

NEW ISSUE

**\$162,650,000**
**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
THE ROCKEFELLER UNIVERSITY REVENUE BONDS**
\$73,285,000**Series 2019B****(Green Bonds)****\$89,365,000****Series 2019C****Dated: Date of Delivery****Due: July 1, as shown on the inside cover**

Payment and Security: The Rockefeller University Revenue Bonds, Series 2019B (Green Bonds) (the "Series 2019B Bonds") and the Rockefeller University Revenue Bonds, Series 2019C (the "Series 2019C Bonds" and, together with the Series 2019B Bonds, the "Series 2019BC Bonds") are special limited obligations of the Dormitory Authority of the State of New York (the "Authority" or "DASNY"), payable solely from, and secured by a pledge of (i) certain payments to be made under the Loan Agreement dated as of October 31, 2001, as amended and supplemented, including as proposed to be amended by the Proposed Loan Agreement Amendments (as defined and described herein) (the "Loan Agreement"), between The Rockefeller University (the "University" or "Rockefeller") and the Authority, and (ii) all funds and accounts (except the Arbitrage Rebate Fund and any fund established for the payment of the Purchase Price of Option Bonds tendered for purchase) established under the Authority's The Rockefeller University Revenue Bond Resolution, adopted October 31, 2001, as amended (the "Resolution"), a Series Resolution authorizing the issuance of the Series 2019B Bonds adopted on March 6, 2019 (the "Series 2019B Resolution") and a Series Resolution authorizing the issuance of the Series 2019C Bonds adopted on March 6, 2019 (the "Series 2019C Resolution" and, together with the Series 2019B Resolution, the "Series 2019BC Resolutions").

The Loan Agreement is a general, unsecured obligation of the University and requires the University to pay, in addition to the fees and expenses of the Authority and the Trustee, amounts sufficient to pay, when due, the principal, Sinking Fund Installments, if any, Purchase Price and Redemption Price of and interest on all Bonds issued under the Resolution, including the Series 2019BC Bonds. **All purchasers of the Series 2019BC Bonds will be bound by the consent of the Representative (as defined herein) of the Underwriters to the Proposed Loan Agreement Amendments described herein, and by their purchase of the Series 2019BC Bonds and acceptance of the delivery thereof, will be deemed to have consented to the Proposed Loan Agreement Amendments. See "PART 2- SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2019BC BONDS – Proposed Amendments to the Loan Agreement" herein. The Authority and the University expect the representative of the underwriters of the Series 2019A Bonds (as defined herein) will also consent to the Proposed Loan Agreement Amendments.**

The Series 2019BC Bonds will not be a debt of the State of New York nor will the State be liable thereon. The Authority has no taxing power.

Description: The Series 2019BC Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The Series 2019BC Bonds will bear interest (payable July 1, 2020 and each January 1 and July 1 thereafter) at the rates and will mature as shown on the inside cover.

The Series 2019BC Bonds will be issued initially under a Book-Entry Only System, registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2019BC Bonds will be made in book-entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2019BC Bonds, payments of the principal, Purchase Price and Redemption Price of and interest on the Series 2019BC Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement to beneficial owners is the responsibility of DTC participants. See "PART 3 - THE SERIES 2019BC BONDS - Book-Entry Only System" herein.

Wells Fargo Bank, National Association, will be the Trustee and Paying Agent for the Series 2019BC Bonds.

Redemption and Purchase in Lieu of Redemption: *The Series 2019BC Bonds are subject to redemption and purchase in lieu of optional redemption prior to maturity as more fully described herein.*

Tax Exemption: In the opinion of Nixon Peabody LLP ("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 Authority and the University described herein, interest on the Series 2019BC 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 such interest 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, under existing law, interest on the Series 2019BC Bonds is exempt from personal income taxation imposed by the State of New York or any political subdivision thereof. See "PART 11 - TAX MATTERS" herein.

The Series 2019BC Bonds are offered when, as, and if issued and received by the Underwriters. The offer of the Series 2019BC Bonds may be subject to prior sale, or withdrawn or modified at any time without notice. The offer is subject to the approval of legality by Nixon Peabody LLP, New York, New York, Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the University by its special counsel, Orrick Herrington & Sutcliffe LLP, New York, New York. Certain legal matters will be passed upon for the Underwriters by their counsel, Katten Muchin Rosenman LLP, New York, New York. The Authority expects to deliver the Series 2019BC Bonds in definitive form in New York, New York, on or about November 26, 2019.

BofA Securities**J.P. Morgan**

\$162,650,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
THE ROCKEFELLER UNIVERSITY REVENUE BONDS

\$73,285,000
SERIES 2019B
(GREEN BONDS)

Interest Payment Dates: Each January 1 and July 1, commencing July 1, 2020

\$73,285,000 5.000% Term Bond Due July 1, 2050, Yield 2.270%, Price 123.421%^C CUSIP Number¹ 64990GVH2

\$89,365,000
SERIES 2019C

Interest Payment Dates: Each January 1 and July 1, commencing July 1, 2020

\$89,365,000 4.000% Term Bond Due July 1, 2049, Yield 2.540%, Price 112.363%^C CUSIP Number¹ 64990GVJ8

^C Priced to July 1, 2029 first optional redemption date.

¹ CUSIP is a registered trademark of the American Bankers Association (“ABA”). CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of S&P Global Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of the holders of the Series 2019BC Bonds. The Authority is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2019BC Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2019BC Bonds.

No dealer, broker, salesperson or other person has been authorized by the Authority, the University or the Underwriters to give any information or to make any representations with respect to the Series 2019BC Bonds, other than the information and representations contained in this Official Statement. If given or made, any such information or representations must not be relied upon as having been authorized by the Authority, the University or the Underwriters.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be a sale of the Series 2019BC Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Certain information in this Official Statement has been supplied by the University and other sources that the Authority believes are reliable. Neither the Authority nor the Underwriters guarantee the accuracy or completeness of such information and such information is not to be construed as a representation of the Authority or the Underwriters. The Authority does not warrant the accuracy of the statements contained herein relating to the University nor does it directly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of security for the Series 2019BC Bonds or (3) the value or investment quality of the Series 2019BC Bonds.

The University has reviewed the parts of this Official Statement describing the University, the Principal and Interest Requirements, the Refunding Plan, the Series 2019B Green Bonds Designation, the Estimated Sources and Uses of Funds and Appendix B. As a condition to delivery of the Series 2019BC Bonds, the University will certify that as of the date of this Official Statement and of delivery of the Series 2019BC Bonds, such parts do not contain any untrue statements of a material fact and do not omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which the statements are made, not misleading. The University makes no representation as to the accuracy or completeness of any other information included in this Official Statement.

The Underwriters have reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities law, but the Underwriters do not guarantee the accuracy or completeness of such information.

References in this Official Statement to the Act, the Resolution, the Series 2019BC Resolutions and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2019BC Resolutions and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2019BC Resolutions and the Loan Agreement are on file with the Authority and the Trustee.

