, 2024 (the “**Loan Agreement**”), by and between the **MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION**, a not-for-profit local development corporation of the State of New York, duly organized and existing under the laws of the State of New York, having its principal office at 50 West Main Street, Rochester, New York 14614 (the “**Issuer**”) and **ST. JOHN FISHER UNIVERSITY**, a not-for-profit education corporation organized and existing under and by virtue of the laws of the State of New York, having its principal office at 3690 East Avenue, Rochester, New York 14618 (the “**University**”):

WITNESSETH:

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law (“**N-PCL**”) of the State of New York (the “**State**”), as amended (hereinafter collectively called the “**Act**”), and pursuant to its certificate of incorporation, as amended (the “**Certificate**”), the Issuer was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, the Act further authorizes the Issuer to issue its bonds and to loan the proceeds thereof for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds so issued and any agreements made in connection therewith, to pledge certain revenues and receipts to secure the payment of such bonds and interest thereon; and

WHEREAS, by resolution adopted May 8, 2024 (the “**Bond Resolution**”), the Issuer determined to issue its \$46,980,000 Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the “**Series 2024 Bonds**”) for the purpose of financing or refinancing the Project (as defined below) consisting of: (a)(i) the renovation, modernization, upgrading, furnishing and equipping of the Lavery Library on the Campus, including interior work, and site work outside of the Lavery Library building such as new pathways and stairways, landscaping and a new plaza area (collectively, the “**2024 Facility**”), (ii) the current refunding of all or a portion of the Issuer’s Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2011 (the “**Series 2011 Bonds**”), which Series 2011 Bonds were originally issued in an aggregate principal amount of \$13,855,000 and are currently outstanding in an aggregate principal amount of \$8,605,000; and (iii) the current refunding of all or a portion of the Issuer’s Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2014A (the “**Series 2014A Bonds**”), which Series 2014A Bonds were originally issued in an aggregate principal amount of \$17,000,000 and are currently outstanding in an aggregate principal amount of \$14,365,000; (b) the funding of capitalized interest and a debt service reserve fund, if required; and (c) the payment of certain costs

and expenses associated with the issuance of the Series 2024 Bonds (collectively (a) through (c), the “**Project**”); and

WHEREAS, the proceeds of the Series 2011 Bonds were used for the purpose of financing a certain project (the “**2011 Project**”) consisting of: (a) the refinancing of the outstanding principal amount of the St. John Fisher College Revenue Bonds, Series 2008A issued by the Dormitory Authority of the State of New York (“**DASNY**”) in the original principal amount of \$13,200,000 for the benefit of the University for the purpose of paying in full an interim bank loan the proceeds of which were used to redeem the Variable Rate Demand Civic Facility Revenue Bonds (St. John Fisher College Project), Series 2005 (the “**Series 2005 Bonds**”), issued by the County of Monroe Industrial Development Agency (“**COMIDA**”) in the original principal amount of \$14,300,000 for the benefit of the University, the proceeds of which were used to finance (i) the construction of a 220-bed, approximately 47,000 square foot residence hall and an approximately 30,500 square foot student center and the renovation of various existing academic, administrative and student residence buildings and the acquisition and installation of the various equipment and furniture to be used in such improvements (collectively, the “**2011 Facility**”); (ii) the payment of certain costs of issuance in connection with the issuance of the Series 2005 Bonds and (iii) the funding of a debt service reserve fund as security for the Series 2005 Bonds; (b) the funding of a debt service reserve fund as security for the Series 2011 Bonds, and (c) the payment of certain costs of issuance of the Series 2011 Bonds; and

WHEREAS, the proceeds of the Series 2014A Bonds were used for the purpose of financing a certain project (the “**2014A Project**”) consisting of: (a)(i) the acquisition, construction and equipping on the Campus of an approximately 30,750 square-foot two-story addition to the existing approximately 61,700 square-foot Joseph S. Skalny Science Center facility (the “**Skalny Science Center**”) to house the University’s academic programming to serve its science, nursing and pharmacy students and faculty and provide laboratory space, classroom space, faculty/student research space and faculty offices, together with ancillary and related facilities and improvements, and related site improvements and landscaping improvements (collectively, the “**Skalny Science Center Addition Improvements**”) and (ii) the renovation, equipping and modernization of the existing Skalny Science Center for purposes of providing for enlarged and/or updated laboratory space and/or space for such other instructional purposes (collectively, the “**Skalny Science Center Renovation Improvements**”, and collectively with the Skalny Science Center Addition Improvements, the “**Skalny Science Center Improvements**”); (b)(i) the acquisition, construction and equipping on the Campus of an approximately 5,800 square-foot one-story addition to the existing approximately 105,200 square-foot Ralph C. Wilson, Jr. Athletic Center and Manning & Napier Varsity Gym facility (collectively, the “**Athletic Center**”) to house the University’s additional athletic coaching offices and staff, together with ancillary and related facilities and improvements, and related site improvements and landscaping improvements (collectively, the “**Athletic Center Addition Improvements**”) and (ii) the renovation, equipping and modernization of the existing Athletic Center for purposes of providing for enlarged and/or updated locker room space and expansion of the general fitness area (collectively, the “**Athletic Center Renovation Improvements**”, and collectively with the Athletic Center Addition Improvements, the “**Athletic Center Improvements**”); (c) the renovation, equipping and modernization of various buildings and facilities throughout the Campus (collectively, the “**Miscellaneous Improvements**”, and collectively with the Skalny Science Center Improvements and the Athletic Center Improvements, the “**Improvements**”); (d) the acquisition and installation in and around the Improvements of

certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the “**2014 Equipment**”, and together with the Improvements, the “**2014 Facility**” and, together with the 2024 Facility and the 2011 Facility, the “**Facility**”) and (e) the payment of certain costs and expenses incidental to the issuance of the Series 2014A Bonds; and

WHEREAS, the Issuer, in order to provide funds for all or a portion of the cost of the Project and for incidental and related costs thereto, shall issue the Series 2024 Bonds pursuant to the Act, the Bond Resolution and an Indenture of Trust (the “**Indenture**”), dated as of June 1, 2024, by and between the Issuer and Manufacturers and Traders Trust Company, as trustee (the “**Trustee**”); and

WHEREAS, in order to provide for the loaning of the proceeds of the Series 2024 Bonds from the Issuer to the University and the payment of the principal of and interest thereon by the University for the benefit of the Holders of the Series 2024 Bonds, (i) the Issuer and the University deem it necessary to enter into this Loan Agreement, and (ii) the University will execute the Promissory Note in favor of the Issuer to evidence the University’s obligation under this Loan Agreement to repay the loan, and the Issuer will endorse the Promissory Note to the Trustee; and

WHEREAS, as security for the Series 2024 Bonds, the Issuer assigned to the Trustee all of its rights (except its Reserved Rights as defined in the Indenture) under this Loan Agreement pursuant to the Indenture.

NOW, THEREFORE, in consideration of the premises and the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Issuer herein contained, any obligation it may incur for the payment of money shall not subject the Issuer to any pecuniary or other liability nor create a debt of the State of New York or of Monroe County, New York and neither the State of New York nor Monroe County, New York shall be liable on any obligation so incurred, but any such obligation shall be payable solely out of the payments, revenues and receipts derived from or in connection with moneys received under this Loan Agreement):

[REMAINDER OF THIS PAGE LEFT BLANK]

ARTICLE I
DEFINITIONS AND REPRESENTATIONS

Section 1.1. Definitions. Terms not otherwise defined herein shall have the same meanings as used in the Indenture or in the Tax Compliance Agreement.

Section 1.2. Construction. In this Loan Agreement, unless the context otherwise requires:

(a) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this Loan Agreement, refer to this Loan Agreement, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of the execution and delivery of this Loan Agreement.

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa.

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Loan Agreement, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Loan Agreement, nor shall they affect its meaning, construction or effect.

Section 1.3. Representations and Warranties by Issuer. The Issuer makes the following representations and warranties:

(a) The Issuer is a not-for-profit local development corporation duly organized and existing under the laws of the State, and is authorized and empowered to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder. By proper action of its members, the Issuer has duly authorized the execution and delivery of this Loan Agreement.

(b) In order to finance a portion of the costs of the Project, the Issuer issued the Series 2024 Bonds in the aggregate original principal amount of \$46,980,000. The Series 2024 Bonds will mature, bear interest, be redeemable and have the other terms and provisions set forth in the Indenture and in the Series 2024 Bonds.

(c) The execution, delivery and performance of this Loan Agreement and each document to which the Issuer is a party and the consummation by the Issuer of transactions herein and therein contemplated, including, but not limited to, the issuance of the Series 2024 Bonds, have been duly authorized by all requisite action on the part of the Issuer and will not violate the certificate of incorporation or by-laws of the Issuer, or any indenture, agreement or other instrument to which the Issuer is a party or by which it or any of its property is subject or bound, or be in conflict or result in a breach of, or constitute (with due notice and/or lapse of time) a

default under such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances.

(d) To the best of the Issuer's knowledge, there is no action or proceeding pending, of which the Issuer has notice, by or before any court or administrative agency that might adversely affect the ability of the Issuer to perform its obligations under this Loan Agreement and each other Financing Document to which the Issuer is a party and all authorizations, consents and approvals of instrumental bodies or agencies required to be given by the Issuer as of the Closing Date in connection with the execution and delivery of this Loan Agreement and each other document to which the Issuer is a party or in connection with the performance of the obligations of the Issuer hereunder and under each of the Financing Documents to which the Issuer is a party, including, but not limited to, the issuance of the Series 2024 Bonds, have been obtained and given.

Section 1.4. Findings by Issuer. The Issuer, based upon the representations and warranties of the University contained in this Loan Agreement and the information contained in the application and other materials heretofore submitted by or on behalf of the University to the Issuer, hereby finds and determines that the financing of a portion of the costs of the Project by the Issuer and the loaning of the proceeds of the Series 2024 Bonds to the University is reasonably necessary to induce the University to proceed with the Project.

Section 1.5. Representations and Warranties by University. The University makes the following representations and warranties:

(a) The University is a not-for-profit education corporation duly organized, validly existing and in good standing under the laws of the State of New York, is not in violation of any provision of its charter or by-laws, has the corporate power and authority to own its property and assets, to carry on its business as now being conducted by it and to execute, deliver and perform this Loan Agreement.

(b) The execution, delivery and performance of this Loan Agreement and the consummation of the transactions herein contemplated have been duly authorized by all requisite corporate action on the part of the University and will not violate any material provision of law, any order of any court or governmental agency, or the charter or by-laws of the University, or any indenture, agreement or other instrument to which the University is a party or by which it or any of its property is subject or bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances.

(c) Expenses for supervision by the officers or employees of the University and expenses for work done by such officers or employees in connection with the Project will be included as a Project Cost only to the extent that such Persons were specifically employed for such particular purpose, the expenses do not exceed the actual cost thereof and are to be treated on the books of the University as a capital expenditure in conformity with generally accepted accounting principles applied on a consistent basis.

(d) The assistance of the Issuer in the financing of a portion of the costs of the Project is reasonably necessary to induce the University to proceed with the Project.

(e) The total cost of the Project being funded with the Series 2024 Bonds is at least \$46,980,000.

(f) Any costs incurred with respect to that part of the Project paid from the proceeds of the sale of the Series 2024 Bonds shall be treated on the books of the University as capital expenditures in conformity with generally accepted accounting principles applied on a consistent basis.

(g) The property included in the Facility is either property of the character subject to the allowance for depreciation under Section 167 of the Code, or land.

(h) No part of the proceeds of the Series 2024 Bonds will be used to finance inventory or will be used for working capital.

(i) This Loan Agreement and the other Financing Documents to which the University is a party constitute the legal, valid and binding obligations of the University enforceable against the University in accordance with their respective terms.

(j) The 2024 Facility has been designed and the operation of the 2024 Facility, upon completion, will be in compliance with all applicable federal, State and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality. The operation of the 2011 Facility and the 2014 Facility are in compliance with all applicable federal, State and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality.

(k) There is no action or proceeding pending or to the best knowledge of the University threatened by or against the University by or before any court or administrative agency that might adversely affect the ability of the University to perform its obligations under this Loan Agreement and each other Financing Document to which the University shall be a party.

(l) The University shall operate the Facility or cause the Facility to be operated in accordance with this Loan Agreement.

(m) There is no existing violation against the Facility filed by any court or administrative agency that may prohibit the ability of the University to use or operate the Facility for its intended purposes or for which the University has not agreed or made arrangements to have removed and satisfied of record.

(n) All consents, approvals or authorizations, if any, of any governmental authority required on the part of the University in connection with the execution and delivery of this Loan Agreement and each other document to which the University shall be a party have been duly obtained.

ARTICLE II THE PROJECT

Section 2.1. The Project. (a) As promptly as practicable after receipt of the proceeds of the sale of the Series 2024 Bonds and out of said proceeds of sale, the Issuer will, subject to the provisions of Section 2.2 hereof, loan the proceeds of the Series 2024 Bonds to the University and the University shall use such proceeds to undertake the portion of the Project related to the 2024 Facility substantially in accordance with the Plans and Specifications. The costs of the Project shall be paid from the Project Fund established under the Indenture or as otherwise provided in Section 2.2 hereof.

(b) The University covenants that it will obtain or cause to be obtained all necessary approvals from any and all governmental agencies with respect to the Project, all of which will be done in compliance with all federal, State and local laws, ordinances and regulations applicable thereto and with the conditions and requirements of all policies of insurance with respect to the Facility required to be maintained under this Loan Agreement. Upon completion of the Project, the University will promptly obtain or cause to be obtained all required occupancy and operation permits, authorizations and licenses from appropriate authorities, if any be required, authorizing the occupancy, operation and use of the Facility for the purposes contemplated by this Loan Agreement and shall furnish copies of same to the Issuer and the Trustee immediately upon receipt thereof.

(c) The University shall take such action and institute such proceedings as shall be necessary to cause and require all contractors and material suppliers to complete their contracts diligently in accordance with the terms of said contracts, including, without limitation, the correcting of any defective work, with all expenses incurred by the University in connection with the performance of its obligations under this Section to be considered a Project Cost. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery, if recovered prior to the date of completion of the Project, shall be deposited into the Project Fund and made available for payment of Project Costs, or if recovered after such date of completion, be deposited in the Bond Fund.

Section 2.2. Completion by University. The University unconditionally covenants and agrees that it will complete the Project, or cause the Project to be completed, by the Completion Date, and that, with respect to the portion of the Project related to the 2024 Facility, such completion will be effected in a workmanlike manner, using high-grade materials, free of defects in materials or workmanship (including latent defects), as applicable, and in accordance with this Loan Agreement and the Indenture. In the event that moneys in the Project Fund are not sufficient to pay the costs necessary to complete the Project, the University shall pay that portion of such costs of the Project as may be in excess of the moneys therefor in said Project Fund and shall not be entitled to any reimbursement therefor from the Issuer, the Trustee or the Holders of any of the Bonds (except from the proceeds of Additional Bonds which may be issued for that purpose), nor shall the University be entitled to any diminution of the debt service payments payable or other payments to be made under this Loan Agreement.

Upon completion of the Project, the University shall deliver to the Trustee a certificate of an Authorized Representative of the University substantially in the form set forth in Schedule A attached hereto, together with all attachments required therein.

Section 2.3. Series 2024 Bonds; Deposit of Bond Proceeds. In order to provide funds for payment of Project Costs, together with other payments and incidental expenses in connection therewith, the Issuer agrees that it will issue, sell and cause to be delivered to the Trustee the Series 2024 Bonds. The Issuer has, in the Indenture, directed the Trustee to deposit the proceeds from the sale of said Series 2024 Bonds in the Project Fund established with the Trustee. THE ISSUER MAKES NO REPRESENTATION THAT THE MONEYS ON DEPOSIT IN THE PROJECT FUND ARE OR WILL BE SUFFICIENT TO COMPLETE THE PROJECT.

Section 2.4. Application of Moneys in Project Fund.

(a) Moneys in the Project Fund shall, upon submission of a written requisition certified by an Authorized Representative of the University and otherwise in compliance with the requirements of the Indenture, be applied to pay the Project Costs including the following items of costs and expenses incurred in connection with the Facility and for no other purpose:

(i) the cost of preparing the Plans and Specifications for the 2024 Facility (including any preliminary study or planning of the Facility or any aspect thereof);

(ii) all costs of acquiring, constructing, renovating and equipping the Facility (including architectural, engineering and supervisory services with respect thereto);

(iii) all fees, taxes, charges and other expenses for filing of any financing statements and any security interest contemplated by the Indenture and the Pledge and Security Agreement;

(iv) any expenses of the University in enforcing any remedy against any contractor or subcontractor, or in defending in good faith any claims by any contractor or subcontractor against the University or the Issuer;

(v) the cost of premiums for all insurance maintained pursuant to this Loan Agreement;

(vi) all legal, accounting, financial advisory, investment banking, rating agency, blue sky, legal investment and any other fees, discounts, costs and expenses incurred by the Issuer, the University and the Trustee in connection with the preparation, printing, reproduction, authorization, issuance, execution, sale and distribution of the Series 2024 Bonds, the Indenture, this Loan Agreement and all other documents in connection herewith, with the acquisition, construction, renovation and equipping of the Facility and with any other transaction contemplated by or directly related to this Loan Agreement or the Indenture;

(vii) the initial or acceptance fee and the first year's administrative fee and costs and expenses, including reasonable attorneys' fees, of the Trustee under the Indenture;

(viii) the administrative fees of the Issuer, if any; and

(ix) reimbursement to the University for any of the above enumerated costs and expenses paid and incurred by it, to the extent permitted under the Tax Compliance Agreement.

(b) Except for the amount retained for the payment of incurred but unpaid items of the Cost of the Facility, all moneys in the Project Fund shall upon completion of the Project be deposited in the Bond Fund and used as provided in the Indenture.

(c) Notwithstanding anything contained in this Section to the contrary, any moneys in the Project Fund which are not required for immediate use or disbursement may be invested or reinvested at the direction of the University as provided in the Indenture. Neither the Issuer nor its members, officers or employees shall be liable for any depreciation in the value of any investments made pursuant to this Section or for any loss arising from any such investment.

ARTICLE III ISSUANCE OF SERIES 2024 BONDS; PAYMENT PROVISIONS AND RELATED PROVISIONS

Section 3.1. Issuance of Series 2024 Bonds. On the Closing Date, or on such other date as the Issuer, the Trustee, and the University may mutually agree upon, the Trustee shall deposit the proceeds of the Series 2024 Bonds in the Project Fund (i) upon receipt of the Series 2024 Bonds and (ii) subject to the terms and conditions of the Indenture. Additional Bonds may be issued and purchased from time to time, as set forth in the Indenture on a pari passu basis with the Series 2024 Bonds. Each series of Additional Bonds shall be issued only for the purpose provided in the Supplemental Indenture executed in connection therewith.

The Issuer hereby agrees to loan the proceeds of the Series 2024 Bonds to the University and the University hereby agrees to pay to the Trustee the principal of and interest on the Series 2024 Bonds and all other amounts due hereunder in accordance with the terms of this Loan Agreement, the Indenture and the Series 2024 Bonds.

Section 3.2. Promissory Note. The University's obligation to repay the loan of the proceeds of the Series 2024 Bonds described above shall be evidenced by this Loan Agreement and the Promissory Note. On the Closing Date, the University shall execute and deliver the Promissory Note payable to the Issuer, and the Issuer will endorse the Promissory Note to the Trustee. The University agrees that repayment of the Loan and the Promissory Note will be made in accordance with Section 3.3.

Section 3.3. Payment Provisions; Pledge of Loan Agreement and of the Promissory Note.

(a) The University covenants to pay the Promissory Note and make debt service payments for and in respect of the Series 2024 Bonds pursuant to this Loan Agreement, which the Issuer agrees shall be paid by the University directly to the Trustee on or prior to each Bond Payment Date for deposit in the Bond Fund in an amount equal to the sum of (i) the interest then becoming due and payable on the Series 2024 Bonds on such Bond Payment Date (less any amount

available in the Project Fund for transfer to the Bond Fund), (ii) the principal amount of the Bonds then Outstanding which will become due on such Bond Payment Date (whether at maturity or by redemption or acceleration as provided in the Indenture), and (iii) the principal of and redemption premium, if any, on the Bonds to be redeemed which will become due on such Bond Payment Date together with accrued interest to such date of redemption. The University further agrees to pay such additional amounts as set forth in the Indenture with respect to interest on the Series 2024 Bonds in the event of an Event of Default.

(b) Notwithstanding anything in the foregoing to the contrary, if the amount on deposit and available in the Bond Fund is not sufficient to pay the principal of redemption premium, if any, and interest on the Series 2024 Bonds when due (whether at maturity or by redemption or acceleration or otherwise as provided in the Indenture), the University shall forthwith pay the amount of such deficiency in immediately available funds to the Trustee for deposit in the Bond Fund and such payment shall constitute debt service payments under this Section 3.3.

(c) In the event the University should fail to make or cause to be made any of the payments required under the foregoing provisions of this Section, the item or installment not so paid shall continue as an obligation of the University until said amount not so paid shall have been fully paid.

(d) The University shall have the option to prepay its debt service payment obligations with respect to the Series 2024 Bonds, in whole or in part at the times and in the manner provided in Article VIII hereof as and to the extent provided in the Indenture for redemption of the Series 2024 Bonds.