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

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

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DORMITORY AUTHORITY - STATE OF NEW YORK
PAUL G. KOOPMAN – VICE PRESIDENT

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

OFFICIAL STATEMENT RELATING TO

\$162,650,000

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
THE ROCKEFELLER UNIVERSITY REVENUE BONDS

\$73,285,000
Series 2019B
(Green Bonds)

\$89,365,000
Series 2019C

PART 1 — INTRODUCTION

Purpose of the Official Statement

The purpose of this Official Statement, including the cover page, the inside cover page and appendices, is to provide information about the Dormitory Authority of the State of New York (the “Authority” or “DASNY”) and The Rockefeller University (the “University” or “Rockefeller”), in connection with the offering by the Authority of \$73,285,000 principal amount of its The Rockefeller University Revenue Bonds, Series 2019B (Green Bonds) (the “Series 2019B Bonds”) and \$89,365,000 principal amount of its The Rockefeller University Revenue Bonds, Series 2019C (the “Series 2019C Bonds” and, together with the Series 2019B Bonds, the “Series 2019BC Bonds”).

The following is a brief description of certain information concerning the Series 2019BC Bonds, the Authority and the University. A more complete description of such information and additional information that may affect decisions to invest in the Series 2019BC Bonds is contained throughout this Official Statement, which should be read in its entirety. Certain terms used in this Official Statement are defined in Appendix A hereto.

Purpose of the Issue

The Series 2019B Bonds are being issued to (i) finance (a) a new two-story, approximately 157,251 gross square foot laboratory building with two one-story pavilions and privately accessible landscaped green space on its roof (the “Laboratory Building”), (b) a one-story, approximately 3,353 gross square foot conference and meeting pavilion (the “ICC”) located on the “North Terrace” at the north end of an approximately 930-linear-foot platform structure situated largely in air space over the Franklin Delano Roosevelt Drive, and (c) a new privately accessible landscaped area on the North Terrace, located adjacent to the University’s President’s House; and (ii) pay the Costs of Issuance of the Series 2019B Bonds. See “PART 5 – SERIES 2019B GREEN BONDS DESIGNATION” and “PART 6 - ESTIMATED SOURCES AND USES OF FUNDS.”

The Series 2019C Bonds are being issued to (i) refund all of the Authority’s The Rockefeller University Revenue Bonds, Series 2009C (the “Series 2009C Bonds”), currently outstanding in the aggregate principal amount of \$100,000,000; and (ii) pay certain Costs of Issuance of the Series 2019C Bonds. See “PART 4 - THE REFUNDING PLAN” and “PART 6 - ESTIMATED SOURCES AND USES OF FUNDS.”

In addition to the issuance of the Series 2019BC Bonds, the Authority expects to issue approximately \$47,285,000* principal amount of its The Rockefeller University Revenue Bonds, Series 2019A (the “Series 2019A Bonds”) under the Resolution on or about December 11, 2019 to (i) refund all of the Authority’s The Rockefeller University Revenue Bonds, Series 2009A (the “Series 2009A Bonds”), currently outstanding in the aggregate principal amount of \$54,180,000 and to refinance approximately \$5,115,000 of the University’s outstanding bank lines of credit and (ii) pay certain Costs of Issuance of the Series 2019A Bonds.

Authorization of Issuance

The Series 2019BC Bonds will be issued pursuant to the Authority’s The Rockefeller University Revenue Bond Resolution, adopted October 31, 2001, as amended (the “Resolution”), a Series Resolution authorizing the issuance of the Series 2019B Bonds adopted on March 6, 2019 (the “Series 2019B Resolution”), a Series Resolution authorizing the issuance of the Series 2019C Bonds adopted on March 6, 2019 (the “Series 2019C Resolution” and, together with the Series 2019B Resolution, the “Series 2019BC Resolutions”) and the Act. In addition to the Series 2019BC Bonds, the Resolution authorizes the issuance of other Series of Bonds to pay other Costs of one or more Projects, to pay the Costs of Issuance of such Series of Bonds and to refund all or a portion of Outstanding Bonds or other notes or bonds of the Authority issued for the benefit of the University. The Bonds permitted to be issued under the Resolution include Capital Appreciation Bonds, Deferred Income Bonds, Option Bonds and Variable Interest Rate Bonds. All Bonds issued under the Resolution rank on a parity with each other and are secured equally and ratably with each other. There is no limit on the amount of additional Bonds that may be issued under the Resolution. See PART 2 - “SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2019BC BONDS.”

The Authority

The Authority is a public benefit corporation of the State, created for the purpose of financing and constructing a variety of public-purpose facilities for certain educational, healthcare, governmental and not-for-profit institutions. See “PART 8 - THE AUTHORITY.”

The University

The University is an independent, nonsectarian, not-for-profit center for advanced study and research in the natural sciences chartered by the Board of Regents of the State of New York. The University’s principal facilities are located on the upper east side of Manhattan in The City of New York. See “PART 7 - THE UNIVERSITY,” including Part 7 – “The University – Litigation and Other Contingent Liabilities” for a discussion of certain claims against the University and “Appendix B - Financial Statements of The Rockefeller University (With Independent Auditors’ Report Thereon).”

The University is unable to predict whether its litigation liabilities will be covered by insurance or whether any amounts not covered by insurance will be material.

The Series 2019BC Bonds

The Series 2019BC Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2020 and on each January 1 and July 1 thereafter) at the rates and will mature on the dates set forth on the inside cover page of this Official Statement. See “PART 3 - THE SERIES 2019BC BONDS - Description of the Series 2019BC Bonds.”

Payment of the Series 2019BC Bonds

The Series 2019BC Bonds and all other Bonds which have been and may be issued under the Resolution are special obligations of the Authority payable solely from the Revenues, which consist of certain payments to be made by the University under the Loan Agreement dated as of October 31, 2001, as amended and supplemented, including as proposed to be amended by the Proposed Loan Agreement Amendments (as defined and described herein) (the “Loan Agreement”), which payments are pledged and assigned to Wells Fargo Bank, National Association, as the trustee (the “Trustee”). The Loan Agreement is a general, unsecured obligation of the University. See “PART 2 -

* Preliminary, subject to change.

SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2019BC BONDS - Payment of the Series 2019BC Bonds.”

Security for the Series 2019BC Bonds

The Series 2019BC Bonds are secured equally with all other Bonds which have been and may be issued under the Resolution by the pledge of the Revenues, the proceeds of the Bonds and, except as otherwise provided in the Resolution, all funds and accounts established by the Resolution and any Series Resolution other than the Arbitrage Rebate Fund and any fund established for the payment of the Purchase Price of Option Bonds tendered for purchase.

The Loan Agreement is a general, unsecured obligation of the University. No security interest in any revenues or assets of the University has been granted by the University to the Authority under the Loan Agreement. However, pursuant to the Loan Agreement, the University may incur debt secured by a lien and pledge of revenues of the University without granting to the Authority any security interest in any revenues to secure the University’s obligations under the Loan Agreement. See “PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2019BC BONDS - Security for the Series 2019BC Bonds” and “- Issuance of Additional Bonds.”

The Series 2019BC Bonds will not be a debt of the State nor will the State be liable thereon. The Authority has no taxing power. Neither the State nor the Authority has any responsibility to make payments with respect to the Series 2019BC Bonds except for the Authority’s responsibility to make payments from money received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts under the Resolution and pledged therefor.

Proposed Amendments to the Loan Agreement

The Loan Agreement is proposed to be amended and restated in order to effect certain proposed amendments (the “Proposed Loan Agreement Amendments”). The consent of the holders of a majority in principal amount of Outstanding Bonds under the Resolution is required for the Proposed Loan Agreement Amendments to become effective. The Proposed Loan Agreement Amendments include (i) the removal of the covenants of the University to (a) engage a Management Consultant upon the occurrence of certain rating downgrades or a withdrawal of ratings by one or more rating agencies and (b) annually furnish (x) a certificate or report of an insurance consultant and (y) certificates demonstrating workers compensation and disability benefits insurance; and (ii) revisions to the process by which the University requisitions bond proceeds. For a discussion of the Proposed Loan Agreement Amendments and the conditions to their becoming effective, see “PART 2 – SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2019BC BONDS – Proposed Amendments to the Loan Agreement” and “Appendix C – Summary of Certain Provisions of the Loan Agreement and Proposed Loan Agreement Amendments.”

Simultaneously with the issuance of the Series 2019BC Bonds, BofA Securities, Inc., as representative of the Underwriters (the “Representative”) will consent to the Proposed Loan Agreement Amendments on behalf of the holders of the Series 2019BC Bonds, as permitted by the Resolution. The Authority and the University expect the representative of the underwriters of the Series 2019A Bonds will also consent to the Proposed Loan Agreement Amendments. All purchasers of the Series 2019BC Bonds will be bound by the consent of the Representative, and by their purchase of the Series 2019BC Bonds and acceptance of the delivery thereof, will be deemed to have consented to the Proposed Loan Agreement Amendments. However, as of their date of delivery, the Series 2019BC Bonds will not constitute a majority of Outstanding Bonds. The Proposed Loan Agreement Amendments will become effective only upon the consent of the holders of a majority in principal amount of Outstanding Bonds under the Resolution and will not be effective upon the issuance of the Series 2019BC Bonds or the Series 2019A Bonds.

PART 2 — SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2019BC BONDS

Set forth below is a narrative description of certain contractual provisions relating to the source of payment of and security for the Series 2019BC Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Act, the Loan Agreement, the Resolution and the Series 2019BC Resolutions. Copies of the Loan Agreement, the Resolution and the Series 2019BC Resolutions are on file with the Authority and the Trustee. See also “Appendix C - Summary of Certain Provisions of the Loan

Agreement and Proposed Loan Agreement Amendments” and “Appendix D - Summary of Certain Provisions of the Resolution” for a more complete statement of the rights, duties and obligations of the parties thereto.

Payment of the Series 2019BC Bonds

The Series 2019BC Bonds and all other Bonds which have been and may be issued under the Resolution will be special obligations of the Authority. The principal, Sinking Fund Installments and Redemption Price of and interest on the Series 2019BC Bonds and all other Bonds which may be issued under the Resolution are payable solely from the Revenues, which consist of payments to be made by the University pursuant to the Loan Agreement on account of the principal, Sinking Fund Installments and Redemption Price of and interest on the Bonds. The Revenues and the right to receive them have been pledged to the Trustee for the benefit of the Bondholders.

The Loan Agreement is a general, unsecured obligation of the University. The Loan Agreement obligates the University to make payments to satisfy the principal, Purchase Price and Redemption Price of and interest on Outstanding Series 2019BC Bonds. Payments made by the University in respect of interest on the Series 2019BC Bonds are to be made on the 10th day of each June immediately preceding the July 1 and on the 10th day of each December immediately preceding the January 1 on which interest is payable, in each case in an amount equal to the interest coming due on the next succeeding interest payment date. Payments by the University in respect of principal are to be made on the 10th day of each June immediately preceding the July 1 on which such principal becomes due. See “PART 3 - THE SERIES 2019BC BONDS - Redemption and Purchase in Lieu of Redemption Provisions.”

The Authority has directed, and the University has agreed, to make such payments directly to the Trustee. Such payments are to be applied by the Trustee to the payment of the principal, Sinking Fund Installments and Redemption Price of and interest on the Series 2019BC Bonds.

Security for the Series 2019BC Bonds

The Series 2019BC Bonds are secured equally with all other Bonds which may be issued under the Resolution by the pledge of the Revenues, the proceeds of the Bonds and, except as otherwise provided in the Resolution, all funds and accounts established by the Resolution and any Series Resolution other than the Arbitrage Rebate Fund and any fund established for the payment of the Purchase Price of Option Bonds tendered for purchase.

The Series 2019BC Bonds will not be a debt of the State nor will the State be liable thereon. The Authority has no taxing power. Neither the State nor the Authority has any responsibility to make payments with respect to the Series 2019BC Bonds except for the Authority’s responsibility to make payments from money received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts under the Resolution and pledged therefor. The Loan Agreement and the obligation of the University to make payments under the Loan Agreement are general, unsecured obligations of the University.

No security interest in any revenues or assets of the University has been granted by the University to the Authority under the Loan Agreement.

Proposed Amendments to the Loan Agreement

The Loan Agreement is proposed to be amended and restated in order to effect the Proposed Loan Agreement Amendments. The consent of the holders of a majority in principal amount of Outstanding Bonds under the Resolution is required for the Proposed Loan Agreement Amendments to become effective. The Proposed Loan Agreement Amendments (i) eliminate the covenants requiring (a) the engagement of a Management Consultant by the University upon the occurrence of certain credit rating events and (b) the University to annually deliver (x) a certificate or report on an insurance consultant and (y) certificates demonstrating workers compensation and disability benefits insurance coverage; and (ii) modify the certifications of the University to be made in connection with the requisition of bond proceeds. For a discussion of the Proposed Loan Agreement Amendments and the conditions to their becoming effective, see “Appendix C – Summary of Certain Provisions of the Loan Agreement and Proposed Loan Agreement Amendments.”

Simultaneously with the issuance of the Series 2019BC Bonds, the Representative will consent to the Proposed Loan Agreement Amendments on behalf of the holders of the Series 2019BC Bonds, as permitted by the Resolution. The Authority and the University expect the representative of the underwriters of the Series 2019A Bonds will also consent to the Proposed Loan Agreement Amendments. All purchasers of the Series 2019BC Bonds will be bound by the consent of the Representative, and by their purchase of the Series 2019BC Bonds and acceptance of the delivery thereof, will be deemed to have consented to the Proposed Loan Agreement Amendments. However, as of their date of delivery, the Series 2019BC Bonds will not constitute a majority of Outstanding Bonds. The Proposed Loan Agreement Amendments will become effective only upon the consent of the holders of a majority in principal amount of Outstanding Bonds under the Resolution and will not be effective upon the issuance of the Series 2019BC Bonds or the Series 2019A Bonds.