(e) In addition to the debt service payments required pursuant to Sections 3.2(a) and (b) hereof, throughout the term hereof, the University shall pay to the Issuer within ten (10) days of receipt of an invoice setting forth the nature and payee of each such expense and demand for payment therefor, an amount equal to the sum of the reasonable expenses of the Issuer and the members thereof incurred:

(i) by reason of the Issuer's issuance of the Series 2024 Bonds, or

(ii) in connection with the carrying out of the Issuer's duties and obligations under the Financing Documents to which it is a party, the payment of which is not otherwise provided for under this Loan Agreement. The foregoing shall not be deemed to include any annual or continuing administrative or management fee beyond any initial administrative fee or fee for services rendered by the Issuer.

In addition, the University shall pay, as an additional payment, within fifteen (15) days after receipt of an invoice setting forth the nature and payee of each such expense and demand for payment therefor, the expenses payable by the Issuer to the Trustee pursuant to and under the Indenture.

(f) Pursuant to the Indenture, the Issuer has pledged and assigned to the Trustee, as security for the Series 2024 Bonds, all of the Issuer's right, title and interest in this Loan Agreement (except for the Issuer's Reserved Rights), including all debt service payments hereunder, and in furtherance of said pledge the Issuer has unconditionally assigned such debt service payments to

the Trustee for deposit in the Bond Fund in accordance with the Indenture. The University hereby consents to the above-described lien and security interest, and pledge and assignment of this Loan Agreement.

(g) The University covenants and agrees that it will comply with the provisions of the Indenture with respect to the University and that the Trustee shall have the power, authority, rights and protections provided in the Indenture. The University further covenants to use its best efforts to cause there to be obtained for the Issuer any documents or opinions required of the Issuer under the Indenture.

Section 3.4. Obligation of University Unconditional. The obligations of the University to pay debt service payments and all other payments provided for in this Loan Agreement and under the Promissory Note and to maintain the Facility in accordance with this Loan Agreement constitute a general obligation of the University and shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim or deduction and without any rights of suspension, deferment, diminution or reduction it might otherwise have against the Issuer, the Trustee or the Holder of any Series 2024 Bond and the obligation of the University shall arise whether or not the Project has been completed as provided in this Loan Agreement. The University will not suspend or discontinue any such payment or terminate this Loan Agreement (other than such termination as is provided for hereunder) for any cause whatsoever, and the University waives all rights now or hereafter conferred by statute or otherwise to quit, terminate, cancel or surrender this Loan Agreement or any obligation of the University under this Loan Agreement or the Facility or any part thereof except as provided in this Loan Agreement or to any abatement, suspension, deferment, diminution or reduction in the debt service payments or other payments hereunder or under the Promissory Note.

ARTICLE IV MAINTENANCE, TAXES AND INSURANCE

Section 4.1. Maintenance, Alterations and Improvements.

(a) During the term of this Loan Agreement, the University will keep the Facility in good and safe operating order and condition, ordinary wear and tear excepted, will occupy, use and operate the Facility in the manner for which it was designed and intended and contemplated by this Loan Agreement, and will make all replacements, renewals and repairs thereto (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen) reasonably necessary to keep the Facility in good and safe operating order and condition. All replacements, renewals and repairs shall be equal in quality, class and value to the original work and be made and installed in compliance with the requirements of all governmental bodies. The Issuer shall be under no obligation to replace, service, test, adjust, erect, maintain or effect replacements, renewals or repairs of the Facility, to effect the replacement of any inadequate, obsolete, worn-out or unsuitable parts of the Facility, or to furnish any utilities or services for the Facility and the University hereby agrees to assume full responsibility therefor.

(b) The University shall have the privilege of making such alterations of or additions to the Facility or any part thereof from time to time as it, in its discretion, may determine to be desirable for its uses and purposes; provided, that (i) such additions or alterations are effected with

due diligence, in a good and workmanlike manner and in compliance in all material respects with all applicable Legal Requirements (as defined herein), and (ii) such additions or alterations are promptly and fully paid for by the University in accordance with the terms of the applicable contract(s) therefor, and in order that the Facility shall at all times be free of any mortgage, lien, charge, encumbrance, security interest or claim other than Permitted Encumbrances. All alterations of and additions to the Facility shall constitute a part of the Facility, subject to this Loan Agreement and the Indenture, and the University shall deliver or cause to be delivered to the Issuer appropriate documents as may be applicable and necessary to subject such property of the University to this Loan Agreement, free and clear of all liens, charges, encumbrances, security interests or claims other than Permitted Encumbrances.

(c) The University shall have the right to install or permit to be installed at the Facility machinery, equipment and other personal property not constituting part of the Equipment (the “**University’s Property**”) without subjecting such property to this Loan Agreement. The Issuer shall not be responsible for any loss of or damage to the University’s Property. The University shall have the right to create or permit to be created any mortgage, encumbrance, lien or charge on, or conditional sale or other title retention agreement with respect to, the University’s Property.

Section 4.2. Removal of Property of the Facility.

(a) Subject to Section 6.5 hereof, the University shall have the right from time to time of removing from the Facility any fixture constituting part of the Facility or any machinery, equipment, furnishings or other property constituting part of the Equipment (the “**Existing Facility Property**”) or any other Property; *provided, that*, if necessary for the continued operation of the Facility, such Existing Facility Property is substituted or replaced by property (A) having equal or greater fair market value, operating efficiency and utility and (B) with respect to such portion of the Existing Facility Property, being free of all mortgages, liens, charges, encumbrances, claims and security interests other than Permitted Encumbrances; *provided, however*, no such removal shall be effected if such removal would impair the usefulness, structural integrity or operating efficiency of the Facility.

(b) The removal from the Facility of any Existing Facility Property pursuant to the provisions of Section 4.2(a) hereof shall not entitle the University to any abatement or reduction in the amounts payable by the University under this Loan Agreement.

(c) The University shall not, without the prior written consent of the Issuer (which consent shall not be unreasonably conditioned, withheld or delayed) and except as permitted above, part with possession or control of or suffer to allow to pass out of its possession or control, any item of the Equipment or change the location of the Equipment or any part thereof from the Facility, other than for temporary removal for purposes of maintenance or repair or relocation to another part of the Campus.

Section 4.3. Taxes, Assessments and Charges. The University shall pay, when the same shall become due, all taxes and assessments, general and specific, if any, levied and assessed upon or against the Facility, any estate or interest of the University in the Facility, or the payments hereunder during the term of this Loan Agreement and all water and sewer charges, special district charges, assessments and other governmental charges and impositions whatsoever, foreseen or

unforeseen, ordinary or extraordinary, under any present or future law, and charges for public or private utilities or other charges incurred in the occupancy, use, operation, maintenance or upkeep of the Facility, all of which are herein called "Impositions". The University may pay any Imposition in installments if so payable by law, whether or not interest accrues on the unpaid balance.

None of the foregoing shall prevent the University from contesting in good faith, the validity, existence or applicability of any of the foregoing if (i) such contest shall not result in the Facility or any part thereof or interest therein being in any danger of being sold, forfeited or lost, and (ii) such contest shall not result in the University, the Issuer or the Trustee being in any danger of any civil or any criminal liability other than normal accrual of interest, for failure to comply therewith.

Section 4.4. Insurance.

(a) At all times throughout the term of this Loan Agreement including, without limitation, during any period of construction or renovation of the Facility, the University shall maintain insurance with insurance companies licensed to do business in the State (or authorized in the State under the Federal Liability Risk Retention Act), against such risks, loss, damage and liability (including liability to third parties) and for such amounts as are customarily insured against by other enterprises of like size and type as that of the University. In addition to this general requirement, such insurance shall include the insurance coverage described in paragraphs (i) through (iv) below:

(i) During any period of renovation, improvement or construction of the Facility, to the extent not covered by the general liability insurance referred to below, owners and contractors protective liability insurance for the benefit of the University, the Issuer and the Trustee in a minimum amount of **\$3,000,000** (or such lesser amount agreed upon by the Issuer and the Trustee upon written request by the University) aggregate coverage for bodily and personal injury and property damage;

(ii) General liability insurance (including contractual liability coverage, together with any umbrella liability insurance) naming the University as the primary insured, and the Issuer and the Trustee as additional insureds, in accordance with customary insurance practices for similar operations with respect to the Facility and the business thereby conducted in a minimum amount of **\$5,000,000** (or such lesser amount agreed upon by the Issuer and the Trustee upon written request by the University) per occurrence per location aggregate, which insurance (A) will also provide coverage of the University's obligations of indemnity under Section 6.2 hereof (excluding, however, those obligations of the University (1) requiring payment of taxes, (2) set forth in Section 6.2(a)(i) or (iv) hereof and (3) under Section 6.2(a)(viii) hereof to the extent not available to the University at commercially reasonable rates), and (B) may be effected under overall blanket or excess coverage policies of the University; *provided, however*, that, at least \$500,000 is effected by a General Liability insurance policy;

(iii) Workers' compensation insurance, disability benefits insurance and such other forms of insurance which the University is required by law to provide covering loss

resulting from injury, sickness, disability or death of the employees of the University, or any contractor or subcontractor performing work with respect to the Facility; the University shall require that all said contractors and subcontractors shall maintain all forms or types of insurance with respect to their employees required by law;

(iv) Automobile liability insurance (together with any umbrella liability insurance), to the extent not covered by the general liability insurance, in the amount of **\$2,000,000** (or such lesser amount agreed upon by the Issuer upon written request by the University) covering the University for all owned, non-owned and/or hired automobiles, forklifts and other drivable machinery and/or vehicles used in connection with the Facility.

(b) All insurance required by Section 4.4(a) above shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State.

(c) Each of the policies evidencing the insurance required above to be obtained shall:

(i) designate (except in the case of workers' compensation insurance) the Trustee and the Issuer as additional insureds as their respective interests may appear;

(ii) provide that there shall be no recourse against the Issuer or the Trustee for the payment of premiums or commissions or (if such policies or binders provide for the payment thereof) additional premiums or assessments;

(iii) provide that in respect of the respective interests of the Issuer and the Trustee in such policies, the insurance shall not be invalidated by any action or inaction of the University or any other Person and shall insure the Issuer and the Trustee regardless of, and any losses shall be payable notwithstanding, any such action or inaction;

(iv) provide that such insurance shall be primary insurance without any right of contribution from any other insurance carried by the Issuer or the Trustee to the extent that such other insurance provides the Issuer or the Trustee, as the case may be, with contingent and/or excess liability insurance with respect to their respective interests in the Facility;

(v) provide that if the insurers cancel such insurance for any reason whatsoever, including the insured's failure to pay any accrued premium, or the same is allowed to lapse or expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall apply in accordance with the provisions of the applicable policy;

(vi) waive any right of subrogation of the insurers thereunder against any Person insured under such policy, and waive any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any Person insured under such policy; and

(vii) contain such other terms and provisions as any owner or operator of facilities similar to the Facility would, in the prudent management of its properties, require

to be contained in policies or interim insurance contracts with respect to facilities similar to the Facility owned or operated by it.

(d) The Net Proceeds of any insurance received with respect to any loss or damage to the property of the Facility shall be applied in accordance with Section 5.1 hereof and in accordance with the Indenture.

(e) The University shall deliver or cause to be delivered to the Issuer and the Trustee, in a form reasonably acceptable to the Issuer, the following documents evidencing compliance with the insurance requirements of this Section 4.4 (upon which the Trustee and the Issuer may conclusively rely to establish compliance with this Section): (i) on or prior to the Closing Date: (A) a broker's certificate of coverage, confirming that the University, as of the Closing Date, has obtained insurance in accordance with the requirements of this Section 4.4, or (B) a certificate of liability insurance and certificates or other evidence of other required insurance, and, (ii) as soon as practicable thereafter, duplicate copies of insurance policies and/or binders. At least seven (7) Business Days prior to the expiration of any such policy, the University shall furnish the Issuer and the Trustee with evidence that such policy has been renewed or replaced or is no longer required by this Loan Agreement.

(f) The University shall, at its own cost and expense, make all proofs of loss and take all other steps necessary or reasonably requested by the Issuer or the Trustee (at the specific written direction of a majority of the Bondholders) to collect from insurers for any loss covered by any insurance required to be obtained by this Section 4.4. The University shall not do any act, or suffer or permit any act to be done, whereby any insurance required by this Section 4.4 would or might be suspended or impaired.

(g) THE ISSUER DOES NOT IN ANY WAY REPRESENT THAT THE INSURANCE SPECIFIED HEREIN, WHETHER IN SCOPE OR COVERAGE OR LIMITS OF COVERAGE, IS ADEQUATE OR SUFFICIENT TO PROTECT THE BUSINESS OR INTEREST OF THE UNIVERSITY.

Section 4.5. Advances by Issuer or Bondholders. In the event the University fails to make any payment or perform or observe any obligation required of it under this Loan Agreement, the Issuer or any Bondholder, after first notifying the University of any such failure on its part, may (but shall not be obligated to), and without waiver of any of the rights of the Issuer or such Bondholder under this Loan Agreement, the Indenture or any other Financing Documents, make such payment or otherwise cure any failure by the University to perform and observe its other obligations hereunder. All amounts so advanced therefor by the Issuer or such Bondholder shall become an additional obligation of the University to the Issuer or such Bondholder, which amounts, together with interest thereon at the rate of the Trustee's "prime rate" plus two percent (2%) per annum from the date advanced, the University will pay upon demand therefor by the Issuer or such Bondholder. Any remedy herein vested in the Issuer, the Trustee or Bondholders for the collection of the debt service payments or other amounts due hereunder shall also be available to the Issuer or such Bondholder for the collection of all such amounts so advanced.

Section 4.6. Compliance with Law. The University agrees that it will, throughout the term of this Loan Agreement and at its sole cost and expense, promptly observe and comply in all

material respects with all federal, State and local statutes, codes, laws, acts, ordinances, orders, judgments, decrees, rules, regulations and authorizations, whether foreseen or unforeseen, ordinary or extraordinary, which shall now or at any time hereafter be binding upon or applicable to the University, any occupant, user or operator of the Facility or any portion thereof (including without limitation those relating to zoning, land use, environmental protection, air, water and land pollution, toxic wastes, hazardous wastes, solid wastes, wetlands, health, safety, equal opportunity, minimum wages, and employment practices) (the “**Legal Requirements**”), and will observe and comply in all material respects with all conditions, requirements, and schedules necessary to preserve and extend all rights, licenses, permits (including, without limitation, zoning variances, special exception and non-conforming uses), privileges, franchises and concessions. The University shall indemnify and hold harmless the Indemnified Parties (as defined in Section 6.2 hereof) from and against all loss, cost, liability and expense (a) in any manner arising out of or related to any violation of or failure to comply with any Legal Requirement or (b) imposed upon the University or any of the Indemnified Parties by any Legal Requirement; in case any action or proceedings is brought against any of the Indemnified Parties in respect to any Legal Requirement, the University shall, upon notice from any of the Indemnified Parties, defend such action or proceeding by counsel reasonably satisfactory to the Indemnified Party.

The University may contest in good faith the validity, existence or applicability of any of the foregoing if (i) such contest shall not result in the Facility or any part thereof or interest therein being in any danger of being sold, forfeited or lost, (ii) such contest shall not result in the University, the Issuer or the Trustee being in any danger of any civil or any criminal liability other than normal accrual of interest, for failure to comply therewith, and (iii) the University shall have furnished such security, if any, as may be reasonably requested by the Issuer or the Trustee to protect the security intended to be offered by the Financing Documents.

ARTICLE V DAMAGE, DESTRUCTION AND CONDEMNATION

Section 5.1. Damage, Destruction and Condemnation.

(a) In the event that at any time during the term of this Loan Agreement, the whole or part of the Facility shall be damaged or destroyed, or the whole or any part of the Facility shall be taken or condemned by a competent authority for any public use or purpose, or by agreement between the University and those authorized to exercise such right, or if the temporary use of the Facility or any part thereof shall be so taken by condemnation or agreement (a “**Loss Event**”):

(i) the Issuer shall have no obligation to rebuild, replace, repair or restore the Facility,

(ii) there shall be no abatement, postponement or reduction in the debt service payments or other amounts payable by the University under this Loan Agreement, and

(iii) the University will promptly give written notice of such Loss Event to the Issuer and the Trustee, generally describing the nature and extent thereof.

(b) Upon the occurrence of a Loss Event, any Net Proceeds derived therefrom shall be paid to the University and the University shall either:

(i) at its own cost and expense (except to the extent paid from the Net Proceeds deposited in the Renewal Fund as provided below and in Section 4.07 of the Indenture), promptly and diligently rebuild, replace, repair or restore the Facility to substantially its condition immediately prior to the Loss Event, or to a condition of at least equivalent value, operating efficiency and function, regardless of whether or not the Net Proceeds derived from the Loss Event shall be sufficient to pay the cost thereof, and the University shall not, by reason of payment of any such excess costs, be entitled to any reimbursement from the Issuer, the Trustee or any Bondholder, nor shall the debt service payments or other amounts payable by the University under this Loan Agreement be abated, postponed or reduced, or

(ii) if, to the extent and upon the conditions permitted to do so under Section 8.1 hereof and under the Indenture, exercise its option to make advance debt service payments to redeem the Series 2024 Bonds in whole;

provided, however, that, any Net Proceeds derived from a Loss Event affecting the Facility shall be paid to the Trustee and deposited in the Renewal Fund and the University shall elect to comply with either clause (i) or clause (ii) above.

Not later than ninety (90) days after the occurrence of a Loss Event, the University shall advise the Issuer and the Trustee in writing of the action to be taken by the University under this Section 5.1(b), a failure to so timely notify being deemed an election in favor of clause (i) above to be exercised in accordance with the provisions of clause (i) above.

If the University shall elect to or shall otherwise be required to rebuild, replace, repair or restore the Facility as set forth in subdivision (i) above, to the extent the Net Proceeds have been deposited in the Renewal Fund, the Trustee shall disburse the Net Proceeds from the Renewal Fund in the manner set forth in Section 4.07 of the Indenture, to pay or reimburse the University, at the election of the University, either as such work progresses or upon the completion thereof; *provided, however,* the amounts so disbursed by the Trustee to the University shall not exceed the actual cost of such work. If, on the other hand, the University shall, if permitted under this Loan Agreement and the Indenture, exercise its option in subdivision (ii) above, the Trustee shall transfer any Net Proceeds from the Renewal Fund to the Bond Fund to be applied to the redemption of the Series 2024 Bonds in accordance with the Indenture.

(c) All such rebuilding, replacements, repairs or restorations, unless intended to be an additional building or University Property above and beyond such rebuilding, replacement, repair or restoration as so designated in writing by the University and financed out of moneys other than any Net Proceeds from such Loss Event, shall

(i) automatically be deemed a part of the Facility and be subject to this Loan Agreement,

(ii) be in accordance with plans and specifications and cost estimates approved in writing by the Issuer, which approval shall not be unreasonably withheld,

(iii) not change the nature of the Facility,

(iv) [intentionally omitted], and

(v) be effected with due diligence in a good and workmanlike manner, in compliance with all applicable Legal Requirements and be promptly and fully paid for by the University in accordance with the terms of the applicable contract(s) therefor.

(d) Pending the disbursement or transfer thereof, the Net Proceeds in the Renewal Fund, if any, shall be applied and may be invested as provided in the Indenture.

(e) The Issuer, the Trustee and the University shall cooperate and consult with each other in all matters pertaining to the settlement, compromising, arbitration or adjustment of any claim or demand on account of any Loss Event, and the settlement, compromising, arbitration or adjustment of any such claim or demand shall be subject to the approval of the University.

(f) Notwithstanding the foregoing, if all or substantially all of the Facility shall be taken or condemned, or if the taking or condemnation renders the Facility unsuitable for use by the University as contemplated hereby, the University shall exercise its option to terminate this Loan Agreement pursuant to Section 8.1 hereof, and the amount of the Net Proceeds so recovered shall be transferred from the Renewal Fund and deposited in the Bond Fund, and the University shall thereupon pay to the Trustee for deposit in the Bond Fund an amount which, when added to any amounts then in the Bond Fund and available for that purpose, shall be sufficient to retire and redeem the Series 2024 Bonds in whole at the earliest possible date (including, without limitation, principal and interest to the maturity or redemption date and redemption premium, if any), and to pay the expenses of redemption, the fees and expenses of the Issuer, the Bond Registrar, the Trustee and the Paying Agent, together with all other amounts due under the Indenture and under this Loan Agreement, and such amount shall be applied, together with such other available moneys in such Bond Fund, if applicable, to such redemption or retirement of the Bonds on said redemption or maturity date.

(g) The University shall be entitled to any insurance proceeds or condemnation award, compensation or damages attributable to improvements, machinery, equipment or other property installed on or about the Facility but which, at the time of such damage or taking, is not part of the Facility and is owned by the University.