Events of Default and Acceleration

The following are events of default under the Resolution: (i) a default in the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on any Bond; (ii) the Authority defaults in the due and punctual performance of the tax covenants contained in the Resolution, and, as a result thereof, the interest on Bonds of a Series will no longer be excludable from gross income under the Code; (iii) a default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Resolution or any Series Resolution on the part of the Authority to be performed and the continuance of such default for 30 days after written notice specifying such default and requiring the same to be remedied has been given to the Authority by the Trustee, which must give such notice at the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds; or (iv) an event of default under the Loan Agreement has been declared and is continuing and all sums payable by the University under the Loan Agreement have been declared immediately due and payable (unless such declaration has been annulled). Unless otherwise specified above, an event of default under the Loan Agreement is not an event of default under the Resolution.

The Resolution provides that if an event of default (other than as described in clause (ii) of the preceding paragraph) occurs and continues and a responsible officer of the Trustee has actual knowledge of such event of default, the Trustee may, and upon the written request of Holders of not less than 25% in principal amount of the Bonds Outstanding, by notice in writing to the Authority, is to declare the principal of and interest on all of the Bonds Outstanding to be immediately due and payable at the expiration of 30 days after such notice is given. At the expiration of 30 days from the giving of such notice, such principal and interest will become immediately due and payable. The Trustee, with the written consent of the Holders of not less than 25% in principal amount of Bonds not yet due by their terms and then Outstanding, will annul such declaration and its consequences under the terms and conditions specified in the Resolution with respect to such annulment.

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

The Resolution provides that the Trustee is to give notice in accordance with the Resolution of each event of default known to the Trustee to the Holders of the Bonds within 30 days after knowledge of the occurrence thereof unless such default has been remedied or cured before the giving of such notice. However, except in the case of default in the payment of the principal, Sinking Fund Installment, if any, or Redemption Price of, or interest on, any of the Bonds, the Trustee is protected in withholding such notice thereof from the Holders if the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders of the Bonds.

Issuance of Additional Bonds

The Resolution authorizes the issuance of other Series of Bonds to finance one or more projects and for other specified purposes including to refund Outstanding Bonds or other notes or bonds of the Authority issued on behalf of the University. The Bonds which may be issued include Fixed Interest Rate Bonds, Capital Appreciation Bonds,

Deferred Income Bonds, Option Bonds and Variable Interest Rate Bonds. There is no limit on the amount of additional Bonds that may be issued under the Resolution or the amount of indebtedness that may be otherwise incurred by the University.

General

The Series 2019BC Bonds will not be a debt of the State nor will the State be liable thereon. The Authority has no taxing power. The Authority has never defaulted in the timely payment of principal or sinking fund installments of or interest on its bonds or notes. See “PART 8 - THE AUTHORITY.”

PART 3 — THE SERIES 2019BC BONDS

Set forth below is a narrative description of certain provisions relating to the Series 2019BC Bonds. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Resolution and the Loan Agreement, copies of which are on file with the Authority and the Trustee. See also “Appendix C - Summary of Certain Provisions of the Loan Agreement and Proposed Loan Agreement Amendments” and “Appendix D - Summary of Certain Provisions of the Resolution” for a more complete description of certain provisions of the Series 2019BC Bonds.

General

The Series 2019BC Bonds will be issued pursuant to the Resolution. The Series 2019BC Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), pursuant to DTC’s Book-Entry Only System. Purchases of beneficial interests in the Series 2019BC Bonds will be made in book-entry form, without certificates. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2019BC Bonds, payments of the principal, Purchase Price and Redemption Price of and interest on the Series 2019BC Bonds will be made by the Trustee directly to Cede & Co. Disbursement of such payments to the DTC Participants (as hereinafter defined) is the responsibility of DTC and disbursement of such payments to the Beneficial Owners of the Series 2019BC Bonds is the responsibility of the DTC Participants and the Indirect Participants (as hereinafter defined). If at any time the Book-Entry Only System is discontinued for the Series 2019BC Bonds, the Series 2019BC Bonds will be exchangeable for fully registered Series 2019BC Bonds in any authorized denominations of the same maturity without charge except the payment of any tax, fee or other governmental charge to be paid with respect to such exchange, subject to the conditions and restrictions set forth in the Resolution. See “- Book-Entry Only System” below and “Appendix D - Summary of Certain Provisions of the Resolution.”

Wells Fargo Bank, National Association, will be the Trustee and Paying Agent for the Series 2019BC Bonds.

Description of the Series 2019BC Bonds

The Series 2019BC Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2020 and on each January 1 and July 1 thereafter) at the rates set forth on the inside cover page of this Official Statement.

The Series 2019BC Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

Interest on the Series 2019BC Bonds will be payable by check mailed to the registered owners. However, at the option of the registered owner of at least \$1,000,000 of Series 2019B Bonds or Series 2019C Bonds, as applicable, interest will be paid on such Bonds by wire transfer to the wire transfer address within the continental United States to which the registered owner has instructed the Trustee to make such payment at least five days prior to the interest payment date. If the Series 2019BC Bonds are not registered in the name of DTC or its nominee, Cede & Co., the principal and Redemption Price of the Series 2019BC Bonds will be payable in lawful money of the United States of America at the designated corporate trust office of the Trustee and Paying Agent.

Redemption and Purchase in Lieu of Redemption Provisions

The Series 2019BC Bonds are subject to optional redemption and purchase in lieu of optional redemption as described below.

Optional Redemption

Series 2019B Bonds

The Series 2019B Bonds are subject to redemption prior to maturity at the election of the Authority on or after July 1, 2029, as a whole or in part at any time, at a Redemption Price equal to 100% of the Series 2019B Bonds to be redeemed, plus accrued interest to the redemption date.

Series 2019C Bonds

The Series 2019C Bonds are subject to redemption prior to maturity at the election of the Authority on or after July 1, 2029, as a whole or in part at any time, at a Redemption Price equal to 100% of the Series 2019C Bonds to be redeemed, plus accrued interest to the redemption date.

Purchase in Lieu of Optional Redemption

Series 2019B Bonds

The Series 2019B Bonds are also subject to purchase in lieu of optional redemption prior to maturity at the election of the Authority on or after July 1, 2029, as a whole or in part at any time, at a price equal to 100% of the principal amount of Series 2019B Bonds to be purchased (the “Series 2019B Purchase Price”), plus accrued interest to the date set for purchase (the “Series 2019B Purchase Date”).

Series 2019C Bonds

The Series 2019C Bonds are also subject to purchase in lieu of optional redemption prior to maturity at the election of the Authority on or after July 1, 2029, as a whole or in part at any time, at a price equal to 100% of the principal amount of Series 2019C Bonds to be purchased (the “Series 2019C Purchase Price” and, the Series 2019B Purchase Price or the Series 2019C Purchase Price hereinafter, the “Purchase Price”), plus accrued interest to the date set for purchase (the “Series 2019C Purchase Date” and, the Series 2019B Purchase Date or the Series 2019C Purchase Date hereinafter, the “Purchase Date”).

Selection of Bonds to be Redeemed

If less than all of the Series 2019BC Bonds of a maturity are to be redeemed, the Series 2019BC Bonds of such maturity to be redeemed will be selected by the Trustee, by lot, using such method of selection as the Trustee shall consider proper in its discretion.

Notice of Redemption

Generally, the Trustee is to give notice of the redemption of the Series 2019BC Bonds in the name of the Authority, by first-class mail, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to the registered owners of any Series 2019BC Bonds which are to be redeemed, at their last known addresses appearing on the registration books of the Authority not more than ten Business Days prior to the date such notice is given. Each notice of redemption will state, in addition to any other condition, that the redemption is conditioned upon the availability on the redemption date of sufficient moneys to pay the Redemption Price of the Series 2019BC Bonds to be redeemed. The failure of any owner of a Series 2019BC Bond to be redeemed to receive notice of redemption will not affect the validity of the proceedings for the redemption of such Series 2019BC Bond. If directed in writing by an Authorized Officer of the Authority, the Trustee will publish or cause to be published such notice in an Authorized Newspaper not less than 30 days nor more than 45 days prior to the redemption date, but publication is not a condition precedent to such redemption and failure to publish such notice or any defect in such notice or publication will not affect the validity of the proceedings for the redemption of such Series 2019BC Bonds.

If on the redemption date moneys for the redemption of the Series 2019BC Bonds of like maturity to be redeemed, together with interest thereon to the redemption date, are held by the Trustee so as to be available for payment of the redemption price, and if notice of redemption has been mailed, then interest on the Series 2019BC Bonds of such maturity will cease to accrue from and after the redemption date and such Series 2019BC Bonds will no longer be considered to be Outstanding.

Notice of Purchase in Lieu of Redemption and its Effect

Notice of purchase of the Series 2019BC Bonds will be given in the name of the University to the registered owners of the Series 2019BC Bonds to be purchased by first-class mail, postage prepaid, not less than 30 days nor more than 45 days prior to the Purchase Date specified in such notice. The Series 2019BC Bonds to be purchased are required to be tendered on the Purchase Date to the Trustee. Series 2019BC Bonds to be purchased that are not so tendered will be deemed to have been properly tendered for purchase. If the Series 2019BC Bonds are called for purchase in lieu of an optional redemption, such purchase will not extinguish the indebtedness of the Authority evidenced thereby or modify the terms of the Series 2019BC Bonds. Such Series 2019BC Bonds need not be cancelled, and will remain Outstanding under the Resolution and continue to bear interest.

The University's obligation to purchase a Series 2019BC Bond to be purchased or cause it to be purchased is conditioned upon the availability of sufficient money to pay the Purchase Price for all of the Series 2019BC Bonds to be purchased on the Purchase Date. If sufficient money is available on the Purchase Date to pay the Purchase Price of the Series 2019BC Bonds to be purchased, the former registered owners of such Series 2019BC Bonds will have no claim thereunder or under the Resolution or otherwise for payment of any amount other than the Purchase Price. If sufficient money is not available on the Purchase Date for payment of the Purchase Price, the Series 2019BC Bonds tendered or deemed tendered for purchase will continue to be registered in the name of the registered owners on the Purchase Date, who will be entitled to the payment of the principal of and interest on such Series 2019BC Bonds in accordance with their terms.

For a more complete description of the redemption and other provisions relating to the Series 2019BC Bonds, see "Appendix D - Summary of Certain Provisions of the Resolution."

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2019BC Bonds. The Series 2019BC Bonds will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2019BC Bond certificate will be issued for each maturity of the Series 2019BC Bonds, each in the aggregate principal amount of such maturity of such Series, and will be deposited with DTC.

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

Purchases of Series 2019BC Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019BC Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019BC 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 2019BC Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019BC Bonds, except in the event that use of the book-entry system for the Series 2019BC Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019BC 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 2019BC Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019BC Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019BC Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Redemption notices shall be sent to DTC. If less than all of the Series 2019BC Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019BC Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority 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 2019BC Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments on the Series 2019BC 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 the Authority or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019BC Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2019BC Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Series 2019BC 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 Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

Each person for whom a Direct or Indirect Participant acquires an interest in the Series 2019BC Bonds, as nominee, may desire to make arrangements with such Direct or Indirect Participant to receive a credit balance in the records of such Direct or Indirect Participant, and may desire to make arrangements with such Direct or Indirect Participant to have all notices of redemption or other communications of DTC, which may affect such persons, to be forwarded in writing by such Direct or Indirect Participant and to have notification made of all interest payments. NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DIRECT OR INDIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2019BC BONDS.

So long as Cede & Co. is the registered owner of the Series 2019BC Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2019BC Bonds (other than under the caption “PART 11 — TAX MATTERS” herein) shall mean Cede & Co., as aforesaid, and do not mean the Beneficial Owners of the Series 2019BC Bonds.

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

For every transfer and exchange of Series 2019BC Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2019BC Bonds if the Authority determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2019BC Bonds, or (ii) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by the Authority or restricted registration is no longer in effect, Series 2019BC Bond certificates will be delivered as described in the Resolution.

NONE OF THE AUTHORITY, THE TRUSTEE OR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT, (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2019BC BONDS UNDER THE RESOLUTIONS; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2019BC BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES 2019BC BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2019BC BONDS; OR (VI) ANY OTHER MATTER.

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Principal and Interest Requirements

The following table sets forth the amounts required to be paid by the University during each twelve month period ending June 30 of the Bond Years shown for the payment of debt service on the currently outstanding indebtedness of the University, the principal of and interest on the Series 2019BC Bonds and the total debt service on all indebtedness of the University.

Year Ending June 30 ⁽¹⁾	Series 2019B Bonds			Series 2019C Bonds			Debt Service on Other Indebtedness ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Total Debt Service
	Principal Payments	Interest Payments	Total	Principal Payments	Interest Payments	Total		
2020	-	\$2,188,372	\$2,188,372	-	\$2,134,831	\$2,134,831	\$32,245,167	\$36,568,369
2021	-	3,664,250	3,664,250	-	3,574,600	3,574,600	32,246,417	39,485,267
2022	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,624,167	38,863,017
2023	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,628,917	38,867,767
2024	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,625,167	38,864,017
2025	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,622,667	38,861,517
2026	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,626,617	38,865,467
2027	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,614,367	38,853,217
2028	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,617,492	38,856,342
2029	-	3,664,250	3,664,250	-	3,574,600	3,574,600	26,595,717	33,834,567
2030	-	3,664,250	3,664,250	-	3,574,600	3,574,600	26,595,467	33,834,317
2031	-	3,664,250	3,664,250	-	3,574,600	3,574,600	26,589,217	33,828,067
2032	-	3,664,250	3,664,250	-	3,574,600	3,574,600	76,591,967	83,830,817
2033	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,822,967	39,061,817
2034	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,817,217	39,056,067
2035	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,815,467	39,054,317
2036	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,818,717	39,057,567
2037	-	3,664,250	3,664,250	-	3,574,600	3,574,600	31,809,717	39,048,567
2038	-	3,664,250	3,664,250	-	3,574,600	3,574,600	28,128,717	35,367,567
2039	-	3,664,250	3,664,250	-	3,574,600	3,574,600	121,337,967	128,576,817
2040	-	3,664,250	3,664,250	-	3,574,600	3,574,600	14,194,367	21,433,217
2041	-	3,664,250	3,664,250	-	3,574,600	3,574,600	64,194,367	71,433,217
2042	-	3,664,250	3,664,250	-	3,574,600	3,574,600	11,694,367	18,933,217
2043	-	3,664,250	3,664,250	-	3,574,600	3,574,600	11,694,367	18,933,217
2044	-	3,664,250	3,664,250	-	3,574,600	3,574,600	11,694,367	18,933,217
2045	-	3,664,250	3,664,250	-	3,574,600	3,574,600	199,884,367	207,123,217
2046	-	3,664,250	3,664,250	-	3,574,600	3,574,600	3,841,017	11,079,867
2047	-	3,664,250	3,664,250	-	3,574,600	3,574,600	3,841,017	11,079,867
2048	-	3,664,250	3,664,250	-	3,574,600	3,574,600	3,841,017	11,079,867
2049	-	3,664,250	3,664,250	\$89,365,000	3,574,600	92,939,600	3,841,017	100,444,867
2050	\$73,285,000	3,664,250	76,949,250	-	-	-	3,841,017	80,790,267
2051	-	-	-	-	-	-	3,841,017	3,841,017
2052	-	-	-	-	-	-	104,286,017	104,286,017