ARTICLE VI PARTICULAR COVENANTS

Section 6.1. Restrictions on University. The University agrees that at all times during the term of this Loan Agreement it will (i) maintain its existence, (ii) continue to be a not-for-profit education corporation and a Tax-Exempt Organization subject to service of process in the State and either organized under the laws of the State, or organized under the laws of any other state of the United States and duly qualified to do business in the State, (iii) not, unless otherwise permitted by the terms hereof or the terms of any Permitted Encumbrances, sell, transfer, pledge or otherwise encumber all or substantially all of the assets which constitute the Facility; and (iv) not, unless otherwise permitted by the terms hereof, liquidate, wind-up or dissolve or otherwise dispose of all or substantially all of its property, business or assets remaining after the execution and delivery of this Loan Agreement. The University may, however, without violating the foregoing, consolidate with or merge into another not-for-profit corporation which is a Tax-Exempt Organization or permit one or more other not-for-profit corporations which are Tax-Exempt Organizations to

consolidate with or merge into it, or sell or otherwise transfer all or substantially all of its property, business or assets to another such entity (and thereafter liquidate, wind-up or dissolve or not, as the University may elect) if: (i) the University is the surviving, resulting or transferee entity, as the case may be, and the resulting entity has a net worth at least equal to that of the University prior to such merger or consolidation, or (ii) in the event that the University is not the surviving, resulting or transferee entity, as the case may be, such entity (A) is a solvent not-for-profit education corporation and a Tax-Exempt Organization subject to service of process in the State and either organized under the laws of the State, or organized under the laws of any other state of the United States and duly qualified to do business in the State; (B) assumes in writing all of the obligations of the University contained in this Loan Agreement and all other Financing Documents to which the University is a party, and (1) in the Opinion of Counsel addressed to the Issuer and the Trustee, (w) all licenses and certifications of the University necessary or desirable to the operation of the Facility in the manner in which it was operated by the University immediately prior to such consolidation, merger, sale or transfer, have been transferred to or reissued in the name of such not-for-profit corporation and remain in full force and effect, (x) such entity shall be bound by all of the terms applicable to the University in this Loan Agreement and in all other Financing Documents to which the University shall have been a party, (y) such action does not legally impair the security for the Holders of the Series 2024 Bonds afforded by the Financing Documents, and (z) such not-for-profit education corporation is a Tax-Exempt Organization, and (2) in the opinion of Bond Counsel, such merger, consolidation, sale or transfer will not cause the interest on the Series 2024 Bonds to become includable in gross income for federal income tax purposes; and (C) has a combined net worth and fund balance (as determined in accordance with generally accepted accounting principles and certified by an independent certified public accountant) after the merger, consolidation, sale or transfer, at least equal to that of the University immediately prior to such merger, consolidation, sale or transfer. The University further covenants and agrees that it is, and throughout the term of this Loan Agreement will continue to be, duly qualified to do business in the State and that any entity succeeding to the rights of the University under this Loan Agreement shall be and continue to be duly qualified to do business in the State and shall be a not-for-profit education corporation and a Tax-Exempt Organization.

Section 6.2. Indemnity.

(a) The University shall at all times protect and hold the Issuer, the Trustee, the Bond Registrar and the Paying Agent, and any of their respective directors, members, officers, employees, servants or agents (excluding for this purpose the University, which is not obligated hereby to indemnify its own employees or affiliate individuals) or any of such Persons and persons under the control or supervision of any of such Persons (collectively, the “**Indemnified Parties**”) harmless of, from and against any and all claims (whether in tort, contract or otherwise), taxes (of any kind and by whomsoever imposed), demands, penalties, fines, liabilities, lawsuits, actions, proceedings, settlements, costs and expenses (collectively, “**Claims**”) of any kind for losses, damage, injury and liability (collectively, “**Liability**”) of every kind and nature and however caused (except, with respect to any Indemnified Party, Liability arising from the gross negligence or willful misconduct of such Indemnified Party), arising during the period commencing from the date the Issuer adopted the Bond Resolution for the Project, and continuing throughout the term of this Loan Agreement and for the relevant statute of limitations thereafter for any Claim arising during such term (subject to Section 6.2(e) hereof), upon or about the Facility or resulting from, arising out of, or in any way connected with:

(i) the financing of the Project and the marketing, issuance, sale and remarketing of the Series 2024 Bonds for such purpose,

(ii) the planning, design, acquisition, site preparation, construction, renovation, equipping, installation or completion of the Project or any part thereof or the effecting of any work done in or about the Facility, or any defects (whether latent or patent) in the Facility or any of the work done on or about the Facility,

(iii) the maintenance, repair, replacement, restoration, rebuilding, upkeep, use, occupancy, ownership, leasing, subletting or operation of the Facility or any portion of any thereof or the payment of any costs in connection with the Facility,

(iv) the execution and delivery by the Indemnified Party, the University or any other Person of, or performance by the Indemnified Party, the University or any other Person, as the case may be, of, any of their respective obligations under this Loan Agreement, the Indenture or any other Financing Document, or other document or instrument delivered in connection herewith or therewith or the enforcement of any of the terms or provisions hereof or thereof or the transactions contemplated hereby or thereby,

(v) any injury to any Person or the personal property of any Person in or on the premises of the Facility other than those caused by such Indemnified Party,

(vi) any imposition arising from, burden imposed by, violation of, or failure to comply with any Legal Requirement, including, but not limited to, failure to comply with the requirements of any applicable zoning resolution and the SEQRA Act and their respective related regulations,

(vii) any damage or injury to the person or property of (A) the University, or (B) any other Person or their respective officers, directors, officials, partners, members, employees, attorneys, agents or representatives, or persons under the control or supervision of the University or (C) any other Person who may be in or about the premises of the Facility other than those caused by such Indemnified Party,

(viii) the presence, disposal or release, of any Hazardous Materials (as hereinafter defined) that are on or from the Facility, other than those caused by such Indemnified Party; any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials; any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Materials, and/or any violation of Legal Requirements, including demands of government authorities, or any policies or requirements of the Issuer or the Trustee (as directed by the Majority Bondholders), which are based upon, or in any way related to, such Hazardous Materials including, without limitation, reasonable attorneys' and consultants' fees, investigation and laboratory fees, court costs, and litigation expenses, or

(ix) any Claim commenced against an Indemnified Party, or other action or proceeding taken by an Indemnified Party, in any case with respect to any of the matters set forth in subparagraphs (i) through (viii) of this Section 6.2(a).

Such indemnification set forth above shall be binding upon the University for any and all Claims set forth herein and shall survive the termination of this Loan Agreement.

(b) Except as provided in Section 6.2(a) hereof, the University releases each Indemnified Party from, and agrees that no Indemnified Party shall be liable to the University for, any Claims or Liability arising from or incurred as a result of action taken or not taken by such Indemnified Party with respect to any of the matters set forth in Section 6.2(a) hereof, including any Claims or Liability at the direction of the University or any other obligor under any of the Financing Documents with respect to any of such matters referred to above. An Indemnified Party shall promptly notify the University in writing of any claim or action brought against such Indemnified Party in which indemnity may be sought against the University pursuant to this Section 6.2; such notice shall be given in sufficient time to allow the University to defend or participate in such claim or action, but the failure to give such notice in sufficient time shall not constitute a default hereunder nor in any way impair the obligations of the University under this Section 6.2; *except, that*, if (i) the Indemnified Party shall have had knowledge or notice of such claim or action but shall not have timely notified the University of any such claim or action, (ii) the University shall not have had knowledge or notice of such claim or action, and (iii) the University's ability to defend or participate in such claim or action is materially impaired by reason of not having received timely notice thereof from the Indemnified Party, then the University's obligation to so defend and indemnify such Indemnified Party shall be qualified to the extent (and only to the extent) of such material impairment.

(c) (i) In addition to and without limitation of any other representations, warranties and covenants made by the University under this Loan Agreement, the University further represents, warrants and covenants that the University has not used Hazardous Materials on, from, or affecting the Facility in any manner that violates any applicable Legal Requirements governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, and that, to the best of the University's knowledge, no prior owner of the Facility or any tenant, subtenant, prior tenant or prior subtenant have used Hazardous Materials on, from, or affecting the Facility in any manner which violates any applicable Legal Requirements.

(ii) Without limiting the foregoing, the University shall not cause or permit the Facility or any part thereof to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in compliance with all applicable Legal Requirements, nor shall the University cause or permit, as a result of any intentional or unintentional act or omission on the part of the University or any occupant or user of the Facility, a release of Hazardous Materials onto the Facility or onto any other property.

(iii) The University shall comply with and shall use its best efforts to ensure compliance by all occupants and users of the Facility, with all applicable Legal Requirements, whenever and by whomever triggered, and shall obtain and comply with, and shall use its best efforts to ensure that all occupants and users of the Facility obtain and comply with, any and all approvals, registrations or permits required thereunder.

(iv) The University shall conduct and complete all investigations, studies, sampling, and testing, and all remedial, removal and other actions necessary to clean up and remove or abate, as applicable, all Hazardous Materials, on, from, or affecting the Facility in accordance with all applicable Legal Requirements.

For purposes of this Section 6.2, the term “Hazardous Materials” includes, without limit, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 5101, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), and in the regulations adopted and publications promulgated pursuant thereto, or any other applicable law, ordinance, rule, or regulation.

(d) The indemnifications and protections set forth in this Section 6.2 shall be extended, with respect to each Indemnified Party, to its members, directors, officers, employees, agents and servants and persons under its control or supervision.

(e) Anything to the contrary in this Loan Agreement notwithstanding, the covenants of the University contained in this Section 6.2 shall be in addition to any and all other obligations and liabilities the University may have to any Indemnified Party in any other agreement or at common law, and shall remain in full force and effect after the termination of this Loan Agreement until the latter of (i) the expiration of the period stated in the applicable statute of limitations during which a claim or cause of action may be brought and (ii) payment in full or the satisfaction of such claim or cause of action and of all expenses and charges incurred by the Indemnified Party relating to the enforcement of the provisions herein specified.

Section 6.3. Compensation and Expenses of Trustee, Bond Registrar, Paying Agent and Issuer. The University shall, to the extent not paid out of the proceeds of the Series 2024 Bonds as financing expenses, pay the following annual fees, charges and expenses and other amounts: (i) the initial and mutually agreed to annual fees of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture, including reasonable fees and out-of-pocket expenses as Bond Registrar (including reasonable counsel fees and out-of-pocket expenses) and in connection with preparation of new Series 2024 Bonds upon exchanges or transfers or making any investments in accordance with the Indenture, (ii) the reasonable fees and charges of the Trustee and any Paying Agent on the Series 2024 Bonds for acting as Paying Agent as provided in the Indenture, including the reasonable fees and out-of-pocket expenses of its counsel, (iii) the reasonable fees and charges of the Trustee for extraordinary services rendered by it and extraordinary expenses incurred by it under the Indenture, including reasonable counsel fees, and (iv) the fees, costs and expenses (including legal, accounting and other administrative out-of-pocket expenses) of the Issuer. The University shall further pay the reasonable fees, out-of-pocket costs and disbursements incurred by Bond Counsel and local counsel in performing services for the Issuer in connection with this Loan Agreement or the Indenture or any other Financing Document.

Section 6.4. Reserved.

Section 6.5. University's Covenant as to Tax Exemption.

(a) The University covenants with the Issuer, the Trustee and with each of the Holders of the Series 2024 Bonds, that it will comply with all of the terms, provisions and conditions set forth in the Tax Compliance Agreement, including, without limitation, the making of any payments and filings required thereunder.

(b) The representations, warranties, covenants and statements of expectation of the University set forth in the Tax Compliance Agreement are by this reference incorporated in this Loan Agreement as though fully set forth herein.

Section 6.6. Notice by the University. The University shall promptly notify the Issuer and the Trustee of the occurrence of any Event of Default or any event which with notice and/or lapse of time would constitute an Event of Default under any Financing Document of which it has knowledge. Any notice required to be given pursuant to this subsection shall be signed by an Authorized Representative of the University 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 University shall state this fact on the notice.

Section 6.7. Discharge of Liens.

(a) If any lien, encumbrance or charge is filed or asserted, or any judgment, decree, order, levy or process of any court or governmental body is entered, made or issued or any claim (such liens, encumbrances, charges, judgments, decrees, orders, levies, processes and claims being herein collectively called "**Liens**"), whether or not valid, is made against the Facility, the University or the Trustee or against any of the debt service payments or other amounts payable under this Loan Agreement or the interest of the University under this Loan Agreement, except for Permitted Encumbrances, or Liens being contested as permitted by Section 6.7(b) below, the University shall, within thirty (30) days of receipt of notice of the filing, assertion, entry or issuance of such Lien (regardless of the source of such notice), give written notice thereof to the Issuer and the Trustee and take all action (including the payment of money and/or the securing of a bond) at its own cost and expense as may be necessary or appropriate to obtain the discharge in full thereof and to remove or nullify the basis therefor.

(b) The University may at its sole expense contest (after prior written notice to the Issuer and the Trustee), by appropriate action conducted in good faith and with due diligence, the amount or validity or application, in whole or in part, of any Lien, if (1) such proceeding shall suspend the execution or enforcement of such Lien against the Facility or any part thereof or interest therein, or in this Loan Agreement, of the Issuer, the University or the Trustee or against any of the debt service payments or other amounts payable under this Loan Agreement, (2) neither the Facility nor any interest therein would be in any danger of being sold, forfeited or lost, and (3) neither the University, the Issuer nor the Trustee would be in any danger of any civil or any criminal liability, other than normal accrual of interest, for failure to comply therewith.

Section 6.8. Issuer's Authority. The Issuer covenants and agrees that it has full right and lawful authority to enter into this Loan Agreement for the full term hereof.

Section 6.9. No Warranty of Condition or Suitability. THE ISSUER HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, FITNESS, DESIGN, OPERATION OR WORKMANSHIP OF ANY PART OF THE FACILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE MATERIALS IN THE FACILITY, OR THE SUITABILITY OF THE FACILITY FOR THE PURPOSES OR NEEDS OF THE UNIVERSITY OR THE EXTENT TO WHICH PROCEEDS DERIVED FROM THE SALE OF THE BONDS WILL BE SUFFICIENT TO PAY THE COST OF COMPLETION OF THE PROJECT. THE UNIVERSITY ACKNOWLEDGES THAT THE ISSUER IS NOT THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN. THE UNIVERSITY IS SATISFIED THAT THE FACILITY IS SUITABLE AND FIT FOR ITS PURPOSES. THE ISSUER SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER TO THE UNIVERSITY OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PROPERTY OF THE FACILITY OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED.

Section 6.10. Amounts Remaining in Funds. It is agreed by the parties hereto that any amounts remaining in the Rebate Fund, the Bond Fund, the Project Fund or the Renewal Fund upon the expiration or sooner termination of this Loan Agreement as provided herein, after payment in full of the Bonds (in accordance with Section 7.01 of the Indenture), the fees, charges and expenses of the Trustee, the Bond Registrar, the Paying Agent and the Issuer in accordance with the Indenture and after all debt service payments and all other amounts payable hereunder, shall have been paid in full, and after all amounts required to be rebated to the federal government pursuant to the Tax Compliance Agreement and the Indenture shall have been so paid, shall belong to and be paid to the University by the Trustee as overpayment of debt service payments.

Section 6.11. Issuance of Additional Bonds. The Issuer and the University recognize that under the provisions of and subject to the conditions set forth in the Indenture and the Intercreditor Agreement, the Issuer is authorized to enter into a Supplemental Indenture and issue one or more series of Additional Bonds on a parity with the Series 2024 Bonds for the purposes provided in Section 2.13 of the Indenture. If the University is not in default hereunder, the Issuer will consider the issuance of Additional Bonds in the principal amount as is specified in a written request in accordance with the applicable provisions set forth in the Indenture. If Additional Bonds are to be issued pursuant to the Indenture, the Issuer and the University shall enter into an amendment to this Loan Agreement, providing, among other things, for the payment by the University of such additional debt service payments as are necessary in order to amortize in full the principal of and interest on such Additional Bonds and any other costs in connection therewith.

Any such completion, repair, relocation, replacement, rebuilding, restoration, but not additions, extensions or improvements shall become a part of the Facility and shall be included under this Loan Agreement to the same extent as if originally included hereunder and thereunder.

Section 6.12. Reserved.

Section 6.13. Redemption Under Certain Circumstances; Special Covenants.

(a) Upon the circumstances set forth in Section 3.01(a) of the Indenture, the University shall pay or cause the prepayment of its debt service payment obligations upon the circumstances and in the manner set forth in the Indenture.

The University shall, prior to directing the redemption of any Bonds in accordance with subsection (b) below, consult with Bond Counsel for advice as to a manner of selection of Bonds for redemption that will not adversely affect the exclusion of interest on any Bonds from gross income for federal income tax purposes.

(b) (i) If, prior to completion of the construction of a component of the Project, the University receives any gift or grant required by the terms thereof to be used to pay any item which is a cost of such component of the Project, the University shall apply such gift or grant to completion of the construction of such component of the Project. In the event that the amount of such gift or grant is in excess of the amount necessary to complete such component of the Project, and if proceeds of Bonds have been expended on such component of the Project, the University shall deliver to the Trustee, for deposit in a special subaccount of the Bond Fund, an amount equal to such excess only to the extent to which proceeds of Series 2024 Bonds were expended for such component. The Trustee shall apply such moneys, at the written direction of an Authorized Representative of the University, to the purchase (at prices not exceeding par) or redemption of an equal principal amount of Series 2024 Bonds.

(ii) If, after completion of the construction of a component of the Project, the University receives any gift or grant which prior to such completion it reasonably expected to receive and which is required by the terms thereof to be used to pay any item which is a cost of such component of the Project, and if proceeds of the Series 2024 Bonds have been expended on such component of the Project, the University shall, to the extent not inconsistent with the terms of such gift or grant, deliver to the Trustee, for deposit in a special subaccount of the Bond Fund, an amount of money equal to such gift or grant, but only to the extent to which proceeds of Series 2024 Bonds were expended for such component. The Trustee shall apply such moneys, at the written direction of an Authorized Representative of the University, to the purchase (at prices not exceeding par) or redemption of an equal principal amount of Series 2024 Bonds.

Section 6.14. Further Assurances. The University will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such further acts, instruments, conveyances, transfers and assurances, including Uniform Commercial Code financing statements, at the sole cost and expense of the University, as the Issuer or the Trustee deem reasonably necessary or advisable for the implementation, effectuation, correction, confirmation or perfection of this Loan Agreement and any rights of the Issuer or the Trustee hereunder and under the Indenture.

Section 6.15. Filing. The security interest granted by the Issuer to the Trustee pursuant to the Indenture and by the University to the Trustee pursuant to the Pledge and Security Agreement,

shall in each case be perfected by the filing of financing statements (at the sole cost and expense of the University), which financing statements shall be in accordance with the New York State Uniform Commercial Code - Secured Transactions filed in the office of the Secretary of State of the State and, as appropriate, the office of the clerk of Monroe County, New York.

The Issuer and the University acknowledge that, as of the Closing Date,

(i) Section 9-515 of the New York State Uniform Commercial Code-Secured Transactions provides that an initial financing statement filed in connection with a “public-finance transaction” is effective for a period of thirty (30) years after the date of filing if such initial financing statement indicates that it is filed in connection with a public finance transaction,

(ii) Section 9-102(67) of the New York State Uniform Commercial Code-Secured Transactions defines a public-finance transaction as a secured transaction in connection with which, in substance, (x) bonds are issued, (y) all or a portion of the bonds have an initial stated maturity of at least twenty (20) years, and (z) the debtor, obligor, secured party or assignee with respect to the collateral or secured obligation is a governmental unit of a state, and

(iii) subject to any future change in law, the initial financing statement as shall be filed with respect to the security interest described above shall therefore have an effective period of thirty (30) years after the date of filing, for the purpose of determining the date by which continuation statements shall be filed.

Any filings with respect to the Uniform Commercial Code financing statements may be made electronically, and the Issuer shall have the right to designate a company (which shall be reasonably acceptable to the Trustee) to facilitate the filing of the Uniform Commercial Code financing statements.

The University acknowledges and agrees that the Issuer shall have no responsibility or liability whatsoever related in any way to the filing of any Uniform Commercial Code financing statements, or the perfection of any security interests, or the recording of any document, or the failure to effect any act referred to in this Section or a failure of sufficiency of any such act so effected.

All costs (including reasonable attorneys’ fees and expenses) incurred in connection with the effecting of the requirements specified in this Section shall be paid by the University.

Section 6.16. Right to Cure Issuer Defaults. The Issuer hereby grants the University full authority for account of the Issuer to perform any covenant or obligation the non-performance of which is alleged to constitute a default in any notice received by the University, in the name and stead of the Issuer, with full power of substitution.

Section 6.17. Reserved.

Section 6.18. Preservation of Exempt Status.

(a) The University represents and warrants that as of the date of execution of this Loan Agreement: (i) it is an organization described in Section 501(c)(3) of the Code; (ii) it has received a ruling letter or determination from the Internal Revenue Service to that effect; (iii) such letter or determination has not been modified, limited or revoked; (iv) it is in compliance with all terms, conditions and limitations, if any, contained in or forming the basis of such letter or determination; (v) the facts and circumstances which form the basis of such letter or determination continue substantially to exist as represented to the Internal Revenue Service; (vi) it is not a “private foundation”, as defined in Section 509 of the Code; and (vii) it is exempt from federal income taxes under Section 501(a) of the Code and it is in compliance with the provisions of said Code and any applicable regulations thereunder necessary to maintain such status.

(b) The University agrees that (i) it shall not perform any acts, enter into any agreements, carry on or permit to be carried on at the Facility, or permit the Facility to be used in or for any trade or business, which shall adversely affect the basis for its exemption under Section 501 of such Code; (ii) it shall not use more than five percent (5%) of the proceeds of the Series 2024 Bonds or permit the same to be used, directly or indirectly, in any trade or business that constitutes an unrelated trade or business as defined in Section 513(a) of the Code or in any trade or business carried on by any person or persons who are not governmental units or Section 501(c)(3) organizations; (iii) the Project conforms to the description thereof contained in the Indenture and it shall not directly or indirectly use the proceeds of any Bonds to make or finance loans to persons other than governmental units or Section 501(c)(3) organizations; (iv) it shall not take any action or permit any circumstances within its control to arise or continue, if such action or circumstances, or its expectation on the date of issue of any Bonds, would cause such Bonds to be “arbitrage bonds” under the Code or cause the interest paid by the Issuer on such Bonds to be subject to federal income tax in the hands of the Holders thereof; and (v) it shall use its best efforts to maintain the tax-exempt status of any Bonds.