(1) July 1 principal and interest payments on the Bonds are included in the amounts shown for the preceding fiscal year ending June 30.

(2) Does not include debt service on the Series 2009C Bonds but does include debt service on the Series 2009A Bonds.

(3) Includes debt service on direct purchase bonds; does not include bank lines of credit.

(4) Hedged variable rate debt is assumed to bear interest at the respective fixed swap rates, unhedged variable rate debt assumed at 4.00%.

(5) Does not reflect the issuance of the Series 2019A Bonds.

PART 4— THE REFUNDING PLAN

A portion of the proceeds of the Series 2019C Bonds will be used to provide for the redemption of the Series 2009C Bonds in whole on or about December 26, 2019 at a Redemption Price equal to 100% of the principal amount of the Series 2009C Bonds.

Upon issuance of the Series 2019C Bonds, a portion of the proceeds of such Series 2019C Bonds will be irrevocably deposited in trust with the trustee for the Series 2009C Bonds, and together with other available funds, will be used to purchase investment securities permitted by the Resolution for the redemption of the Series 2009C Bonds, the principal of and interest on which, when due, together with uninvested cash, will provide moneys sufficient to pay the principal or redemption price of and interest due on the Series 2009C Bonds to their respective maturity or redemption dates.

In addition to the issuance of the Series 2019BC Bonds, the Authority expects to issue its Series 2019A Bonds on or about December 11, 2019, the proceeds of which are expected to be used to provide for the redemption of the Series 2009A Bonds in whole at a Redemption Price equal to 100% of the principal amount of the Series 2009A Bonds and to repay approximately \$5,115,000 of the University’s outstanding bank lines of credit.

PART 5 — SERIES 2019B GREEN BONDS DESIGNATION

A portion of the proceeds of the Series 2019B Bonds are being used to reimburse the University for costs associated with the construction and equipping of (a) the Laboratory Building, (b) the ICC, and (c) a new privately accessible landscaped area on the North Terrace, located adjacent to the University’s President’s House (the “Series 2019B Project”). The purpose of designating the Series 2019B Bonds as “Green Bonds” is to allow investors to invest directly in projects that the University has identified as promoting environmental sustainability purposes. The University intends to pursue LEED (Leadership in Energy and Environmental Design) certification for the Series 2019B Project under the LEED green building program rating system established by the U.S. Green Building Council. The U.S. Green Building Council reviews applications for LEED certification and assigns points to a project based on its level of achievement in improved environmental performance. There are four levels of certification starting at the Certified Level and increasing to Silver, Gold and Platinum as determined by the number of points earned. The University is pursuing Silver or Gold certification but no assurances can be given that any LEED certification will be obtained.

The Series 2019B Project was completed in early 2019, at a total cost of approximately \$530 million. In addition to proceeds of the Series 2019B Bonds, the Series 2019B Project was also funded by gifts.

Upon receipt, if any, of the expected LEED certification of the Series 2019B Project, the University will disclose such receipt on the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system (“EMMA”) (at emma.msrb.org) within 180 days of the end of the fiscal year of the University in which LEED certification is received. There will be no further reporting in respect of LEED certification or the Series 2019B Project following disclosure of certification. Such report is provided on a voluntary basis and is not included as part of the University’s Continuing Disclosure Agreement (as defined and described under “PART 16 – CONTINUING DISCLOSURE”). The University is not required under the Loan Agreement or the Series 2019B Resolution to obtain LEED certification for the Series 2019B Project and failure to obtain such certification will not constitute an event of default under the Loan Agreement or the Series 2019B Resolution. The term “Green Bonds” is neither defined in nor related to the Resolution, the Series 2019B Resolution or the Loan Agreement. The use of such term in this Official Statement is solely for identification purposes and is not intended to provide or imply that the Series 2019B Bonds are entitled to any security other than as provided in the Resolution.

PART 6— ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds are as follows:

Sources of Funds	<u>Series 2019B Bonds</u>	<u>Series 2019C Bonds</u>	<u>Total</u>
Principal Amount	\$73,285,000	\$89,365,000	\$162,650,000
Plus: Original Issue Premium	17,164,080	11,048,195	28,212,275
Other Sources	-	<u>2,430,556</u>	<u>2,430,556</u>
Total Sources of Funds*	<u>\$90,449,080</u>	<u>\$102,843,751</u>	<u>\$193,292,830</u>
Uses of Funds			
Project Fund Deposit	\$90,000,000	-	\$90,000,000
Redemption Deposits	-	\$102,298,919	102,298,919
Costs of Issuance ⁽¹⁾	272,202	329,144	601,346
Underwriters’ Discount	<u>176,878</u>	<u>215,688</u>	<u>392,566</u>
Total Uses of Funds*	<u>\$90,449,080</u>	<u>\$102,843,751</u>	<u>\$193,292,830</u>

¹ Includes legal fees and associated costs relating to the Series 2019BC Bonds.

* Totals may not add due to rounding.

PART 7 — THE UNIVERSITY

GENERAL INFORMATION

Introduction

The University is an internationally recognized not-for-profit center for advanced study and research in biomedical and related natural sciences. The University began in 1901 as The Rockefeller Institute for Medical Research (the “Rockefeller Institute”), one of the first major philanthropies of oil magnate and businessman John D. Rockefeller Sr. With his son, John D. Rockefeller Jr., and financial advisor Frederick Gates, John D. Rockefeller Sr. set about creating a place where scientists could engage in investigations that would, as the University’s motto “Pro Bono Humani Generis” reads, benefit humankind. The Rockefeller Institute was the first private American center designed exclusively for biomedical investigations. With the addition of The Rockefeller University Hospital in 1910, the first U.S. facility devoted exclusively to patient-oriented research, the Rockefeller Institute soon became a preeminent center for the apprenticeship and training of the most talented young scientists in the world.

The principal facilities of the University are located on its campus on the upper east side of Manhattan in New York City, which is situated on a site of approximately 14 acres and is bounded by York Avenue, 68th Street, 62nd Street and the East River. The campus currently has 18 buildings, which include laboratories, a 40-bed research hospital and faculty and student housing. Many of the University’s buildings date to the early 1900’s. The most recent additions are the Rockefeller research building constructed in 1991, the Collaborative Research Center constructed in 2010 and the Stavros Niarchos Foundation – David Rockefeller River Campus completed in early 2019, which added two acres, four buildings and expansive laboratory space directly above FDR Drive.

Principal Activities of the University

Research Laboratories

From its inception, the University’s structure has promoted independence as well as cooperation among its scientists. Unlike many institutions with formal departments, the University has 81 independent active laboratories, allowing scientists and students to freely cross disciplinary boundaries to collaborate and share the concepts and techniques of different fields.

Laboratories operate on a year-round basis, tend to focus on major problems for comparatively long periods of time and combine several scientific perspectives on such problems. The University’s uniqueness, and its strength, is the interdisciplinary nature of the research programs permitted by the independent laboratory organization structure.

Rockefeller scientists study basic aspects of biology, chemistry and physics to better understand the fundamentals of human health and disease. Their investigations can be grouped into the following ten areas:

- Biochemistry, Biophysics, Chemical Biology and Structural Biology
- Cancer Biology
- Cell Biology
- Genetics and Genomics
- Immunology, Virology and Microbiology
- Mechanisms of Human Disease
- Neurosciences and behavior
- Organismal Biology and Evolution
- Physical, Mathematical and Computational Biology
- Stem cells, Development, Regeneration and Aging

The Rockefeller University Hospital

The Rockefeller University Hospital (the “Hospital”), a general clinical research center, has been devoted solely to patient-oriented research since its founding in 1910. The facility has 40 beds and an outpatient clinic and is closely associated with many of the University’s clinical research laboratories. The Hospital plays a central role in fulfilling the objectives of the University by linking laboratory investigation to bedside observation.

Education

Since 1959, when the University granted its first doctoral degrees, more than 800 students have earned Ph.D. degrees from the University, with many continuing their scientific education through postdoctoral appointments. Today, University alumni are teaching and conducting research at universities and other not-for-profit scientific institutions throughout the world.

Governance

The University is governed by a Board of Trustees consisting of no more than 50 members. Its current membership is 44, including the President of the University who is an ex-officio member. Under the By-Laws of the University, approximately one-third of the entire Board of Trustees is elected each year for a term of three years. The full Board of Trustees holds three regular meetings a year. In addition, the Executive Committee of the Board of Trustees meets regularly three times a year and from time to time as the need arises. The University also maintains the following additional Board Committees: Audit, Compensation, Development, Educational Affairs, Facilities and Infrastructure, Finance and Operations, Hospital, Investment, Nominating and Governance, Scientific Affairs and Technology Transfer.

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Management

The University is managed by the executive officers of the University, who are elected at the University's annual meeting by the Board of Trustees and who hold office until the next annual meeting or until their respective successors have been elected. The executive officers of the University have general supervisory powers over the activities of the University and are responsible for the work of the University and the carrying out of the policies of the Board of Trustees. The current executive officers of the University are:

Dr. Richard P. Lifton..... President
Dr. Timothy O'Connor..... Executive Vice President
Dr. Barry S. Coller Vice President for Medical Affairs, Physician-in-Chief
Ms. Theresa Desmond..... Corporate Secretary
Ms. Amy Falls..... Vice President and Chief Investment Officer
Ms. Virginia Huffman..... Vice President for Human Resources
Ms. Maren E. Imhoff..... Senior Vice President, Development
Mr. James H. Lapple Vice President for Finance, Treasurer
Dr. Sidney Strickland..... Dean and Vice President for Educational Affairs
Ms. Deborah Yeoh Vice President and General Counsel
Dr. Michael Young..... Vice President for Academic Affairs

Faculty

Since the University's earliest days, faculty members consistently have won respect and recognition by creating new fields of knowledge, opening new areas of study and solving problems confronting humankind. Twenty-five scientists (listed below) associated with the University, including two alumni, have been awarded Nobel Prizes. Five of these are currently faculty members at the University.

NOBEL LAUREATES ASSOCIATED WITH THE ROCKEFELLER UNIVERSITY

- 1912 Alexis Carrel (Physiology or Medicine) - For his work in suturing blood vessels, in blood transfusion and in the transplantation of organs.
- 1930 Karl Landsteiner (Physiology or Medicine) - For classification of blood groups.
- 1944 Herbert S. Gasser (Physiology or Medicine) - For his studies with Joseph Erlanger on the electrophysiology of nerves.
- 1946 John H. Northrup and Wendell F. Stanley (Chemistry) - For their work with James Summer on the purification and crystallization of enzymes.
- 1953 Fritz Lipmann (Physiology or Medicine) - For his discovery of coenzyme A and his studies of intermediary metabolism, with Hans Krebs.
- 1958 Edward L. Tatum (Physiology or Medicine) - For discovering that genes act by regulating specific chemical processes, with George Beadle.

- 1958 Joshua Lederberg (Physiology or Medicine) - For his work on the organization of genetic material in bacteria.
- 1966 Peyton Rous (Physiology or Medicine) - For establishing that a virus is the cause of chicken sarcoma, with Charles B. Huggins.
- 1967 H. Keffer Hartline (Physiology or Medicine) - For work on the physiology and chemistry of vision, with Ragnar Granit and George Wald.
- 1972 Gerald M. Edelman (Physiology or Medicine) - For determining for the first time the complete chemical structure of immunoglobulins (antibodies), the key molecules of immunity, with Rodney R. Porter.
- 1972 Stanford Moore and William H. Stein (Chemistry) - For their research on enzymes, body proteins central to life; particularly for identifying the chemical structure of pancreatic ribonuclease, an enzyme that breaks down ribonucleic acid (RNA), with Christian B. Anfinsen.
- 1974 Albert Claude, Christian De Duve and George E. Palade (Physiology or Medicine) - For discoveries concerning the functional organization of the cell that were seminal events in the development of modern cell biology.
- 1975 David Baltimore (Physiology or Medicine) - For discoveries concerning the interaction between tumor viruses and the genetic material of the cell, with Renato Dulbecco and Howard M. Temin.
- 1981 Torsten Wiesel (Physiology or Medicine) - For studies of how visual information is transmitted from the retina to the brain, with David H. Hubel.
- 1984 R. Bruce Merrifield (Chemistry) - For his development of a method for synthesizing peptides and proteins.
- 1999 Gunter Blobel (Physiology or Medicine) - For his discovery that proteins have intrinsic signals that govern their transport and localization in the cell.
- 2000 Paul Greengard (Physiology or Medicine) - For his discovery of how dopamine and a number of other transmitters in the brain exert their action in the nervous system, with Arvid Carlsson and Eric Kandel.
- 2001 Paul Nurse (Physiology or Medicine) - For his discovery of key regulators of the cell cycle, with Leland H. Hartwell and R. Timothy Hunt.
- 2003 Roderick Mackinnon (Chemistry) - For his research on structural and mechanistic studies of ion channels, with Peter Agre.
- 2011 Ralph Steinman (Physiology or Medicine) - For his discovery of dendritic cells and its role in adaptive immunity.
- 2017 Michael Young (Physiology or Medicine) - For his discovery of genes that regulate the circadian rhythms in humans.