(c) Subject to Section 8.3, the University (or any related person, as defined in Section 144(a)(3) of the Code) shall not, pursuant to an arrangement, formal or informal, purchase any Bonds in an amount related to the amount of the loan to the University under this Loan Agreement.

(d) The covenants and agreements of the University set forth in this Section 6.18 shall apply to the Facility notwithstanding the release of the Facility from this Loan Agreement until all Bonds shall cease to be Outstanding, except to the extent any such covenant or agreement need not, in the opinion of Bond Counsel addressed to the Issuer and the Trustee, continue to so apply in order to maintain the non-includability in gross income for federal income tax purposes of the interest on the Bonds.

Section 6.19. Securities Law Status. The University affirmatively represents, warrants and covenants that, as of the date of this Loan Agreement, it is a not-for-profit education corporation duly organized and operating: (i) exclusively for civic or charitable purposes; (ii) not for pecuniary profit; and (iii) no part of the net earnings of which inure to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of the Securities Act of 1933, as amended, and of the Securities Exchange Act of 1934, as amended. The University agrees

that it shall not perform any act nor enter into any agreement which shall change such status as set forth in this Section.

Section 6.20. Debt Service Coverage Ratio.

(a) The Debt Service Coverage Ratio Requirement. For so long as the Series 2012A Bonds are outstanding, the University covenants to maintain during each Fiscal Year a Debt Service Coverage Ratio of 1.00:1.00, commencing with the Fiscal Year ending May 31, 2024. For purposes of calculating the Debt Service Coverage Ratio for such pro forma calculations, Annual Debt Service shall be equal to projected Maximum Annual Debt Service on the outstanding Series 2012A Bonds, the outstanding Series 2024 Bonds and any Additional Bonds.

(b) Reporting Requirement. For so long as the Series 2012A Bonds are outstanding, on or prior to each Reporting Date, the University shall file with the Trustee a certificate of an Authorized Officer of the University stating whether at the immediately preceding Testing Date the Debt Service Coverage Ratio requirement is satisfied and setting forth the calculation upon which such statement is based.

(c) For the avoidance of doubt, the provisions of this Section 6.20 shall only apply while the Series 2012A Bonds are outstanding. Upon the payment in full of the Series 2012A Bonds, this Section 6.20 shall be of no further force and effect.

ARTICLE VII
EVENTS OF DEFAULT; REMEDIES

Section 7.1. Events of Default. Any one or more of the following events shall constitute an “Event of Default” hereunder:

(a) Failure of the University to pay any debt service payment that has become due and payable by the terms of Section 3.2 hereof which results in a default in the due and punctual payment of the principal of, redemption premium, if any, or interest on any Bond;

(b) Failure of the University to pay any amount (except as set forth in Section 7.1(a) or (g) hereof) that has become due and payable and continuance of such failure for a period of thirty (30) days after receipt by the University of written notice from the Issuer, the Trustee, or the Holders of more than twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, specifying the nature of such default;

(c) Failure of the University to observe and perform any covenant, condition or agreement hereunder on its part to be performed (except as set forth in Section 7.1(a), (b) or (g) hereof) and (1) continuance of such failure for a period of thirty (30) days after receipt by the University of written notice specifying the nature of such default from the Issuer, the Trustee, or the Holders of more than twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, or (2) if by reason of the nature of such default the same can be remedied, but not within the said thirty (30) days, and the University fails to proceed with reasonable diligence after receipt of said notice to cure the same or fails to continue, with reasonable diligence, its efforts to cure the same;

(d) The University shall (i) apply for or consent to the appointment of or the taking of possession by a receiver, liquidator, custodian or trustee of itself or of all or a substantial part of its property, (ii) admit in writing its inability, or be generally unable, to pay its debts as such debts generally become due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the federal Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (vi) take any action for the purpose of effecting any of the foregoing, or (vii) be adjudicated a bankrupt or insolvent by any court;

(e) A proceeding or case shall be commenced, without the application or consent of the University, in any court of competent jurisdiction, seeking (i) liquidation, reorganization, dissolution, winding-up or composition or adjustment of debts, (ii) the appointment of a trustee, receiver, liquidator, custodian or the like of the University or of all or any substantial part of its assets, (iii) similar relief under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing against the University shall be entered and continue unstayed and in effect, for a period of ninety (90) days or (iv) the University shall fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against itself in an involuntary case under such Bankruptcy Code; the terms “dissolution” or “liquidation” of the University as used above shall not be construed to prohibit any action otherwise permitted by Section 6.1 hereof;

(f) Any representation or warranty made (i) by or on behalf of the University in the application and related materials (including, but not limited to, any materials related to the SEQRA Act) submitted to the Issuer for approval of the Project or its financing, or (ii) by the University herein or in any of the other Financing Documents or (iii) in the Bond Purchase Agreement, or (iv) in the Tax Compliance Agreement, or (v) in any report, certificate, financial statement or other instrument furnished pursuant hereto or any of the foregoing shall prove to be false, misleading or incorrect in any material respect as of the date made;

(g) An “Event of Default” caused by the University under the Indenture or under any other Financing Document shall occur and be continuing; or

(h) While the Series 2012A Bonds are outstanding, the failure of the University to maintain the Debt Service Coverage Ratio for two (2) consecutive Testing Dates.

Section 7.2. Remedies on Default. Whenever any Event of Default referred to in Section 7.1 hereof shall have occurred and be continuing, the Issuer, or the Trustee where so provided, may take any one or more of the following remedial steps:

(a) The Trustee, as and to the extent provided in Article VIII of the Indenture, may cause all principal installments of debt service payments payable under Section 3.2 hereof for the remainder of the term of this Loan Agreement to be immediately due and payable, whereupon the same, together with the accrued interest thereon, shall become immediately due and payable; *provided, however*, that, upon the occurrence of an Event of Default under Section 7.1(d) or (e) hereof, all principal installments of debt service payments payable under Section 3.2 hereof for the

remainder of the term of this Loan Agreement, together with the accrued interest thereon, shall immediately become due and payable without any declaration, notice or other action of the Issuer, the Trustee, the Holders of the Bonds or any other Person being a condition to such acceleration;

(b) Reserved;

(c) The Issuer or the Trustee may take whatever action at law or in equity as may appear necessary or desirable to collect the debt service payments then due and thereafter to become due, or to enforce performance or observance of any obligations, agreements or covenants of the University under this Loan Agreement;

(d) Reserved;

(e) The Trustee may take any action permitted under the Indenture or the Pledge and Security Agreement with respect to an Event of Default thereunder; and

(f) The Issuer, without the consent of the Trustee or any Bondholder, may proceed to enforce its Reserved Rights by bringing an action for damages, injunction or specific performance and the University hereby appoints the Issuer its true and lawful agent and attorney-in-fact (which appointment shall be deemed to be an agency coupled with an interest) with full power of substitution to file on its behalf all affidavits, questionnaires and other documentation necessary to accomplish such conveyance.

In the event that the University fails to make any debt service or other payment required in Section 3.2 and Section 3.3 hereof, the amount so in default shall continue as an obligation of the University until the amount in default shall have been fully paid.

No action taken pursuant to this Section 7.2 (including termination of this Loan Agreement by operation of law or otherwise) shall, except as expressly provided herein, relieve the University from its obligations hereunder, all of which shall survive any such action.

Section 7.3. Reserved.

Section 7.4. Remedies Cumulative. The rights and remedies of the Issuer or the Trustee under this Loan Agreement shall be cumulative and shall not exclude any other rights and remedies of the Issuer or the Trustee allowed by law with respect to any default under this Loan Agreement. Failure by the Issuer or the Trustee to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon default by the University hereunder shall not be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce by mandatory injunction, specific performance or other appropriate legal remedy a strict compliance by the University with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such default by the University be continued or repeated, or of the right to recover possession of the Facility by reason thereof.

Section 7.5. No Additional Waiver Implied by One Waiver. In the event any covenant or agreement contained in this Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be binding unless it is in

writing and signed by the party making such waiver. No course of dealing between the Issuer and/or the Trustee and the University or any delay or omission on the part of the Issuer and/or the Trustee in exercising any rights hereunder or under the Indenture or under any other Financing Document shall operate as a waiver. To the extent permitted by applicable law, the University hereby waives the benefit and advantage of, and covenants not to assert against the Issuer or the Trustee, any valuation, inquisition, stay, appraisal, extension or redemption laws now existing or which may hereafter exist which, but for this provision, might be applicable to any sale or reletting made under the judgment, order or decree of any court or under the powers of sale and reletting conferred by this Loan Agreement or otherwise.

Section 7.6. Effect on Discontinuance of Proceedings. In case any proceeding taken by the Trustee under the Indenture or this Loan Agreement or under any other Financing Document on account of any Event of Default hereunder or under the Indenture shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then, and in every such case, the Issuer, the Trustee and the Holders of the Bonds shall be restored, respectively, to their former positions and rights hereunder and thereunder, and all rights, remedies, powers and duties of the Trustee shall continue as in effect prior to the commencement of such proceedings.

Section 7.7. Agreement to Pay Attorneys' Fees and Expenses. In the event the University should default under any of the provisions of this Loan Agreement, and the Issuer, the Trustee or any Bondholder should employ attorneys or incur other expenses for the collection of debt service payments or other amounts payable hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the University herein contained or contained in any other Financing Document, the University agrees that it will, on demand therefor, pay to the Issuer, the Trustee or such Bondholder the reasonable fees and out-of-pocket disbursements of such attorneys and such other out-of-pocket expenses so incurred.

ARTICLE VIII OPTIONS

Section 8.1. Options.

(a) The University has the option to make advance debt service payments for the deposit in the Bond Fund to effect the retirement of the Bonds in whole or the redemption in whole or in part of the Bonds, all in accordance with the terms of the Indenture; *provided, however*, that, no partial redemption of the Bonds may be effected through advance debt service payments hereunder if there shall exist and be continuing an Event of Default. The University shall exercise its option to make such advance debt service payments by delivering a written notice of an Authorized Representative of the University to the Trustee in accordance with the Indenture, with a copy to the Issuer, setting forth (i) the amount of the advance debt service payment, (ii) the principal amount of Bonds Outstanding requested to be redeemed with such advance debt service payment (which principal amount shall be in such minimum amount or integral multiple of such amount as shall be permitted in the Indenture), and (iii) the date on which such principal amount of Bonds are to be redeemed. Such advance debt service payment shall be paid to the Trustee in legal tender on or before the redemption date and shall be an amount which, when added to the amount on deposit in the Bond Fund and available therefor, will be sufficient to pay the Redemption Price of the Bonds to be redeemed, together with interest to accrue to the date of

redemption and all expenses of the Issuer, the Bond Registrar, the Trustee and the Paying Agent in connection with such redemption. In the event the Bonds are to be redeemed in whole or otherwise retired, the University shall further pay on or before such redemption date, in legal tender, to the Issuer, the Trustee, the Bond Registrar and the Paying Agent, as the case may be, all fees and expenses owed such party or any other party entitled thereto under this Loan Agreement or the Indenture together with (i) all other amounts due and payable under this Loan Agreement and the other Financing Documents, and (ii) any amounts required to be rebated to the federal government pursuant to the Indenture or the Tax Compliance Agreement.

(b) The University shall have the option to terminate this Loan Agreement on any date during the term hereof by causing the redemption, purchase or defeasance in whole of all Outstanding Bonds in accordance with the terms set forth in the Indenture.

(c) As a condition precedent to the termination of this Loan Agreement, pursuant to Section 8.1(b) hereof, the University shall pay to the Trustee, in consideration thereof, in legal tender, advance debt service payments, for deposit in the Bond Fund (if payment in full of the principal or the Redemption Price of, and interest on, all the Outstanding Bonds, and the interest thereon at maturity or upon earlier redemption has not yet been made) equal to the sum of the following:

(1) an amount which, when added to the amount on deposit in the Bond Fund and available therefor, will be sufficient to redeem, purchase or defease the Outstanding Bonds in accordance with the provisions of the Indenture including, without limitation, the principal of or the Redemption Price (as the case may be) of, together with interest to maturity or redemption date (as the case may be) on, the Outstanding Bonds; and

(2) expenses of redemption, the fees and expenses of the Issuer and the Trustee and all other amounts due and payable under this Loan Agreement or the Indenture on or before such date.

(d) The University shall not, at any time, assign or transfer its option to terminate this Loan Agreement as contained in this Section 8.1 separate and apart from a permitted assignment of this Loan Agreement pursuant to Section 9.3 hereof without the prior written consent of the Issuer and the Trustee.

Section 8.2. Termination on Exercise of Option to Terminate. Upon termination of this Loan Agreement in accordance with Section 8.1 hereof, the Issuer will, upon payment of the consideration payable in accordance with Section 8.1(c) hereof deliver or cause to be delivered to the University a termination of this Loan Agreement. Concurrently with the delivery of such termination, there shall be delivered by the Issuer to the Trustee any instructions or other instruments required by Article VII of the Indenture to defease and pay the Bonds.

Section 8.3. Option to Purchase or Invite Tenders of Bonds. The University shall have the option, at any time during the term of this Loan Agreement, to purchase Bonds for its own account, whether by direct negotiation, through a broker or dealer, or by making a tender offer to the Holders thereof. The Bonds so purchased by the University shall be, at the option of the University, either (i) delivered to the Trustee for cancellation within fifteen (15) days of the date

of purchase or (ii) remarketed by the Underwriter (as remarketing agent), pursuant to a remarketing agreement acceptable to the Underwriter, the University, and the Issuer and subject to the delivery of an opinion of Bond Counsel to the effect that the remarketing of the Series 2024 Bonds will not adversely impact the tax exempt status for federal income tax purposes of interest payable on the Series 2024 Bonds and such other items as required by the Underwriter or Bond Counsel. The Issuer shall at all times make available or cause to be made available to the University its registration books (maintained at the principal corporate trust office of the Trustee) containing the names and addresses of the Bondholders if known.

Section 8.4. Termination of Loan Agreement. After full payment of the Bonds or provision for the payment in full thereof having been made in accordance with Section 7.01 of the Indenture and the payment of the fees and expenses of the Issuer, the Paying Agent, the Bond Registrar and the Trustee and all other amounts due and payable under this Loan Agreement or the Indenture, together with any amounts required to be rebated to the federal government pursuant to the Indenture or the Tax Compliance Agreement, this Loan Agreement shall terminate, subject, however, to the survival of the obligations of the University under Sections 6.2 or 6.3 hereof.

ARTICLE IX MISCELLANEOUS

Section 9.1. Indenture; Amendment. The University shall have and may exercise all the rights, powers and authority stated to be in the University in the Indenture and in the Bonds, and the Indenture and the Bonds shall not be modified, altered or amended in any manner which adversely affects such rights, powers and authority so stated to be in the University or otherwise adversely affects the University without the written consent of the University.

Section 9.2. Force Majeure. In case by reason of force majeure either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Loan Agreement, then except as otherwise expressly provided in this Loan Agreement, if such party shall give notice and full particulars of such force majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied on, the obligations of the party giving such notice (other than the obligations of the University to make the debt service payments or other payments required under the terms hereof, or to comply with Section 4.4 or 6.2 hereof), so far as they are affected by such force majeure, shall be suspended during the continuance of the inability then claimed which shall include a reasonable time for the removal of the effect thereof, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term “force majeure”, as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, acts of terrorism, orders of any kind of the Government of the United States or of the State or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrest, restraining of government and people, civil disturbances, explosions, partial or entire failure of utilities, shortages of labor, material, supplies or transportation, or any other similar or different cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of existing or impending strikes, lockouts or other industrial disturbances shall be entirely within the discretion of the party having the difficulty and that the above requirements that any force majeure shall be reasonably beyond the control of the party and shall be remedied with all reasonable dispatch shall be deemed to be

fulfilled even though such existing or impending strikes, lockouts and other industrial disturbances may not be settled but could have been settled by acceding to the demands of the opposing person or persons.

Section 9.3. Assignment. The University may not at any time, except as otherwise permitted pursuant to Section 6.1 hereof, assign or transfer this Loan Agreement, without the prior written consent of the Issuer and the Trustee (which consents shall not be unreasonably withheld); *provided, further*, that, (1) the University shall nevertheless remain liable to the Issuer for the payment of all debt service payments and for the full performance of all of the terms, covenants and conditions of this Loan Agreement and of any other Financing Document to which it shall be a party, (2) any assignee or transferee of the University in whole of the Facility shall have assumed in writing and have agreed to keep and perform all of the terms of this Loan Agreement on the part of the University to be kept and performed, shall be jointly and severally liable with the University for the performance thereof, shall be subject to service of process in the State, and, if a corporation, shall be qualified to do business in the State, (3) in the Opinion of Counsel addressed to the Issuer and Trustee, such assignment or transfer shall not legally impair in any respect the obligations of the University for the payment of all debt service payments nor for the full performance of all of the terms, covenants and conditions of this Loan Agreement or of any other Financing Document to which the University shall be a party, nor impair or limit in any respect the obligations of any obligor under any other Financing Document, (4) any assignee or transferee shall be a Tax-Exempt Organization or, if not a Tax-Exempt Organization, upon receipt of an opinion of Bond Counsel addressed to the Issuer and the Trustee as to the non-includability in gross income of interest on the Bonds for purposes of federal income taxation, and shall utilize the Facility in compliance with the Act, (5) such assignment or transfer shall not violate any provision of this Loan Agreement, the Indenture or any other Financing Document, (6) such assignment or transfer shall in no way diminish or impair the University's obligation to carry the insurance required under Section 4.4 of this Loan Agreement and the University shall furnish written evidence satisfactory to the Issuer and the Trustee that such insurance coverage shall in no manner be limited by reason of such assignment or transfer, (7) each such assignment or transfer contains such other provisions as the Issuer or the Trustee may reasonably require, and (8) in the opinion of Bond Counsel, such assignment or transfer shall not cause the interest on the Bonds to be includable in gross income for federal income taxes. The University shall furnish or cause to be furnished to the Issuer and the Trustee a copy of any such assignment or transfer in substantially final form at least thirty (30) days prior to the date of execution thereof.

Any consent by the Issuer or the Trustee to any act of assignment or transfer shall be held to apply only to the specific transaction thereby authorized. Such consent shall not be construed as a waiver of the duty of the University, or the successors or assigns of the University, to obtain from the Issuer and the Trustee consent to any other or subsequent assignment or transfer, or as modifying or limiting the rights of the Issuer or the Trustee under the foregoing covenant by the University.

Section 9.4. Priority of Indenture. Pursuant to the Indenture, the Issuer will pledge and assign the debt service payments and certain other moneys receivable under this Loan Agreement to the Trustee as security for payment of the principal, purchase price or Redemption Price of, if any, and interest on the Bonds, and this Loan Agreement shall be subject and subordinate to the Indenture, and such security interests, pledges and assignments thereunder.

Section 9.5. Benefit of and Enforcement by Bondholders. The Issuer and the University agree that this Loan Agreement is executed in part to induce the purchase by others of the Bonds and for the further securing of the Bonds, and accordingly all covenants and agreements on the part of the Issuer and the University as set forth in this Loan Agreement are hereby declared to be for the benefit of the Holders from time to time of the Bonds and may be enforced as provided in Article VIII of the Indenture on behalf of the Bondholders by the Trustee (as permitted under the Indenture).

Section 9.6. Amendments. This Loan Agreement may be amended only with the concurring written consent of the Trustee given in accordance with the provisions of the Indenture.

Section 9.7. Notices. All notices, certificates or other communications hereunder shall be sufficient if sent by registered or certified United States mail, postage prepaid, addressed, if to the Issuer, to the Monroe County Industrial Development Corporation, 50 West Main Street, Rochester, New York 14614, Attention: Executive Director; if to the University, to St. John Fisher University, 3690 East Avenue, Rochester, New York 14618, Attention: Chief Financial Officer; if to the Trustee, to Manufacturers and Traders Trust Company, 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202, Attention: Corporate Trust Department. The Issuer, the University and the Trustee may, by like notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice, certificate or other communication hereunder shall, except as may expressly be provided herein, be deemed to have been delivered or given as of the date it shall have been mailed.

Section 9.8. Prior Agreements Superseded. This Loan Agreement shall completely and fully supersede all other prior understandings or agreements, both written and oral (other than any Financing Documents), between the Issuer and the University relating to the Project.

Section 9.9. Severability. If any clause, provision or section of this Loan Agreement be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions hereof.

Section 9.10. Inspection of Facility. The University will permit the Trustee, or its duly authorized agents, at all reasonable times during normal business hours upon prior written notice to enter upon the Facility and to examine and inspect the Facility and exercise their rights hereunder, under the Indenture and under the other Financing Documents with respect to the Facility.

Section 9.11. Effective Date; Counterparts. This Loan Agreement shall become effective upon its delivery on the Closing Date. It may be simultaneously executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 9.12. Binding Effect. This Loan Agreement shall inure to the benefit of, and shall be binding upon, the Issuer, the University and their respective successors and assigns.

Section 9.13. Net Agreement. It is the intention of the parties hereto that this Loan Agreement be “net” to the University and that all of the debt service payments payable hereunder

be available for debt service on the Bonds, and this Loan Agreement shall be construed to effect such intent.

Section 9.14. Laws Governing. This Loan Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 9.15. Investment of Funds. Any moneys held as part of the Rebate Fund, the Project Fund, the Bond Fund or the Renewal Fund or in any special fund provided for in this Loan Agreement or in the Indenture to be invested in the same manner as in any said Fund shall, at the written request of an Authorized Representative of the University, be invested and reinvested by the Trustee, as provided in the Indenture (but subject to the provisions of the Tax Compliance Agreement). Neither the Issuer nor the Trustee nor any of their members, directors, officers, agents, servants or employees shall be liable for any depreciation in the value of any such investments or for any loss arising therefrom.

Interest and profit derived from such investments shall be credited and applied as provided in the Indenture, and any loss resulting from such investments shall be similarly charged.

Section 9.16. Investment Tax Credit. It is the intention of the parties hereto that any investment tax credit or comparable credit which may ever be available shall accrue to the benefit of the University and the University shall, and the Issuer upon advice of counsel may, make any election and take other action in accordance with the Code as may be necessary to entitle the University to have such benefit.

Section 9.17. Waiver of Trial by Jury. The parties do hereby expressly waive all rights to trial by jury on any cause of action directly or indirectly involving the terms, covenants or conditions of this Loan Agreement or the Facility or any matters whatsoever arising out of or in any way connected with this Loan Agreement.

The provision of this Loan Agreement relating to waiver of a jury trial and the right of re-entry or re-possession shall survive the termination or expiration of this Loan Agreement.

Section 9.18. Non-Discrimination.

(a) At all times during the construction, maintenance and operation of the Facility, the University shall not discriminate against any employee or applicant for employment because of race, color, creed, age, sex or national origin. The University shall use its best efforts to ensure that employees and applicants for employment with the University or any subtenant of the Facility are treated without regard to their race, color, creed, age, sex or national origin. As used herein, the term "treated" shall mean and include, without limitation, the following: recruited, whether by advertising or other means; compensated, whether in the form of rates of pay or other forms of compensation; selected for training, including apprenticeship; promoted; upgraded; downgraded; demoted; transferred; laid off; and terminated.

(b) The University shall, in all solicitations or advertisements for employees placed by or on behalf of the University, state that all qualified applicants will be considered for employment without regard to race, color, creed or national origin, age or sex.

Section 9.19. No Recourse under this Loan Agreement or on Bonds. All covenants, stipulations, promises, agreements and obligations of the Issuer or University, as applicable, contained in this Loan Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer or University, as applicable, and not of any member, director, officer, employee or agent of the Issuer or University, as applicable, in his/her individual capacity, and no recourse shall be had for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for any claim based thereon or hereunder against any member, director, officer, employee or agent of the Issuer or University, as applicable, or any natural person executing the Bonds.

Section 9.20. Date of Loan Agreement for Reference Purposes Only. The date of this Loan Agreement shall be for reference purposes only and shall not be construed to imply that this Loan Agreement was executed on the date first above written. This Loan Agreement was executed and delivered on the date of original issuance and delivery of the Series 2024 Bonds.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer has caused its corporate name to be hereunto subscribed by its duly Authorized Representative and the University has caused its name to be subscribed hereto by its Authorized Representative, all being done as of the day and year first above written.

**MONROE COUNTY INDUSTRIAL
DEVELOPMENT CORPORATION**

By: _____
Ana J. Liss, Executive Director

ST. JOHN FISHER UNIVERSITY

By: _____
Mark D. Harris, DBA
Vice President for Finance and Administration
and Chief Financial Officer

STATE OF NEW YORK)
COUNTY OF MONROE)

On the _____ day of June in the year 2024 before me, the undersigned, personally appeared **Ana J. Liss**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF MONROE)

On the ____ day of June in the year 2024 before me, the undersigned, personally appeared **Mark D. Harris**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE A

**PROJECT COMPLETION CERTIFICATE OF THE UNIVERSITY
AS REQUIRED BY SECTION 2.2 OF THE LOAN AGREEMENT**

THE UNDERSIGNED HEREBY CERTIFIES that he/she is an Authorized Representative (as defined in the Loan Agreement referred to below) of St. John Fisher University, a New York not-for-profit education corporation (the “**University**”), and this certificate is being delivered in accordance with the provisions of Section 2.2 of that certain Loan Agreement, dated as of June 1, 2024 (the “**Loan Agreement**”), by and between the Monroe County Industrial Development Corporation (the “**Issuer**”) and the University, and FURTHER CERTIFIES THAT (capitalized terms used but not defined herein shall have the respective meanings assigned to such terms in the Loan Agreement):

The Project was completed on _____.

The portion of the Project related to the 2024 Facility has been completed substantially in accordance with the Plans and Specifications therefor and all labor, services, materials and supplies used therefor have been paid for (except for any costs not exceeding \$100,000 in the aggregate (i) not now due and payable or (ii) the liability for payment of which is being contested or disputed in good faith by the University).

All other facilities necessary in connection with the portion of the Project related to the 2024 Facility have been completed, and all costs and expenses incurred in connection therewith have been paid (except for any costs not exceeding \$100,000 in the aggregate (i) not now due and payable or (ii) the liability for payment of which is being contested or disputed in good faith by the University).

In accordance with all applicable laws, regulations, ordinances and guidelines, the 2024 Facility has been made ready for occupancy, use and operation for its intended purposes.

The Rebate Amount as calculated in accordance with the Tax Compliance Agreement is \$ _____, and accompanying this certificate is the amount of \$ _____ which the Trustee is directed to deposit in the Rebate Fund.

Attached hereto as Exhibit A is a temporary or permanent certificate of occupancy, if required by applicable law, and any and all permissions, approvals, licenses or consents required of governmental authorities for the occupancy, operation and use of the Facility for the purposes contemplated by the Loan Agreement for any portion of the Project that prior to the date of issuance of the Bonds did not have a certificate of occupancy.

Attached hereto as Exhibit B is evidence of the issuance of all necessary, unconditional and final permits with respect to the Project, if any, from all appropriate governmental agencies, and evidence that the Project is in compliance with all applicable building, zoning and other governmental codes and regulations, and that all requisite licenses, permits and approvals that may be required so as to permit the use and operation of the Facility by the University and any uses necessary or incidental thereto for any portion of the Project that prior to the date of issuance of the Bonds did not have such permit.

This certificate (x) is given without prejudice to any rights of the University against third parties which may exist on the date hereof or which may subsequently come into being, and (y) is given only for the purposes of Section 2.2 of the Loan Agreement. No Person other than the Issuer and the Trustee may benefit from this certificate.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand this _____ day of _____, _____.

ST. JOHN FISHER UNIVERSITY

By: _____

Name:

Title:

SCHEDULE B

FORM OF PROMISSORY NOTE

AFTER THE ENDORSEMENT AS HEREON PROVIDED AND PLEDGE OF THIS PROMISSORY NOTE, THIS PROMISSORY NOTE MAY NOT BE ASSIGNED, PLEDGED, ENDORSED OR OTHERWISE TRANSFERRED EXCEPT TO AN ASSIGNEE OR SUCCESSOR OF THE TRUSTEE IN ACCORDANCE WITH THE INDENTURE, BOTH OF WHICH ARE REFERRED TO HEREIN.

\$46,980,000

June 27, 2024

PROMISSORY NOTE

FOR VALUE RECEIVED, ST. JOHN FISHER UNIVERSITY, a not-for-profit education corporation organized and existing under the laws of the State of New York (the “**Borrower**”), by this promissory note hereby promises to pay to the order of MONROE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION (the “**Issuer**”), the principal sum of FORTY-SIX MILLION NINE HUNDRED EIGHTY THOUSAND DOLLARS (\$46,980,000), together with interest on the unpaid principal amount hereof, from the date of the issuance and delivery of the Series 2024 Bonds (as such term is hereinafter defined) until paid in full, at a rate per annum equal to the respective rates of interest borne from time to time by the Series 2024 Bonds, together with all Redemption Price payments as and when due. All capitalized terms used but not defined in this Promissory Note shall have the respective meanings assigned such terms by the Indenture (as hereinafter defined). All such payments shall be made in funds which shall be immediately available on the due date of such payments and in lawful money of the United States of America and shall be paid at the designated corporate trust office of the Trustee or its successor under the Indenture.

The principal amount, interest and Redemption Price payments shall be payable on the dates and in the amounts that principal of, interest and Redemption Price payments on the Series 2024 Bonds are payable under the Loan Agreement, dated as of June 1, 2024 (as the same may be amended or supplemented, the “**Loan Agreement**”), between the Borrower and the Issuer, subject to prepayments and credits to the extent provided in the Indenture and the Loan Agreement, the terms, conditions and provisions of which are hereby incorporated by reference.

This promissory note is the “Promissory Note” referred to in the Indenture.

This Promissory Note and the payments required to be made hereunder are irrevocably assigned, without recourse, representation or warranty, and pledged to the Trustee under the Indenture of Trust, dated as of June 1, 2024 (as the same may be amended or supplemented, the “**Indenture**”), by and between the Issuer and the Trustee, and such payments will be made directly to the Trustee for the account of the Issuer pursuant to such assignment. Such assignment is made as security for the payment of the Issuer’s \$46,980,000 Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the “**Series 2024 Bonds**”), issued by the Issuer pursuant to the Indenture. All the terms, conditions and provisions of the

Indenture, the Loan Agreement and the Series 2024 Bonds are hereby incorporated as a part of this Promissory Note.

The Borrower may at its option, and may under certain circumstances be required to, prepay together with accrued interest, all or any part of the amounts due under this Promissory Note, as provided in the Loan Agreement and the Indenture.

Presentation, demand, protest and notice of dishonor are hereby expressly waived by the Borrower.

The Borrower hereby promises to pay costs of collection and attorneys' fees in case of default on this Promissory Note.

(Remainder of Page Intentionally Left Blank –Signature Page Follows)

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflicts of law principles thereof.

ST. JOHN FISHER UNIVERSITY

By: _____
Mark D. Harris, DBA
Vice President for Finance and Administration
and Chief Financial Officer

ENDORSEMENT

Pay to the order of MANUFACTURERS AND TRADERS TRUST COMPANY, without recourse, as Trustee under the Indenture referred to in the within mentioned Loan Agreement, as security for the Series 2024 Bonds issued under such Indenture. This endorsement is given without any warranty as to the authority or genuineness of the signature of the maker of the Promissory Note.

**MONROE COUNTY INDUSTRIAL
DEVELOPMENT CORPORATION**

By: _____

Name: Ana J. Liss

Title: Executive Director

Dated: June 27, 2024

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

Form of Pledge and Security Agreement

[THIS PAGE INTENTIONALLY LEFT BLANK]

PLEDGE AND SECURITY AGREEMENT

from

ST. JOHN FISHER UNIVERSITY,
a not-for-profit education corporation organized and existing under the laws of the
State of New York, having its principal office at 390 East Avenue, Rochester, New York 14618,
as Obligor,

to

MANUFACTURERS AND TRADERS TRUST COMPANY,
as Trustee

Dated as of June 1, 2024

Monroe County Industrial Development Corporation
Tax-Exempt Revenue Bonds
(St. John Fisher University Project), Series 2024

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT, dated as of June 1, 2024 (“**Pledge and Security Agreement**”), is from **ST. JOHN FISHER UNIVERSITY**, a not for profit education corporation duly organized and validly existing under the laws of the State of New York having an office for the transaction of business located at 3690 East Avenue, Rochester, New York 14618 (the “**University**”) to **MANUFACTURERS AND TRADERS TRUST COMPANY**, having its principal corporate trust office located at 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202, as trustee (the “**Trustee**”) for the holders of the Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 in the aggregate original principal amount of \$46,980,000 (the “**Series 2024 Bonds**”) issued by the Monroe County Industrial Development Corporation, a local development corporation of the State of New York (the “**Issuer**”) pursuant to a certain Indenture of Trust, dated as of June 1, 2024, by and between the Issuer and the Trustee (the “**Indenture**”).

WITNESSETH:

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law (“**N-PCL**”) of the State of New York (the “**State**”), as amended (hereinafter collectively called the “**Act**”), and pursuant to its certificate of incorporation, as amended (the “**Certificate**”), the Issuer was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, by resolution duly adopted May 8, 2024 (the “**Bond Resolution**”), the Issuer authorized the issuance of the Series 2024 Bonds for the purpose of making funds available to the University for the purpose of financing a certain Project (as defined in the Indenture); and

WHEREAS, (i) pursuant to a certain Loan Agreement, dated as of June 1, 2024 (the “**Loan Agreement**”), by and between the Issuer and the University, the Issuer has agreed to loan the proceeds of the Series 2024 Bonds to the University with the debt service payments thereunder in an amount sufficient to pay, among other things, the principal of, redemption price of, and interest on, the Series 2024 Bonds, and (ii) the University will execute the Promissory Note in favor of the Issuer to evidence the University’s obligation under the Loan Agreement to repay the loan, and the Issuer will endorse the Promissory Note to the Trustee; and

WHEREAS, as security for the Series 2024 Bonds, the Issuer assigned to the Trustee all of its rights (except its Reserved Rights as defined in the Indenture) under the Loan Agreement pursuant to the Indenture; and

WHEREAS, in order to provide additional security for the Series 2024 Bonds, the University and the Trustee deem it necessary to execute and deliver this Pledge and Security

Agreement, pursuant to which the University shall grant to the Trustee, for the benefit of the holders of the Series 2024 Bonds, a security interest in the Pledged Revenues (defined herein); and

WHEREAS, the execution and delivery of this Pledge and Security Agreement has been duly authorized by the parties and all conditions, acts and things necessary and required by the Constitution or statutes of the State, including the Act, or otherwise to exist, to have happened, or to have been performed precedent to or in the execution and delivery of this Pledge and Security Agreement do exist, have happened and have been performed.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, the parties agree as follows:

ARTICLE I - DEFINITIONS

SECTION 1.1. DEFINITIONS.

(A) Capitalized terms used herein and not otherwise defined herein shall have the same meanings assigned to such terms in Article I of the Indenture.

(B) The following capitalized terms shall have the following meanings:

“Annual Debt Service” means the actual sum of the principal and sinking fund installments of and interest on outstanding Long-Term Indebtedness payable during a Fiscal Year provided that (a) with respect to any Indebtedness that bears a variable rate of interest the debt service shall include any credit enhancement costs and (b) with respect to any Long-Term Indebtedness subject to an interest rate exchange agreement, the debt service shall include the net payments made to or received from the counterparty. With respect to principal and sinking fund installments paid in any Fiscal Year on outstanding balloon long-term debt (25% or more of the original principal amount thereof matures, or is required to be purchased by the University, either automatically or at the option of the holder of such balloon indebtedness, or otherwise come due in any one year), such debt shall be assumed to be issued on a level debt service basis with a term equaling the original term of the debt.

“Balloon Indebtedness” shall mean Long-Term Indebtedness of which 25% or more in principal amount matures, or is required to be purchased by the University (either automatically or at the option of the holder of such Balloon Indebtedness) in any one year.

“Bond Fund Requirement” shall mean the amounts required to be paid by the University to the Trustee for deposit in the Bond Fund in respect of the principal of the Series 2024 Bonds (including mandatory redemptions or prepayments) and the interest thereon, including loan payments due under Section 3.3(a) of the Loan Agreement.

“Closing Date” shall mean June 27, 2024, the date of the initial issuance and delivery of the Series 2024 Bonds.

“Commercial Code” shall mean the Uniform Commercial Code, as the same may from time to time be in effect in the State.

“Debt Service Coverage Ratio” is the ratio of Operating Revenues Available for Debt Service to Annual Debt Service.

“Fiscal Year” means a twelve-month period beginning on June 1st of a calendar year and ending on May 31st of the next succeeding calendar year, or such other twelve month period as the University may elect as its fiscal year.

“Indebtedness” shall mean without duplication, (i) all obligations of the University for borrowed moneys, including without limitation bonds and notes, (ii) all indebtedness, no matter how created, secured by property of the University, whether or not such indebtedness is assumed by the University, (iii) the liability of the University under any lease of real or personal property that is properly capitalized on the balance sheet of the University in accordance with generally accepted accounting principles, (iv) installment purchase agreements, (v) any guaranty by the University of any other Person for borrowed moneys or which has been incurred or assumed by such Person in connection with the acquisition of property or the leasing of real or personal property which is properly capitalized on the balance sheet of such Person in accordance with generally accepted accounting principles, excluding Indebtedness that has been defeased, and (vi) any other obligations of the University properly recorded as indebtedness under generally accepted accounting principles.

“Intercreditor Agreement” means, with respect to the Pledged Revenues, the Second Amended and Restated Intercreditor Agreement (relating to Pledged Revenues), dated as of June 1, 2024, by and among the 2012 Trustee and the Trustee, as may be further amended or supplemented from time to time.

“Long-Term Indebtedness” means Indebtedness having an original maturity of greater than one (1) year or Indebtedness on which the University has an option to extend the maturity thereof for a period of greater than one (1) year beyond the date of the original incurrence thereof.

“Maximum Annual Debt Service” means on any date, the greatest amount required in the then current or future Fiscal Year of Annual Debt Service.

“Operating Revenues Available for Debt Service” means total unrestricted operating revenues, including funds made available for operations from endowment funds and from other temporarily restricted resources, minus total unrestricted operating expenses, excluding depreciation, amortization, and interest expenses as displayed or included in the University’s audited financial statements produced in accordance with generally accepted accounting principles then applicable to the University, and excluding (i) any gains or losses resulting from either the extinguishment of Indebtedness, the sale, exchange or other disposition of capital assets not in the ordinary course of business, (ii) earnings resulting from any reappraisal, revaluation or write-up or write-down of fixed or capital assets, (iii) any non-cash adjustment for changes in accounting estimates, change in generally accepted accounting principles, or other non-cash adjustments made in accordance with generally accepted accounting principles, (iv) extraordinary items, (v) any realized gains or losses on the sale of investments or interest exchange agreements, and (vi) any unrealized gains/appreciation or losses/depreciation on the carrying value of investments or interest exchange agreements.

“Parity Obligations” means Long-Term Indebtedness of the University incurred in accordance with Section 3.8 hereof including obligations of the University to one or more commercial banks or financial institutions obligated to contribute to making loans, purchasing bonds or otherwise making funds available as security for the payment of the principal and interest when due on Long-Term Indebtedness of the University incurred in accordance with Section 3.8 hereof.

“Pledged Revenues” or “Gross Revenues” shall mean all receipts, revenues, income and other money received by the University from any source and all rights to receive the same (including, without limitation, operating revenues and non-operating revenues determined in accordance with generally accepted accounting principles), whether in the form of accounts receivable, contract rights, chattel paper, instruments or other rights, and the proceeds thereof, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the University; provided, however, that there shall be excluded from Pledged Revenues gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated at the time of making thereof by the donor or maker as being for certain specific purposes, and the income derived therefrom, to the extent required by such designation.

“Proceeds” shall have the meaning assigned to it in Article 9 of the Commercial Code and, in any event, shall include, but not be limited to, (A) any and all proceeds of any insurance, judgment, indemnity, warranty or guaranty payable to the University from time to time with respect to any of the Pledged Revenues; (B) any and all payments (in any form whatsoever) made or due and payable to the University from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Pledged Revenues by any Governmental Authority; and (C) any and all other amounts from time to time paid or payable under or in connection with any of the Pledged Revenues.

“Revenue Fund” shall mean the special account designated by that name established by the Trustee pursuant to Section 4.4(B) of this Pledge and Security Agreement.

“Series 2012 Bonds” means the Issuer’s \$23,680,000 Tax-Exempt Revenue Refunding Bonds (St. John Fisher College Project), Series 2012A.

“Series 2012 Pledge and Security Agreement” means the pledge and security agreement, dated as of June 1, 2012, by and between the University and the Series 2012 Trustee, as amended or supplemented from time to time.

“Series 2012 Revenue Pledge” means the security interest in Pledged Revenues of the University granted by the University to the Series 2012 Trustee under the terms of the Series 2012 Pledge and Security Agreement.

“Series 2012 Trustee” means The Bank of New York Mellon, or its successors and assigns, as trustee with respect to the Series 2012A Bonds.

“Series 2024 Bonds” means the Issuer’s \$46,980,000 Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024.

“Series 2024 Pledge and Security Agreement” or “Pledge and Security Agreement” means this Pledge and Security Agreement, dated as of June 1, 2024, from the University to the Trustee, as amended or supplemented from time to time.

“Series 2024 Revenue Pledge” means the security interest in Pledge Revenues of the University granted by the University to the Trustee under the terms of the Series 2024 Pledge and Security Agreement.

“Short-Term Indebtedness” means any Indebtedness that is not Long-Term Indebtedness.

“State” means the State of New York.

“Subordinated Indebtedness” shall mean any indebtedness of the University that is not secured by any Lien on the Pledged Revenues, or that is secured by a Lien upon the Pledged Revenues that is by its terms expressly subordinated to the Lien on the Pledged Revenues created by this Pledge and Security Agreement.

SECTION 1.2. INTERPRETATION. In this Pledge and Security Agreement, unless the context otherwise requires:

(A) the terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Pledge and Security Agreement, refer to this Pledge and Security Agreement, and the term “heretofore” shall mean before, and the term “hereafter” shall mean after, the date of this Pledge and Security Agreement;

(B) words of masculine gender shall mean and include correlative words of the feminine and neuter genders;

(C) words importing the singular number shall mean and include the plural number and vice versa; and

(D) any certificates, letters or opinions required to be given pursuant to this Pledge and Security Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Pledge and Security Agreement.

ARTICLE II - REPRESENTATIONS AND WARRANTIES OF THE UNIVERSITY

SECTION 2.1. REPRESENTATIONS AND WARRANTIES OF THE UNIVERSITY. The University represents and warrants as follows:

(A) The University is a not-for-profit education corporation duly organized and validly existing under the laws of the State of New York and has the power to enter into and perform this Pledge and Security Agreement and to pledge the Pledged Revenues in the manner and to the extent herein set forth, and this Pledge and Security Agreement constitutes a valid and enforceable obligation according to its terms. The execution, delivery and performance of this Pledge and Security Agreement have been duly authorized by all necessary actions of the University.

(B) Neither the execution and delivery of this Pledge and Security Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions hereof will violate any provision of the University's charter or by-laws, or conflict with or result in a breach of or default under any of the terms, conditions or provisions of any order, judgment, law, restriction, agreement or instrument to which the University is a party to or by which it or any of its Property is or may be bound, or result in the creation or imposition of any Lien, except as expressly contemplated by this Pledge and Security Agreement.

(C) No event has occurred and no condition exists which, upon the execution of this Pledge and Security Agreement, would constitute an Event of Default under Article IV hereof. The University is not in violation of (i) any term of any provision of its charter or by-laws, or (ii) in any material respect, any other instrument to which the University is a party or by which the University may be bound.

(D) The University represents and warrants that no part of the Pledged Revenues or any right to receive or collect the same or the proceeds thereof is subject to any lien, pledge, security interest or assignment, other than the Series 2012 Revenue Pledge, and that the Pledged Revenues assigned pursuant hereto are legally available to provide security for the University's performance hereunder. Notwithstanding the preceding sentence, however, the Pledged Revenues are pledged by the University on a parity basis to provide security for the Series 2012 Bonds, and the Series 2024 Bonds. The University agrees that it shall not hereafter create or permit the creation of any pledge, assignment, encumbrance, restriction, security interest in or other commitment of or with respect to the Pledged Revenues which is prior or equal to the pledge made by Section 3.1 hereof except with respect to Parity Obligations as provided in Section 3.8 hereof and Section 2.13 of the Indenture. Except for the parity Lien granted to the Trustee pursuant to this Pledge and Security Agreement, the Series 2012 Pledge and Security Agreement, the University is (or in the case of Pledged Revenues acquired after the date hereof, will be) the sole legal and beneficial owner of each item of the Pledged Revenues, having good and marketable title thereto, free and clear of any and all Liens.

(E) The chief executive office and/or principal place of business of the University is located at its address set forth in Section 5.4(B) hereof.

(F) No consent of any party (other than those that have been duly obtained, made or performed, and are in full force and effect) to any contract in existence on the date hereof is required, or purports to be required, in connection with the execution, delivery and performance of this Pledge and Security Agreement.

(G) This Pledge and Security Agreement is effective to create, in favor of the Trustee, legal, valid and enforceable liens on and security interests in the Pledged Revenues and all necessary and appropriate filings having been duly effected in all appropriate public offices so that the liens and security interests created by this Pledge and Security Agreement will constitute perfected liens on and security interests in the Pledged Revenues on a *pari passu* basis with the Series 2012 Revenue Pledge, and Parity Obligations as provided in Section 3.8 hereof.

ARTICLE III - COVENANTS AND AGREEMENTS

SECTION 3.1. PLEDGE OF THE PLEDGED REVENUES; USE PRIOR TO EVENT OF DEFAULT.

(A) As security for the obligations of the University under the Loan Agreement and for the University's obligation with respect to the Series 2024 Bonds issued under the Indenture, the University hereby pledges, assigns, hypothecates, transfers and delivers to the Trustee, and hereby grants to the Trustee a security interest in, all right, title and interest, whether now owned or at any time hereafter acquired, of the University in and to the Pledged Revenues.

(B) So long as no Event of Default shall have occurred and be continuing, and except as otherwise provided in Section 4.3 of this Pledge and Security Agreement, nothing contained in this Pledge and Security Agreement shall be deemed to preclude the University from possessing, and consistent with its past practices, using and disposing of the Pledged Revenues in the ordinary course of its corporate purposes.

(C) Notwithstanding anything contained herein or in any other document to the contrary, the University and the Trustee acknowledge and agree that this Pledge and Security Agreement is subject to the terms and conditions contained in the Intercreditor Agreement and the University's and Trustee's rights and obligations in and to the Pledged Revenues are controlled by and expressly subject to the Intercreditor Agreement.

SECTION 3.2. INFORMATION. The University shall furnish to the Trustee any information with respect to the Pledged Revenues, including schedules further identifying and describing the Pledged Revenues, reasonably requested by the Trustee, and will allow the Trustee to inspect and copy, or will furnish the Trustee with copies of, all records relating to the Pledged Revenues.

SECTION 3.3. FURTHER ASSURANCE. The University agrees that, at any time and from time to time upon the written request of the Trustee, the University will execute and deliver such further documents and do such further acts and things as the Trustee may reasonably request in order to effect the purposes of this Pledge and Security Agreement. The Trustee shall have no duty in this regard.

SECTION 3.4. FINANCING STATEMENTS.

(A) The Trustee is authorized on behalf of the University and itself to complete one or more financing statements, including continuation statements with respect to any Pledged Revenues covered by this Pledge and Security Agreement and to file the same in any appropriate office or place to the extent permitted by law.

(B) At any time and from time to time, at the sole expense of the University, the University will promptly execute and deliver any and all such further instruments and documents and will take such further action as may be necessary or desirable to obtain, maintain and perfect the liens and security interests granted to the Trustee herein, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the liens and security interests granted hereby, and the Trustee is authorized to complete one or more financing statements or continuation statements with respect

to the liens and security interests granted hereby and to file the same in any appropriate office or place to the extent permitted by applicable law. If any amount payable under or in connection with any of the Pledged Revenues shall be or become evidenced by any instrument or chattel paper, such instrument or chattel paper shall be delivered to the Trustee, duly endorsed in a manner satisfactory to the Trustee, to be held as Pledged Revenues pursuant to this Pledge and Security Agreement; provided, however, that this delivery requirement shall be deemed satisfied if delivery is made to the Series 2012 Trustee under the Series 2012 Pledge and Security Agreement.

(C) The University agrees to deposit all of its Pledged Revenues, as and when received, into one or more deposit accounts and/or securities accounts with one or more banks or other financial institutions selected by the University (each, an “**Account**”). The University shall apply the monies comprising Pledged Revenues in the Accounts to the making of Debt Service Payments on the Series 2024 Bonds as they become due and payable, and may withdraw monies from the Accounts for any lawful purpose. The University shall provide to the Trustee a statement identifying the name and number of any fund or account established by the University with any banking, trust or other financial institution pursuant to this Section.

(D) The University shall execute and deliver to the Trustee from time to time such amendments or supplements to this Pledge and Security Agreement as may be necessary or appropriate to include as security under the Indenture, the Pledged Revenues, proceeds thereof, and related deposit accounts or securities accounts, to otherwise perfect the Trustee’s security interest in Pledged Revenues. In addition, the University covenants that it will take such other action and execute such documents, including control agreements or amendments thereto which shall, in the opinion of counsel to the Trustee, be necessary to comply with applicable law.

SECTION 3.5. INDEMNIFICATION BY THE UNIVERSITY. The University agrees to pay, and to save the Trustee harmless from, any and all liabilities, costs and expenses (including, without limitation, reasonable legal fees and expenses) in connection with any of the transactions contemplated by, and enforcement of, this Pledge and Security Agreement, provided that the University shall have no such obligation to the Trustee with respect to liabilities, costs and expenses arising from the gross negligence or willful misconduct of the Trustee. In any suit, proceeding or action brought by the Trustee under any account or any contract relating in any way to any Pledged Revenues for any sum owing thereunder, or to enforce any provisions of any account or any such contract, the University will save, indemnify and keep the Trustee harmless from and against all expense, loss or damage suffered by reason of any defense, set-off, counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the University of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the University, and from their costs of collection and enforcement (including reasonable legal fees and disbursements). The provisions of this Section shall survive the termination of this Pledge and Security Agreement.

SECTION 3.6. NO SET-OFF BY THE UNIVERSITY. No set-off, counterclaim, reduction or diminution of an obligation, or any defense of any kind or nature (other than full performance by the University of the obligations hereunder) which the University has or may have against the Trustee or any other Person, shall be available hereunder to the University with respect to a claim under this Pledge and Security Agreement. The University acknowledges that no oral or other

agreements, understandings, representations or warranties exist with respect to this Pledge and Security Agreement or with respect to the obligations of the University under this Pledge and Security Agreement, except as specifically set forth in this Pledge and Security Agreement.

SECTION 3.7. NOTICE AND SERVICE OF PROCESS; VENUE; WAIVER OF JURY TRIAL.

(A) The University will remain subject to service of process in the State, and any notice, process, pleading or other papers may be served upon the University at such address as is specified in or pursuant to Section 5.4 of this Pledge and Security Agreement.

(B) The University hereby irrevocably agrees that any suit, action or other legal proceeding arising out of this Pledge and Security Agreement may be brought in the courts of the State or the courts of the United States located within Monroe County, New York.

(C) Each of the Trustee and the University knowingly, voluntarily, intentionally and irrevocably waives each right it may have to a trial by jury with respect to, and each right to assert any claim for special, exemplary or punitive damages in addition to actual and consequential damages in, any action or other legal proceeding arising out of this Pledge and Security Agreement.

SECTION 3.8. PARITY OBLIGATIONS.

(A) The University may issue, incur or assume Long-Term Indebtedness secured by a Lien on Pledged Revenues, which in the event of any default and acceleration or claim on the Pledged Revenues is *pari passu* with the Lien on the Pledged Revenues granted by this Pledge and Security Agreement, the Series 2012 Revenue Pledge, provided (1) such Long-Term Indebtedness refunds or refinances all or a portion of the Series 2024 Bonds, or (2) (a) the University provides to the Trustee a certificate of an Authorized Representative of the University containing pro forma calculations demonstrating that the Maximum Annual Debt Service on the University's Indebtedness, including such Long-Term Indebtedness, does not exceed ten percent (10%) of the amount of its unrestricted operating revenues as reported for the most recently concluded Fiscal Year for which audited financial statements are available, **and** (b) for so long as the Series 2012 Bonds are outstanding, the University provides to the Trustee a certificate of an Authorized Representative of the University containing pro forma calculations demonstrating a Debt Service Coverage Ratio of 1.00:1.00 or higher for the most recently concluded Fiscal Year for which audited financial statements are available taking into account the additional Long-Term Indebtedness proposed to be issued. For the avoidance of doubt, the requirement to demonstrate the Debt Service Coverage Ratio described in clause (b) will only apply while the Series 2012 are outstanding, and upon payment in full of the Series 2012 Bonds, this requirement will be of no further force and effect.

(B) For purposes of calculating the Debt Service Coverage Ratio for such pro forma calculations, Annual Debt Service shall be equal to projected Maximum Annual Debt Service. Indebtedness which does not bear interest at a fixed rate will be deemed to bear interest at an annual rate equal to 120% of the weighted average annual interest rate borne by such Indebtedness over the 24-month period ending on the date of calculation (or with respect to such Long-Term Indebtedness issued during such 24-month period, 120% of the average of the most recent 24-month Bond Buyer 25 Revenue Bond Index). The principal of Balloon Indebtedness will be

deemed to mature pursuant to the Annual Debt Service definition hereunder. In the event the project to be financed with such additional Long-Term Indebtedness is expected to generate additional revenues, such revenues, net of anticipated expenses, may be included in the pro forma calculations of the Debt Service Coverage Ratio provided that such estimations of additional net revenues are deemed reasonable in the opinion of an Authorized Representative of the University.

ARTICLE IV - EVENTS OF DEFAULT

SECTION 4.1. EVENTS OF DEFAULT DEFINED. An “Event of Default” shall exist if any of the following occurs:

(A) COVENANTS FOR THE PAYMENT OF MONEY - the University fails to perform or observe any covenant for the payment of money contained herein within ten (10) days of demand, after written notice with respect thereto is given by the Trustee to the University;

(B) [RESERVED];

(C) WARRANTIES OR REPRESENTATIONS - any warranty, representation or other statement by or on behalf of the University contained in this Pledge and Security Agreement is false or misleading in any material respect when made;

(D) INVOLUNTARY BANKRUPTCY PROCEEDINGS - a receiver, liquidator or trustee of the University or of any of its Property is appointed by court order, and such order remains in effect for more than sixty (60) days; or the University is adjudicated bankrupt or insolvent; or any of the Property of the University is sequestered by court order and such order remains in effect for more than sixty (60) days; or a petition is filed against the University under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within sixty (60) days after such filing;

(E) VOLUNTARY PETITIONS - the University files a petition in voluntary bankruptcy or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(F) ASSIGNMENTS FOR BENEFIT OF CREDITORS - the University shall generally not pay its debts as such debts become due or admits in writing its inability to pay its debts generally as they become due, or consents to the appointment of a receiver, trustee or liquidator of all or any part of its Property; or

(G) DEFAULTS UNDER FINANCING DOCUMENTS OR INTERCREDITOR AGREEMENT - the occurrence and continuation of an “Event of Default” under any of the other Financing Documents or the Intercreditor Agreement.

SECTION 4.2. REMEDIES ON DEFAULT. (A) If an Event of Default shall occur and be continuing, the Trustee, on behalf of the Bondholders, may exercise, in addition to all other rights and remedies granted to them in this Pledge and Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Series 2024 Bonds, all rights and remedies of

a secured party under the Commercial Code. Without limiting the generality of the foregoing, the Trustee without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the University or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith, collect, receive, appropriate and realize upon the Pledged Revenues, or any part thereof, subject to the terms and limitations of the Intercreditor Agreement. The Trustee shall, subject to the terms and limitations of the Intercreditor Agreement, apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Pledged Revenues or in any way relating to the Pledged Revenues or the rights of the Trustee hereunder, respectively, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of amounts owed under the Series 2024 Bonds, in such order as the Trustee may elect, and only after such application and after the payment by the Trustee of any other amount required by any provision of law, including, without limitation, Section 9-615 the Commercial Code, need the Trustee account for the surplus, if any, to the University. To the maximum extent permitted by applicable law, the University waives all claims, damages and demands it may acquire against the Trustee arising out of the exercise of any rights hereunder. If any notice of a proposed sale or other disposition of Pledged Revenues shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition. The University shall remain liable for any deficiency if the proceeds of any sale of the Pledged Revenues are insufficient to pay amounts owed with respect to the Series 2024 Bonds and the reasonable fees and disbursements of any attorneys employed by the Trustee to collect such deficiency.

(B) If an Event of Default shall have occurred and be continuing, the Trustee shall, subject to the terms and limitations of the Intercreditor Agreement, have the right (1) to notify or to require the University to notify Persons obligated on any instruments, accounts, or contracts which are part of the Pledged Revenues to make payment thereof directly to the Trustee, or as the Trustee shall direct, (2) to collect and enforce any such accounts and contracts, and (3) to compromise, settle or otherwise agree to waive, amend or modify the obligation of any account debtors or obligors under such accounts and contracts. Subject to the provisions of the Financing Documents and the Intercreditor Agreement, until such time as the Trustee elects to exercise such rights, the University, as the agent of the Trustee, shall collect and enforce all such contracts and accounts. The cost of such collection and enforcement, including attorneys' fees and expenses, shall be borne by the University, whether the same is incurred by the Trustee or the University.

(C) If an Event of Default exists and continues, subject to the terms and limitations of the Intercreditor Agreement, the Trustee may proceed to enforce the provisions hereof and to exercise any other rights, powers and remedies available to it. The Trustee, in its sole discretion, shall have the right to proceed first and directly against the University under this Pledge and Security Agreement (subject to the Intercreditor Agreement) without proceeding against or exhausting any other remedies which it may have and without resorting to any other security held by the Issuer or the Trustee.

(D) Each and every Event of Default hereunder shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder by the Trustee as each cause of action arises.

(E) The Trustee may, subject to the terms and limitations of the Intercreditor Agreement, pursue its rights and remedies under this Pledge and Security Agreement notwithstanding (1) any guaranty of or other security for the Series 2024 Bonds, and (2) any action taken or omitted to be taken by the Trustee or any other Person to enforce any of the rights or remedies under such guaranty or with respect to any other security.

(F) The University shall pay to the Trustee all fees and reasonable costs and expenses (including reasonable legal fees and expenses) incurred by the Trustee in the protection of their respective rights or in the pursuance of their respective remedies in respect of this Pledge and Security Agreement.

(G) The foregoing rights and powers of the Trustee shall be in addition to, and not a limitation upon, any rights and powers of the Trustee given by law, by any other provisions of this Pledge and Security Agreement, by the other Financing Documents or otherwise.

(H) The provisions of this Section 4.2 shall survive the termination of this Pledge and Security Agreement.

SECTION 4.3. PROCEEDS. If an Event of Default shall occur and be continuing, subject to the terms and limitations of the Intercreditor Agreement, (A) all Pledged Revenues received by the University consisting of cash, checks and other near-cash items shall be paid to the Trustee for application in accordance with the terms of the Financing Documents and Intercreditor Agreement and otherwise shall be held by the University in trust for the Trustee, segregated from other funds of the University, and shall, forthwith upon receipt by the University, be turned over to the Trustee in the exact form received by the University (duly indorsed by the University to the Trustee, if required), and (B) any and all such Pledged Revenues received by the Trustee (whether from the University or otherwise) may, in the sole discretion of the Trustee, as applicable, be held by the Trustee for application against amounts owed to it, and/or then, or at any time thereafter, may be applied by the Trustee against the Series 2024 Bonds (whether matured or unmatured), such application to be in such order as the Trustee shall elect. Subject to Section 4.4(H) hereof, any balance of such Pledged Revenues remaining after all amounts owed to the Trustee and on the Series 2024 Bonds shall have been paid in full and the Financing Documents shall have been terminated shall be paid over to the University or to whomsoever may be lawfully entitled to receive the same.

SECTION 4.4. APPOINTMENT OF SECURITY AGENT; ESTABLISHMENT OF REVENUE FUND. As security for the prompt and complete payment of all amounts payable to the Trustee and payment when due (whether at the stated maturity, by acceleration or otherwise) of the Series 2024 Bonds, the University hereby agrees as follows:

(A) The Trustee is hereby appointed by the University as security agent hereunder, and Trustee hereby agrees to act as such and to accept all cash, other amounts, instruments, securities and investments to be delivered to or held by the Trustee pursuant to the terms of this Pledge and Security Agreement, subject, however, to the Intercreditor Agreement. The Trustee shall hold and safeguard the Revenue Fund (and the cash, instruments and securities on deposit therein) during the term of this Pledge and Security Agreement and shall treat the cash, instruments and securities in the Revenue Fund as funds, instruments and securities pledged by the University to the Trustee,

to be held by the Trustee, for the benefit of the Bondholders, in trust in accordance with the provisions hereof.

(B) The following special, segregated and irrevocable cash collateral account is hereby established by the Trustee, which shall be maintained at all times until the termination of this Pledge and Security Agreement: the Revenue Fund. No amounts will be deposited into the Revenue Fund until Section 4.4(D) hereof is triggered. All moneys, investments and securities at any time on deposit in the Revenue Fund shall constitute trust funds to be held in the custody of the Trustee for the purposes and on the terms set forth in this Pledge and Security Agreement, subject, however, to the Intercreditor Agreement.

(C) In order to secure the performance by the University of all of its covenants, agreements and obligations under the Financing Documents and the Intercreditor Agreement and the payment by the University of all amounts due on the Series 2024 Bonds, and in furtherance (and not in limitation) of the provisions of Section 3.1 hereof and the other provisions of this Pledge and Security Agreement and the Intercreditor Agreement, the University hereby pledges and assigns to the Trustee, for the benefit of the Bondholders, and hereby creates in favor of the Trustee, for the benefit of the Bondholders, a security interest in and to, the Revenue Fund, all cash, cash equivalents, instruments, investments and other securities at any time on deposit in the Revenue Fund and all proceeds of any of the foregoing. All moneys, cash equivalents, instruments, investments and securities at any time on deposit in the Revenue Fund shall constitute collateral security for the payment by the University of all amounts due under the Series 2024 Bonds and the performance and observance by the University of all the covenants and conditions contained in the Financing Documents and Intercreditor Agreement, and shall at all times be subject to the control of the Trustee and shall be held in the custody of the Trustee for the purposes of, and on the terms set forth in, this Pledge and Security Agreement and the Intercreditor Agreement. The University shall not have any right or power to distribute or to direct the Trustee to distribute any amounts in the Revenue Fund or any part thereof except in accordance with the provisions hereof and the Intercreditor Agreement.

(D) Subject to the terms of the Intercreditor Agreement, upon the occurrence and continuation of an Event of Default, the University shall deposit or cause all Pledged Revenues to be deposited in the Revenue Fund immediately upon receipt thereof. The money from time to time in the Revenue Fund shall be applied by the Trustee, for the purpose of making the deposits required to be made to the following Funds or accounts created under the Indenture in the following order of priority: (1) the Bond Fund; (2) such account as the University shall have established for the payment of principal or interest on Subordinated Indebtedness, if any; and (3) if, on the last Business Day of any June or December, or in the event that (a) the balance on deposit in the Bond Fund shall equal the Bond Fund Requirement for the next Bond Payment Date, and (b) the Trustee shall have received from the University sufficient moneys to permit the Trustee to make all other deposits to other funds or accounts established under the Indenture required by the Indenture to be made into such funds and accounts as of such Business Day, then the Trustee shall notify the University, and the University may withdraw free and clear of the Lien of this Pledge and Security Agreement all amounts then on deposit in the Revenue Fund that are in excess of the total of (x) the amount to be transferred from the Revenue Fund to the Bond Fund for the next Bond Payment Date, and (y) any amounts required by the Indenture to be transferred to other funds or accounts established under the Indenture from the Revenue Fund on or prior to the next Bond Payment Date.

(E) Any deposit made into the Revenue Fund hereunder shall be irrevocable and the amount of such deposit and any instrument or security held in the Revenue Fund hereunder and all interest thereon shall be held in trust by the Trustee and applied solely as provided herein and the Intercreditor Agreement.

(F) Any cash held by the Trustee in the Revenue Fund shall be invested by the Trustee from time to time in Defeasance Obligations (as defined in the Indenture) as the University shall determine and specifically direct in writing. Any income or gain realized as a result of any such investment shall be held as part of the Revenue Fund and reinvested or released as provided herein and the Intercreditor Agreement. Any income tax payable on account of any such income or gain shall be payable by the University as an expense of the Project. The Trustee shall have no liability for any loss, fee, tax or other charge resulting from any such investment, reinvestment or sale thereof other than by reason of their willful misconduct or gross negligence. Any such investment may be sold (without regard to maturity date) by the Trustee whenever necessary to make any withdrawal or distribution required by this Pledge and Security Agreement and the Intercreditor Agreement. The Trustee will promptly notify the University of any loss resulting from any such investment and the University shall thereupon reimburse the Revenue Fund.

(G) Cash and Defeasance Obligations on deposit from time to time in the Revenue Fund shall be valued by the Trustee in the same manner as described in the Indenture.

(H) After all the Series 2012 Bonds shall have been paid in full and the Series 2012 Pledge and Security Agreement shall have been terminated, if an Event of Default has been timely cured and no other Event of Default has occurred and is continuing, the balance in Revenue Fund shall be returned to the University and no Pledged Revenues shall be required hereunder to be deposited therein until as may be required again under Section 4.4(D) hereof.

SECTION 4.5. REMEDIES NOT EXCLUSIVE; WAIVER AND NOTICE.

(A) No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Pledge and Security Agreement now or hereafter existing at law or in equity or by statute.

(B) No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) In order to entitle the Trustee to exercise any remedy reserved to it in this Pledge and Security Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Pledge and Security Agreement.

(D) In the event any provision contained in this Pledge and Security Agreement shall be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

(E) No waiver, amendment, change, alteration, release, discharge, modification or termination of this Pledge and Security Agreement shall be established by conduct, custom or course of dealing.

SECTION 4.6. TERMINATION OF PROCEEDINGS. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then the University and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceeding had been taken.

SECTION 4.7. PERFORMANCE BY THE TRUSTEE OF THE UNIVERSITY'S OBLIGATIONS. If the University fails to perform or comply with any of its agreements contained herein and the Trustee, as provided for by the terms of this Pledge and Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of the Trustee incurred in connection with such performance or compliance, together with interest thereon at a rate per annum equal to ten percent (10%), shall be payable by the University to the Trustee, as applicable, on demand and shall constitute obligations secured hereby. The Trustee shall be under no obligation to make any payment described in this Section unless it shall have been requested in writing to do so by the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Outstanding Series 2024 Bonds and shall have been provided with adequate funds to make such payment.

ARTICLE V - MISCELLANEOUS

SECTION 5.1. OBLIGATIONS ARISE ON THE ISSUANCE OF THE SERIES 2024 BONDS. The obligations of the University hereunder shall arise absolutely and unconditionally when the Series 2024 Bonds are issued by the Issuer on the Closing Date.

SECTION 5.2. SURVIVAL. All warranties, representations and covenants made by the University herein shall be deemed to have been relied upon by the Trustee and shall survive the delivery to the Trustee of this Pledge and Security Agreement, regardless of any investigation made by the Trustee.

SECTION 5.3. SUCCESSORS AND ASSIGNS. This Pledge and Security Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, provided, however, that the obligations of the University hereunder may not be assigned. The provisions of this Pledge and Security Agreement are intended to be for the benefit of the Trustee.

SECTION 5.4. NOTICES. (A) All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (1) sent to the applicable address stated below by registered or certified mail, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) The addresses to which notices, certificates and other communications hereunder shall be delivered as set forth in the Indenture.

(C) A duplicate copy of each communication hereunder given by or to the University or the Trustee shall also be given to the Issuer.

(D) The University, the Issuer and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

SECTION 5.5. ENTIRE UNDERSTANDING; COUNTERPARTS. This Pledge and Security Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and may be executed simultaneously in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Notwithstanding the foregoing, this Pledge and Security Agreement shall be subject to the Intercreditor Agreement in all events.

SECTION 5.6. AMENDMENTS / INTERCREDITOR AGREEMENT TO CONTROL. No waiver, amendment, change, modification, release, discharge, alteration or termination of this Pledge and Security Agreement shall be made except upon the written consent of the University, the Trustee and the approval of all other parties to the Intercreditor Agreement. Any amendment, change or modification of this Pledge and Security Agreement shall be subject to the Intercreditor Agreement and the approval of all other parties to the Intercreditor Agreement. In the event that any term or provision contained herein conflicts with any term or provision of the Intercreditor Agreement, the Intercreditor Agreement shall in all circumstances control.

SECTION 5.7. PARTIAL INVALIDITY. The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections in this Pledge and Security Agreement shall not affect the validity or enforceability of the remaining portions of this Pledge and Security Agreement or any part thereof.

SECTION 5.8. HEADINGS NOT CONTROLLING. The headings of the several sections of this Pledge and Security Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Pledge and Security Agreement.

SECTION 5.9. GOVERNING LAW. This Pledge and Security Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 5.10. LIMITATIONS ON THE DUTIES OF THE TRUSTEE. The Trustee enters into and accepts this Pledge and Security Agreement upon the terms and conditions set forth in the Intercreditor Agreement and the Indenture with the same force and effect as if those terms and conditions were repeated at length herein and made applicable to the Trustee in respect of this Pledge and Security Agreement and in respect of any action taken, suffered or omitted to be taken by the Trustee hereunder.

SECTION 5.11. DISCHARGE OF UNIVERSITY'S OBLIGATIONS AND TERMINATION OF THIS PLEDGE AND SECURITY AGREEMENT. When all amounts owed under the Series 2024 Bonds have been paid in full and the Series 2024 Bonds are no longer Outstanding, then, and only then, this Pledge and Security Agreement and the security interests created hereby shall be null

and void and shall be released in due form, at the University's expense; otherwise, it shall remain in full force and effect. No release of this Pledge and Security Agreement, or of the Lien, security interest or assignment created and evidenced hereby, shall be valid unless executed by the Trustee. The Trustee, upon the University's request and at the University's expense, shall deliver to the University all documents evidencing such release. On the date of such discharge, the University shall be released from any and all conditions, terms, covenants or restrictions created or placed upon it by this Pledge and Security Agreement and the University shall not have any further obligation or liability hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the University has caused this Pledge and Security Agreement to be duly executed in its name by an Authorized Representative of the University, as of the day and year first above written.

ST. JOHN FISHER UNIVERSITY

By: _____
Mark D. Harris, DBA
Vice President for Finance and
Administration and Chief Financial Officer

Accepted:

**MANUFACTURERS AND TRADERS
TRUST COMPANY, as Trustee**

By: _____
M. Anthony Argenio, Vice President

STATE OF NEW YORK)
COUNTY OF MONROE)

On the ___ day of June in the year 2024 before me, the undersigned, personally appeared **Mark D. Harris**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF ERIE)

On the ___ day of June in the year 2024 before me, the undersigned, personally appeared **M. Anthony Argenio**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F

Form of Intercreditor Agreement

[THIS PAGE INTENTIONALLY LEFT BLANK]

SECOND AMENDED AND RESTATED INTERCREDITOR AGREEMENT (RELATING TO PLEDGED REVENUES)

This **SECOND AMENDED AND RESTATED INTERCREDITOR AGREEMENT**, dated as of June 1, 2024 (this “**Agreement**”), is made by and among **THE BANK OF NEW YORK MELLON**, having its principal corporate trust office located at 240 Greenwich Street, Floor 7E, New York, New York 10286 (the “**2012 Trustee**”), acting solely in its capacity as the 2012 Trustee under the 2012 Indenture (as defined below) and **MANUFACTURERS AND TRADERS TRUST COMPANY** having its principal corporate trust office located at 285 Delaware Avenue, 3rd Floor, Buffalo, New York 14202 (the “**2024 Trustee**”) acting solely in its capacity as the 2024 Trustee under the 2024 Indenture (as defined below), and amends and restates, in its entirety, that certain Intercreditor Agreement, dated as of March 1, 2014, by and among the 2011 Trustee (as defined below), the 2012 Trustee, the 2014 Trustee (as defined below) and accepted by the University (as defined below). The 2012 Trustee and the 2024 Trustee are individually referred to herein as a “**Creditor**” and are collectively referred to herein as the “**Creditors**”.

RECITALS

1. The Monroe County Industrial Development Corporation (“**MCIDC**”) has issued \$13,855,000 aggregate principal amount of its Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2011 (the “**Series 2011 Bonds**”) pursuant to a certain Indenture of Trust, dated as of May 1, 2011, between MCIDC and the 2011 Trustee (as amended from time to time, the “**2011 Indenture**”), which Series 2011 Bonds are being refunded in connection with MCIDC’s issuance of the Series 2024 Bonds (as defined below).

2. The MCIDC has issued \$23,680,000 aggregate principal amount of its Tax-Exempt Revenue Refunding Bonds (St. John Fisher College Project), Series 2012A (the “**Series 2012A Bonds**” or the “**2012A Bonds**”) pursuant to a certain Indenture of Trust, dated as of June 1, 2012, between MCIDC and the 2012 Trustee (as amended from time to time, the “**2012 Indenture**”).

3. The 2012A Bonds are secured by payments made by St. John Fisher University (the “**University**”) to MCIDC and assigned to the 2012 Trustee pursuant to the Loan Agreement, dated as of June 1, 2012, between MCIDC and the University (as amended from time to time, the “**2012 Loan Agreement**”).

4. In order to provide additional security for the 2012A Bonds, the University executed and delivered a certain Pledge and Security Agreement, dated as of June 1, 2012, to the 2012 Trustee (as amended from time to time, the “**2012A Pledge and Security Agreement**”) pursuant to which the University granted to the 2012 Trustee, for the benefit of the holders of the Series 2012A Bonds, a security interest in the Pledged Revenues.

5. The MCIDC has issued \$17,000,000 aggregate principal amount of its Tax-Exempt Revenue Bonds (St. John Fisher College Project), Series 2014A (the “**Series 2014A Bonds**”) pursuant to a certain Indenture of Trust, dated as of March 1, 2014, between MCIDC and the 2014 Trustee (as amended from time to time, the “**2014 Indenture**”), which Series 2014A Bonds are being refunded in connection with MCIDC’s issuance of the Series 2024 Bonds.

6. The MCIDC has issued \$46,980,000 aggregate principal amount of its Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the “**Series 2024 Bonds**” or the “**2024 Bonds**”) pursuant to a certain Indenture of Trust, dated as of June 1, 2024, between MCIDC and the 2024 Trustee (as amended from time to time, the “**2024 Indenture**”).

7. The 2024 Bonds are secured by payments made by the University to MCIDC and assigned to the 2024 Trustee pursuant to the Loan Agreement, dated as of June 1, 2024, between MCIDC and the University (as amended from time to time, the “**2024 Loan Agreement**”).

8. In order to provide additional security for the 2024 Bonds, the University executed and delivered a certain Pledge and Security Agreement, dated as of June 1, 2024, to the 2024 Trustee (as amended from time to time, the “**2024 Pledge and Security Agreement**”) pursuant to which the University granted to the 2024 Trustee, for the benefit of the holders of the Series 2024 Bonds, a security interest in the Pledged Revenues.

9. The Creditors wish to enter into a written agreement describing their relative priorities, rights and duties with respect to the Pledged Revenues resulting from the enforcement of such remedies by any one or more of the Creditors.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Definitions. The following terms shall have the meanings assigned to them below in this Section 1 or in the provisions of this Agreement referred to below:

“**Bonds**” means collectively the Series 2012A Bonds and the Series 2024 Bonds.

“**Creditor**” or “**Creditors**” shall have the meaning assigned thereto in the introductory paragraph hereto.

“**Financing Documents**” shall mean collectively the 2012A Bond Documents and the 2024 Bond Documents.

“**MCIDC**” shall have the meaning assigned thereto in the Recitals hereof.

“**Person**” shall mean an individual, partnership, limited liability company, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof.

“**Pledged Revenues**” or “**Gross Revenues**” shall mean all receipts, revenues, income and other money received by the University from any source and all rights to receive the same (including, without limitation, operating revenues and non-operating revenues determined in accordance with generally accepted accounting principles), whether in the form of accounts receivable, contract rights, chattel paper, instruments or other rights, and the proceeds thereof, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the University; *provided, however*, that there shall be excluded from Pledged Revenues gifts, grants, bequests, donations and contributions heretofore or

hereafter made, designated at the time of making thereof by the donor or maker as being for certain specific purposes, and the income derived therefrom, to the extent required by such designation.

“Pledge and Security Agreements” means collectively the 2012A Pledge and Security Agreement and the 2024 Pledge and Security Agreement.

“Proceeds” means any payment, directly or indirectly, from the University to a Creditor after such Creditor has notice of any event of default and acceleration under any of the Financing Documents, whether by voluntary payment by the University, by judicial process, by set off or by other means, including receipt or collection of Pledged Revenues. “Proceeds” shall include all set offs of deposit or investment accounts held by a Creditor, other than accounts held by a Creditor as a fiduciary including any funds held by a trustee pursuant to the terms of the applicable Financing Documents and further, the term “Proceeds” shall not include any payment, recovery or other collection of proceeds realized by a Creditor from any mortgaged property pursuant to a Mortgage or any mortgage title insurance policy in connection therewith.

“University” shall have the meaning assigned thereto in the Recitals hereof.

“2012A Bond Documents” means the 2012 Indenture, the 2012 Loan Agreement, the 2012A Pledge and Security Agreement, the 2012A Bonds, and any and all other easements, licenses, documents or instruments related to any of the foregoing or issued pursuant thereto.

“2012A Bonds” or **“Series 2012A Bonds”** shall have the meaning assigned thereto in the Recitals hereof.

“2012 Indenture” shall have the meaning assigned thereto in the Recitals hereof.

“2012 Loan Agreement” shall have the meaning assigned thereto in the Recitals hereof.

“2012A Pledge and Security Agreement” shall have the meaning assigned thereto in the Recitals hereof.

“2024 Bond Documents” means the 2024 Indenture, the 2024 Loan Agreement, the 2024 Pledge and Security Agreement, the 2024 Bonds, and any and all other easements, licenses, documents or instruments related to any of the foregoing or issued pursuant thereto.

“2024 Bonds” or **“Series 2024 Bonds”** shall have the meaning assigned thereto in the Recitals hereof.

“2024 Indenture” shall have the meaning assigned thereto in the Recitals hereof.

“2024 Loan Agreement” shall have the meaning assigned thereto in the Recitals hereof.

“2024 Pledge and Security Agreement” shall have the meaning assigned thereto in the Recitals hereof.

SECTION 2. Creditors’ Priority of Interests. Upon the occurrence of an event of default and acceleration by any of the Creditors under any of the Financing Documents, any claim held

by each of the Creditors with respect to the Proceeds shall be *pari passu* (i.e., equal and ratable in right without regard to order of priority); the interests of each of the Creditors being co-equal and in proportion to the unpaid outstanding principal amount of the Series 2012A Bonds and the Series 2024 Bonds (net of any cash or investments held as security therefor), whether or not each such Creditor has accelerated repayment of such principal amount. The University by signing below agrees, without impairing or otherwise limiting any other rights of any of the Creditors, that the occurrence of an event of default and acceleration of the obligations under any of the Financing Documents by any University shall constitute an event of default under all of the other Financing Documents applicable to each other Creditor, and each other Creditor shall thereupon have the right, upon notice to the University, to accelerate repayment of all obligations owing under the Financing Documents applicable to such other Creditor, whether or not expressly stated in such applicable Financing Documents.

SECTION 3. No Rights to Other Funds. Except as provided in Section 4, nothing in this Agreement shall grant to any of the Creditors any rights to any moneys held by the Creditors pursuant to the terms of the Financing Documents, including moneys from the sale of the Bonds, investment proceeds and moneys from payments made by the University to a Creditor prior to the occurrence of an event of default and acceleration under the Financing Documents.

SECTION 4. Recovery of Proceeds. If any Creditor has notice of an event of default and acceleration under any of the Financing Documents, and such Creditor receives or recovers any Proceeds, which Proceeds are not also shared with the other Creditors in accordance with this Agreement, such Creditor receiving such Proceeds shall, after allowing for the recovery of the initiating Creditor's costs, fees and expenses of collection, including reasonable attorneys' fees directly related to such recoveries, hold such Proceeds in trust and promptly, with the effect as of the date of receipt of such Proceeds, make its applicable payment to the other non-receiving Creditors so as to effectuate and implement the terms of this Agreement. Each Creditor that is a trustee shall only deposit into the funds or accounts held under the applicable Financing Documents for application to all amounts then due and payable under such Financing Documents or as security for the repayment of all obligations then or thereafter payable under the applicable Financing Documents, the net amount remaining of such payment after such sharing has been accomplished in accordance with this Agreement.

SECTION 5. Reserved.

SECTION 6. Additional Creditors. In accordance with the Financing Documents and the Pledge and Security Agreements, the University may issue, incur or assume long-term indebtedness secured by a lien on Pledged Revenues pursuant to additional financing documents (the "**Additional Documents**"), which upon the occurrence of any event of default under any of the Financing Documents or Pledge and Security Agreements, or under the Additional Documents, and acceleration of any of the obligations under any of the Financing Documents or Additional Documents, is *pari passu* with the lien on the Pledged Revenues granted by the Pledge and Security Agreements (the "**Parity Obligations**"). Any holder of such Parity Obligations shall be required, as a condition to the University issuing such Parity Obligations, to become a party to this Agreement, as a Creditor, and agree to be bound by the terms hereof. To the extent that Parity Obligations are issued by or on behalf of the University as permitted by the Financing Documents and the Pledge and Security Agreements, each Creditor agrees that it will not unreasonably

withhold its consent to the execution of any amendment or modification of this Agreement necessary to allow the addition of a party, as a Creditor, hereto.

SECTION 7. Termination. This Agreement is a continuing agreement, and, unless each Creditor has specifically consented to its earlier termination in writing, this Agreement shall remain in full force and effect in all respects, against each Creditor, until such time as the claims of such Creditor are satisfied in full.

SECTION 8. Effect of Bankruptcy. This Agreement shall be enforceable notwithstanding any bankruptcy or other insolvency proceeding by or against the University.

SECTION 9. Notice of Default and Actions. Each Creditor agrees to give each other Creditor prompt written notice of the occurrence of an event of default known to it under an applicable Financing Document to which it is a party, including by assignment, or made for its benefit or by which it is benefited. In addition, each Creditor agrees to give each other Creditor not less than fifteen (15) days prior notice of its intention to commence any action or proceeding based upon an event of default under any such agreement or instrument. The failure of a Creditor to give any such notice shall not nullify or otherwise adversely affect or impair the validity of any notice or declaration of default under any of said agreements or instruments given by such party to the University.

SECTION 10. Information. The Creditors agree to furnish each other with such information regarding the University as is readily available to them, which at such times may be reasonably requested by the others. The Creditors agree that upon the occurrence of an event of default each Creditor shall provide the others, upon reasonable request, periodic accountings of the amount of such Creditor's claims, giving effect to the application of any Proceeds recovered by such Creditor. The University hereby consents to the furnishing of financial information among and between the Creditors, and releases the Creditors from any claims or liability arising from the failure to furnish such information or from any error in the information furnished.

SECTION 11. Marshalling. No Creditor shall be required to marshal any present or future collateral security for, or other assurances of payment for the Bonds or to resort to such collateral security or other assurances of payment in any particular order, and each Creditor's rights in respect of such collateral security and other rights, however existing or arising, may be exercised in any order. To the extent that it lawfully may, each Creditor hereby agrees that it will not invoke any law relating to the marshalling of collateral by which the Bonds are secured or payment thereof is otherwise assured, and, to the extent that each Creditor lawfully may, each Creditor hereby irrevocably waives the benefits of all such laws.

SECTION 12. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 13. Headings. Section headings used in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement for any purpose or affect the construction of the Agreement.

SECTION 14. Notices. Except as otherwise provided herein, any notice or demand required or permitted to be given hereunder shall be delivered personally or by telecopy or by

overnight courier or mailed by certified or express mail, return receipt requested, to the following addresses and shall be deemed to have been received when delivered personally, one (1) Business Day after delivery to overnight courier, or three (3) Business Days after mailing:

If to the 2012 Trustee:

The Bank of New York Mellon
240 Greenwich Street, Floor 7E
New York, New York 10286
Attention: Corporate Trust Department

If to the 2024 Trustee:

Manufacturers and Traders Trust Company
285 Delaware Avenue, 3rd Floor
Buffalo, New York 14202
Attention: Corporate Trust

If to the University:

St. John Fisher University
3690 East Avenue
Rochester, New York 14618
Attention: Vice President for Financial Affairs and Chief Financial Officer

SECTION 15. Law Governing; Consent to Jurisdiction; and Jury Trial Waiver. This Agreement shall be governed by the laws of the State of New York without regard to its principles of conflicts of laws. EACH OF THE CREDITORS AND THE UNIVERSITY CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY ANY OF THEM AND ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT, OR ANY OF THE PLEDGED REVENUES, TO THE NONEXCLUSIVE JURISDICTION OF ANY COURT THAT IS A COURT OF RECORD OF THE STATE OF NEW YORK OR THE UNITED STATES; WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING, WAIVES PERSONAL SERVICE OF PROCESS IN EACH SUCH ACTION AND OTHER LEGAL PROCEEDING, AND CONSENTS TO THE MAKING OF SERVICE OF PROCESS IN EACH SUCH ACTION AND OTHER LEGAL PROCEEDING BY REGISTERED OR CERTIFIED MAIL DIRECTED TO SUCH CREDITOR OR THE UNIVERSITY AT THE ADDRESS FOR NOTICES FOR SUCH CREDITOR OR THE UNIVERSITY UNDER SECTION 14 HEREOF. EACH OF THE CREDITORS AND THE UNIVERSITY WAIVE ANY RIGHT TO TRIAL BY JURY ANY OF THEM MAY HAVE ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT.

SECTION 16. Entire Agreement; Amendments. This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and no modification, rescission, waiver, release or amendment of any provision of this Agreement nor consent to any departure by any Creditor

therefrom shall in any event be effective unless the same shall be in writing and be duly executed by each of the Creditors and consented to by the University.

SECTION 17. Counterparts. This Agreement may be executed simultaneously in two or more counterparts each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

SECTION 18. No Waivers. No course of dealing and no delay or omission by any Creditor in exercising any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

SECTION 19. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 20. No Third Party Beneficiaries. Except as provided in Section 6 hereof, all of the covenants and terms of this Agreement are solely for the benefit of the Creditors and their successors and assigns, and there are no third parties, including the University, who are intended to benefit in any way from this Agreement. The University by signing below agrees to be bound by the terms of this Agreement.

SECTION 21. No Agency, Securities or Joint Venture. No Creditor, by execution of the Agreement, shall be deemed to be the agent of any other Creditors or to have authorized any other Creditors to act on its behalf other than as expressly provided herein. Each Creditor has made and shall continue to make its own independent investigation of the financial affairs and condition of the University. No Creditor intends to create, under this Agreement, a joint venture, partnership or other form of business entity. Each party shall act independently except as expressly set forth in this Agreement.

SECTION 22. Amendment and Restatement. This Agreement amends and restates the Amended and Restated Intercreditor Agreement, dated as of March 1, 2014, by and among the 2011 Trustee, the 2012 Trustee, and the 2014 Trustee, and accepted by the University, in its entirety.

[Signature Page Follows]

[Signature Page – Amended and Restated Intercreditor Agreement]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed as of the date first above written.

THE BANK OF NEW YORK MELLON,
acting solely in its capacity as 2012 Trustee

By: _____
Name: _____
Title: _____

**MANUFACTURERS AND TRADERS
TRUST COMPANY,**
acting solely in its capacity as 2024 Trustee

By: _____
M. Anthony Argenio, Vice President

ACCEPTED AND AGREED:

ST. JOHN FISHER UNIVERSITY

By: _____
Mark D. Harris, DBA
Vice President for Finance & Administration
and Chief Financial Officer

[Acknowledgment Page Follow]

[Acknowledgment Page to Intercreditor Agreement]

STATE OF _____)
: ss.
COUNTY OF _____)

On the ____ day of _____, in the year 2024, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
: ss.
COUNTY OF _____)

On the ____ day of June, in the year 2024, before me, the undersigned, personally appeared **M. ANTHONY ARGENIO**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
: ss.
COUNTY OF MONROE)

On the ____ day of June, in the year 2024, before me, the undersigned, personally appeared **MARK D. HARRIS**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX G

Form of Continuing Disclosure Agreement

[THIS PAGE INTENTIONALLY LEFT BLANK]

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this “Disclosure Agreement”) is executed and delivered by St. John Fisher University (the “University”) and Manufacturers and Traders Trust Company, as trustee (the “Trustee”), under an Indenture of Trust dated as of June 1, 2024 (the “Indenture”) between the Monroe County Industrial Development Corporation (the “Issuer”) and the Trustee, and is executed and delivered in connection with the issuance by the Issuer of its Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 (the “Series 2024 Bonds”). The proceeds of the Series 2024 Bonds are being loaned by the Issuer to the University pursuant to a Loan Agreement dated as of June 1, 2024 between the Issuer and the University (the “Loan Agreement”). The University and the Trustee covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the University and the Trustee for the benefit of the Bondholders of the Series 2024 Bonds and in order to assist Morgan Stanley & Co. LLC and KeyBanc Capital Markets Inc. (each an “Underwriter” and collectively, the “Underwriters”) in complying with the Rule (defined below). The University and the Trustee acknowledge that the Issuer has undertaken no 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 Series 2024 Bonds, with respect to any such reports, notices or disclosures.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture and the Loan Agreement, which are hereby incorporated herein by reference, unless otherwise defined in this Section, the following capitalized terms used in this Disclosure Agreement shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the University pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Bondholder” or “Holder” shall mean any holder of the Series 2024 Bonds.

“Disclosure Representative” shall mean any officer of the University or his, her or its designee, or such other person as the University shall designate in writing to the Trustee from time to time.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system.

“Financial Obligation” means a (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the period from June 1 through the following May 31, or such other period of twelve (12) consecutive calendar months designated by the University as its fiscal year.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Agreement.

“Notice Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

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

“SEC” shall mean the U.S. Securities and Exchange Commission.

“Securities Exchange Act” shall mean the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) On an annual basis, the University shall, not later than one hundred fifty (150) days following the end of each Fiscal Year of the University, commencing with the Fiscal Year ending May 31, 2024, provide to the MSRB an Annual Report. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement.

(b) If an Annual Report has not been provided to the MSRB by the date required in subsection (a), the University shall send notice to the MSRB in substantially the form attached hereto as Exhibit A.

SECTION 4. Content of Annual Reports.

The University’s Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements for the University prepared in accordance with generally accepted accounting principles (“GAAP”), which shall include, without limitation, a presentation of the University’s results in accordance with GAAP for at least the two (2) most recent fiscal years for which that information is currently available.

(b) Operating information in the form included in Appendix A of the Official Statement under the captions “ACCREDITATIONS AND AFFILIATIONS,” “FACULTY AND STAFF,” “ACADEMIC PROGRAMS,” “ADMISSIONS STATISTICS,” “ENROLLMENT SUMMARY,” “FIRST-YEAR STUDENT GEOGRAPHIC PROFILE,” “TRANSFER AND GRADUATE ENROLLMENT STATISTICS,” “MAJORS RANKED BY HIGHEST ENROLLMENT,” “RETENTION,” “DEGREES CONFERRED,” “TUITION AND CHARGES,” “FINANCIAL AID,” “INSURANCE” and “LITIGATION.”

(c) Financial information in the form included in Appendix A of the Official Statement under the captions “SUMMARY FINANCIAL INFORMATION,” “INVESTMENTS,” “FUNDRAISING ACTIVITIES,” “PROPERTY AND EQUIPMENT” and “OUTSTANDING INDEBTEDNESS.”

The University agrees that the financial statements provided pursuant to Sections 3 and 4 of this Disclosure Agreement shall be prepared in conformity with generally accepted accounting principles (to the extent applicable), as in effect from time to time. Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the University is an “obligated person” (as defined by the Rule), which have been filed with the MSRB or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The University shall clearly identify each other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices by the University upon the occurrence of any of the following Notice Events:

1. principal or interest payment delinquencies on the Series 2024 Bonds;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancement reflecting financial difficulties;
5. substitution of credit or liquidity providers or its 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 of determinations with respect to the tax status of the Series 2024 Bonds, or other material events affecting the tax status of the Series 2024 Bonds;
7. modifications to the rights of the Bondowners, if material;
8. Series 2024 Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Series 2024 Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the University;
13. the consummation of a merger, consolidation, or acquisition involving the University or the sale of all or substantially all of the assets of the University, 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 University, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the University, any of which affect Bondholders, if material; and

16. default, event of accelerations, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the University, any of which reflect financial difficulties.

(b) Whenever the University obtains knowledge of the occurrence of a Notice Event, the University shall provide, in a timely manner not in excess of ten (10) Business Days after the occurrence of such Notice Event, notice of such Notice Event to (i) the MSRB, (ii) the Trustee and (iii) the Issuer.

SECTION 6. Termination of Reporting Obligation. The University's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Series 2024 Bonds.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the University and the Trustee may amend this Disclosure Agreement (and the Trustee shall agree to any amendment not modifying or otherwise affecting its duties, obligations or liabilities in such a way as they are expanded or increased) and any provision of this Disclosure Agreement may be waived, if all of the following conditions are satisfied: (a) such amendment is made in connection with a change in circumstances that arises, from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the University or the type of business conducted thereby, (b) this Disclosure Agreement as so amended would have complied with the requirements of the Rule as of the date of this Disclosure Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (c) the University shall have delivered an opinion of counsel, addressed to the Issuer, the University and the Trustee, to the same effect as set forth in clause (b) above, (d) either (i) the b shall have delivered to the Issuer and the Trustee an opinion of counsel unaffiliated with the University (such as bond counsel) and acceptable to the University, to the effect that the amendment does not materially impair the interests of the Holders of the Series 2024 Bonds or (ii) the Holders of the Series 2024 Bonds consent to the amendment to this Disclosure Agreement pursuant to the same procedures as are required for amendments to the Indenture with consent of the Holders of the Series 2024 Bonds pursuant to the Indenture as in effect on the date of this Disclosure Agreement, and (e) the University shall have delivered copies of such opinion(s) and amendment to the MSRB. The Trustee may rely and act upon such opinions.

SECTION 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of the occurrence of a Notice Event, in addition to that which is required by this Disclosure Agreement. If the University

chooses to include any information in any Annual Report or notice of occurrence of a Notice Event in addition to that which is specifically required by this Disclosure Agreement, the University shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Notice Event.

SECTION 9. Default. In the event of a failure of the University or the Trustee to comply with any provision of this Disclosure Agreement, the Trustee may (and, any of the Holders of at least 25% of the aggregate principal amount of Outstanding Series 2024 Bonds who have provided security and indemnity deemed acceptable to the Trustee, shall) or any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the University, or the Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the University or the Trustee to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Transmission of Notices, Documents and Information.

(a) Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB pursuant to this Disclosure Agreement shall be provided to EMMA, the current internet web address of which is www.emma.msrb.org.

(b) All notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the University, the Trustee, the Underwriters and the Bondholders, and shall create no rights in any other person or entity.

SECTION 12. Effective Date. This Agreement shall be effective upon the issuance of the Series 2024 Bonds.

SECTION 13. Disclaimer. No Annual Report or notice of a Notice Event filed by or on behalf of the University under this Disclosure Agreement shall obligate the University to file any information regarding matters other than those specifically described in Section 3 and Section 5 hereof, nor shall any such filing constitute a representation by the University or raise any inference that no other material events have occurred with respect to the University or the Series 2024 Bonds or that all material information regarding the University or the Bonds has been disclosed. The University shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

SECTION 14. 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.

SECTION 15. Notices. The parties hereto may be given notices required hereunder at the addresses set forth for them in the Loan Agreement or the Indenture.

SECTION 16. Non-Recourse. The obligations of the University hereunder are obligations exclusively of the corporate entity only and are not obligations of any past, present or future director or officer of the University.

SECTION 17. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of New York, and by applicable federal laws.

[Remainder of page left blank intentionally]

Dated as of June 1, 2024

ST. JOHN FISHER UNIVERSITY

By: _____
Name:
Title:

MANUFACTURERS AND TRADERS
TRUST COMPANY

By: _____
Name:
Title:

[Signature page to Continuing Disclosure Agreement]

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

NOTICE IS HEREBY GIVEN that St. John Fisher University (the “University”) has not yet provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement by and between the University and Manufacturers and Traders Trust Company (the “Trustee”) dated as of June 1, 2024.

Dated: _____

ST. JOHN UNIVERSITY

By: _____
Name:
Title:

APPENDIX H

Form of Approving Opinion of Bond Counsel

June 27, 2024

Monroe County Industrial Development Corporation
Rochester, New York

Re: \$46,980,000
Monroe County Industrial Development Corporation
Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024

Ladies and Gentlemen:

We have acted as bond counsel to the Monroe County Industrial Development Corporation (Rochester, New York) (the “**Issuer**”), in connection with the issuance on the date hereof by the Issuer of its Tax-Exempt Revenue Bonds (St. John Fisher University Project), Series 2024 in the aggregate principal amount of \$46,980,000 (the “**Series 2024 Bonds**”). The Series 2024 Bonds are authorized to be issued pursuant to:

- (i) Section 1411 of the New York Not-for-Profit Corporation Law (the “**Act**”),
- (ii) the Bond Resolution duly adopted by the Issuer on May 8, 2024 (the “**Resolution**”), and
- (iii) the Indenture of Trust, dated as of June 1, 2024 (the “**Indenture**”), by and between the Issuer and Manufacturers and Traders Trust Company, as trustee for the benefit of the Owners of the Series 2024 Bonds (the “**Trustee**”).

The Series 2024 Bonds are being issued to finance and refinance the costs of the Project (as defined in the Indenture).

The Issuer will loan the proceeds of the Series 2024 Bonds to St. John Fisher University (the “**University**”), a not-for-profit education corporation chartered and existing under the laws of the State of New York and a Section 501(c)(3) organization exempt from federal income taxation pursuant to Section 501(a) of the Internal Revenue Code of 1986, as amended (the “**Code**”), pursuant to the terms of a Loan Agreement, dated as of June 1, 2024 (the “**Loan Agreement**”), between the Issuer and the University.

The obligations of the University under the Loan Agreement will be evidenced by a Promissory Note, dated June 27, 2024 (the “**Promissory Note**”), which Promissory Note will be endorsed by the Issuer to the Trustee.

The Issuer and the University have entered into a Tax Regulatory Agreement, dated the date hereof (the “**Tax Regulatory Agreement**”), in which the Issuer and the University have made certain representations and covenants, established certain conditions and limitations and created certain expectations, relating to compliance with the requirements imposed by the Code.

Morgan Stanley & Co. LLC and KeyBanc Capital Markets Inc. (collectively, the “**Underwriters**”) have agreed to purchase the Series 2024 Bonds pursuant to the terms of a Bond Purchase Agreement, dated June 13, 2024 (the “**Bond Purchase Agreement**”), among the Issuer, Morgan Stanley & Co. LLC, as the representative of the Underwriters, and the University.

Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in Section 1.01 of the Indenture.

The Series 2024 Bonds are dated the date hereof, and bear interest from the date thereof pursuant to the terms of the Series 2024 Bonds. The Series 2024 Bonds are subject to prepayment or redemption prior to maturity, as a whole or in part, at such time or times, under such circumstances and in such manner as is set forth in the Series 2024 Bonds and the Indenture.

As bond counsel, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates and documents (including all documents constituting the Record of Proceedings with respect to the issuance of the Series 2024 Bonds) as we have deemed necessary or appropriate for the purposes of the opinions rendered below. In such examination, we have assumed the genuineness of all signatures, the authenticity and due execution of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion, without having conducted any independent investigation, we have relied upon, and assumed the accuracy and truthfulness of, the aforesaid instruments, certificates and documents.

In rendering the opinions set forth below, we have relied upon, among other things, certain representations and covenants made by the parties in this transaction including: (i) the University in (a) the Bond Purchase Agreement; (b) the Tax Regulatory Agreement; (c) the Loan Agreement; (d) the Promissory Note; (e) the General Certificate of the University, dated of even date herewith; (f) the Continuing Disclosure Agreement, dated June 27, 2024 (the “**Continuing Disclosure Agreement**”), between the University and Manufacturers and Traders Trust Company, as dissemination agent; and (g) the Bond Counsel Due Diligence Questionnaire submitted to us by the University, as amended and supplemented; and (ii) the Issuer in (a) the Indenture; (b) the Tax Regulatory Agreement; (c) the Loan Agreement; (d) the Promissory Note; (e) the Certificate of Determination, dated the date hereof; and (f) the General Certificate of the Issuer, dated the date hereof.

We call your attention to the fact that there are certain requirements with which the Issuer and the University must comply after the date of issuance of the Series 2024 Bonds in order for the interest on the Series 2024 Bonds to remain excluded from gross income for Federal income tax purposes. Copies of the aforementioned documents are included in the Record of Proceedings or on file with Bond Counsel.

In addition, in rendering the opinions set forth below, we have relied upon the opinions of counsel to the University, Hodgson Russ LLP, Rochester, New York, and counsel to the Trustee, Barclay Damon LLP, Syracuse, New York, all of even date herewith. Copies of the aforementioned opinions are contained in the Record of Proceedings.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Issuer is a duly organized and existing corporate entity constituting a local development corporation of the State of New York.
2. The Issuer is duly authorized to issue, execute, sell and deliver the Series 2024 Bonds, for the purpose of paying the costs described above.
3. The Resolution has been duly adopted by the Issuer and is in full force and effect.
4. The Indenture, the Tax Regulatory Agreement, the Loan Agreement and the Bond Purchase Agreement (collectively, the “**Issuer Documents**”) have been duly authorized, executed and delivered by the Issuer.
5. Assuming the due authorization, execution and delivery of the Issuer Documents by the other parties thereto, the Issuer Documents are legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms.
6. The Series 2024 Bonds have been duly authorized, executed and delivered by the Issuer and are legal, valid and binding special obligations of the Issuer payable solely from the revenues derived from the Loan Agreement, enforceable against the Issuer in accordance with their respective terms.
7. The Series 2024 Bonds do not constitute a debt of the State of New York or Monroe County, New York and neither the State of New York nor Monroe County, New York will be liable thereon.
8. The Code sets forth certain requirements which must be met subsequent to the issuance and delivery of the Series 2024 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 2024 Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issuance of the Series 2024 Bonds. Pursuant to the Indenture, the Loan Agreement and the Tax Regulatory Agreement, the Issuer and the University have covenanted to maintain the exclusion from gross income of the interest on the Series 2024 Bonds pursuant to Section 103 of the Code. In addition, the Issuer and the University have made certain representations and certifications in the Indenture, the Loan Agreement and the Tax Regulatory Agreement. We are also relying on the opinion of counsel to the University as to all matters concerning the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code, and that the intended use of the facilities financed or refinanced with proceeds of Series 2024 Bonds will be in furtherance of the University’s exempt purposes under Section 501(c)(3) of the Code. We have not independently verified the accuracy of those certifications and representations or those opinions.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Series 2024 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. Interest on the Series 2024 Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the “adjusted financial statement income” of such corporations.

9. Under existing law, interest on the Series 2024 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision of the State of New York, assuming compliance with the tax covenants and the accuracy of the representations and certifications described in paragraph 8 herein.

Except as stated in paragraphs 8 and 9, 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 2024 Bonds. Furthermore, we express no opinion as to any Federal, state or local tax law consequences with respect to the Series 2024 Bonds, or the interest thereon, if any action is taken with respect to the Series 2024 Bonds or the proceeds thereof upon the advice or approval of other counsel.

The foregoing opinions are qualified to the extent that the enforceability of the Series 2024 Bonds, the Indenture, the Loan Agreement, the Tax Regulatory Agreement and the Bond Purchase Agreement may be limited by bankruptcy, insolvency or other laws or enactments now or hereafter enacted by the State of New York or the United States affecting the enforcement of creditors’ rights and by restrictions on the availability of equitable remedies and to the extent, if any, that enforceability of the indemnification provisions of such documents may be limited under law. We express no opinion with respect to the availability of any specific remedy provided for in any of the Bond Documents.

In rendering the foregoing opinions, we are not passing upon and do not assume any responsibility for the accuracy, completeness, sufficiency or fairness of any documents, information or financial data supplied by the Issuer, the University or the Trustee in connection with the Series 2024 Bonds, the Indenture, the Loan Agreement, the Tax Regulatory Agreement, the Continuing Disclosure Agreement, the Bond Purchase Agreement and the Project, and we make no representation that we have independently verified the accuracy, completeness, sufficiency or fairness of any such documents, information or financial data.

We express no opinion with respect to the registration requirements under the Securities Act of 1933, as amended, the registration or qualification requirements under the Trust Indenture Act of 1939, as amended, the registration, qualification or other requirements of State Securities laws or the availability of exemptions therefrom.

We express no opinion as to the sufficiency of the description of the Project contained in the Loan Agreement or as to the adequacy, perfection or priority of any security interest in any collateral securing the Series 2024 Bonds.

We express no opinion with respect to whether the Issuer or the University (i) have complied with environmental laws, (ii) have obtained any or all necessary governmental approvals, consents or permits in connection with the construction, renovation, equipping,

furnishing and operation of the Facility, or (iii) have complied with the New York Labor Law or other applicable laws, rules, regulations, orders and zoning and building codes, all in connection with the construction, renovation, equipping, furnishing and operation of the Facility.

The opinions expressed herein may be relied upon by the addressee and may not be relied upon by any other person without our prior written consent.

Very truly yours,

[THIS PAGE INTENTIONALLY LEFT BLANK]