Affiliated Facilities

Aaron Diamond AIDS Research Center

The Aaron Diamond AIDS Research Center (the “Diamond Center”), directed by University Professor David D. Ho, M.D., focuses on investigating the HIV infection disease process and transmission. Since early 1995, scientists from the Diamond Center, which affiliated with the University in July 1996, have conducted inpatient and outpatient studies of HIV/AIDS at the Hospital. Other studies, conducted at the Diamond Center’s laboratories in mid-Manhattan, focus on the factors that influence HIV’s ability to be transmitted, cause disease, replicate and thwart treatments. The collaboration between the Diamond Center and the University will end no later than about December 31, 2019 with the integration of Diamond Center into Columbia University.

The Rockefeller Archive Center

The Rockefeller Archive Center (the “Archive Center”), in Sleepy Hollow, N.Y., holds the archives of the University. The University’s trustees created the Archive Center in 1974 to make available for scholarly research the archival records of the Rockefeller family and of the philanthropic and educational institutions created by members of the family. In July 2008, the Archive Center became an independent not-for-profit entity with the same mission. The archives of the Rockefeller Foundation, Rockefeller Brothers Fund, Memorial Sloan-Kettering Cancer Center and the Population Council are among those collected at the Archive Center.

Major Inter-Institutional Collaborations

To strengthen its research and educational programs and promote the development of essential new shared technological resources, the University has developed a broad array of alliances and partnerships with neighboring institutions:

Tri-Institutional M.D.-Ph.D. Program - rated among the top five in the United States by the National Institutes of Health (with Sloan-Kettering Institute for Cancer Research and Sanford I. Weill Medical College and the Graduate School of Medical Sciences of Cornell University (“Weill Medical College”).

Tri-Institutional Program in Chemical, Computational and Cancer Biology - a \$160 million program created with the help of a major grant from The Atlantic Philanthropies (with Memorial Sloan-Kettering Cancer Center and Cornell University).

Synchrotron X-ray Beam Line - for X-ray crystallography, an essential tool for structural biology, created at the Brookhaven National Laboratory (with Memorial Sloan-Kettering Cancer Center and Albert Einstein College of Medicine).

The New York Structural Biology Center - for nuclear magnetic resonance spectroscopy and electron microscopy (with Albert Einstein, City University, Columbia University, Memorial Sloan-Kettering Cancer Center, Mount Sinai School of Medicine, New York University, Wadsworth Center of the New York State Department of Health and Weill Medical College).

Program in Mathematical and Computational Biology - allows Rockefeller students to take high-level courses at one of the world’s leading centers for mathematical sciences and fosters inter-institutional collaboration at every level, from Ph.D. student to senior professor (with the Courant Institute of Mathematical Sciences at New York University).

New York Genome Center – an independent, nonprofit research center devoted to providing collaborative genomics services to its member institutions, including Rockefeller and other academic research institutions.

Starr-Cancer Consortium – supported by the Starr Foundation, the Starr Cancer Consortium is a collaborative enterprise that leverages the combined resources and expertise of five institutions –Rockefeller, The Broad Institute of Harvard and MIT, Cold Spring Harbor Laboratory, Memorial Sloan Kettering Cancer Center, and Weill Cornell Medicine -- to strengthen research aimed at the understanding, prevention, diagnosis and treatment of cancer.

Tri-Institutional Stem Cell Initiative - along with Memorial Sloan-Kettering Cancer Center and Weill Cornell Medicine, Rockefeller participates in the Tri-institutional Stem Cell initiative, launched in 2005 and supported by the Starr Foundation. The initiative funds collaborative research projects that involve faculty from the three institutions and also works to develop new resources and expertise in stem cell research.

Bridge Medicines – a drug discovery company focused on advancing promising early technologies in major academic institutions from human proof-of-concept to clinical development. The company was formed in 2017 by the University, Weill Cornell Medicine and Memorial Sloan Kettering Cancer Center, along with Takeda Pharmaceutical Company, in partnership with two venture capital firms, Deerfield Management and Bay City Capital.

Tri-Institutional Therapeutics Discovery Institute (TDI) – a partnership of Rockefeller, Memorial Sloan Kettering Cancer Center and Weill Cornell Medicine, works to accelerate the development of therapeutics that arise from discoveries made in basic science lab. With a focus on early-stage drug discovery, TDI provides expertise in medicinal

chemistry and biologics drug development with the goal of conducting proof-of-concept studies, the type of investigations needed to demonstrate that drug candidates can successfully alter the course of a disease.

OPERATING INFORMATION

University Staff

Permanent staff of the University, comprising faculty, research scientists, laboratory technicians, administrative and clerical staff and maintenance and other support staff, numbered 1,847 at June 30, 2019. As of that date, the University’s faculty included 572 members comprised of 58 professors, 26 associate professors, 18 assistant professors, 45 senior research associates, 116 research associates, 93 postdoctoral fellows, 145 postdoctoral associates, 7 scientists and 64 other staff members. The University had 59 tenured faculty members and has no collective bargaining agreements.

Student Admissions

Currently, the University has approximately 230 Ph.D. students and M.D./Ph.D. students in a tri-institutional program in collaboration with Weill Medical College and Sloan-Kettering Institute for Cancer Research. For academic year 2019-20, there were 1,098 applications to the Ph.D. program and 564 applications to the M.D./Ph.D. program. The combined acceptance ratio for both programs was 12:1. All students receive an annual stipend to cover living expenses.

ANNUAL FINANCIAL STATEMENT INFORMATION

University Properties

In addition to its campus in the City of New York and the Center for Field Research in Ethology and Ecology in Dutchess County, New York, the University leases from the Dormitory Authority of the State of New York (the “Authority” or “DASNY”), pursuant to two leases dated October 15, 1973 and February 6, 1985, two multi-story apartment buildings containing 492 housing units built on land owned by the University and leased to the Authority, bounded by York Avenue, East 63rd Street, FDR Drive service road and East 62nd Street. The apartment buildings provide housing to faculty members, students and staff of the University as well as personnel of an affiliated institution.

The University also owns two apartment buildings, each containing 20 units, located at 325 East 84th Street and 238 East 81st Street, and is the holder of an undivided 27.5% interest of Sutton Terrace Apartments on 430 East 63rd Street. These apartments provide housing for faculty and senior staff.

The following tabulation indicates the net book values (original cost or fair value at date of donation, less accumulated depreciation) of the University’s plant assets as of June 30th for the last five fiscal years:

University Plant Assets (in thousands)

Fiscal Year	Land and Buildings	Equipment and Other Fixed Assets	Total
2015	\$730,410	\$32,622	\$763,032
2016	832,498	34,511	867,009
2017	970,320	35,977	1,006,297
2018	1,095,903	33,446	1,129,349
2019	1,168,008	37,849	1,205,857

Management Discussion of Operations

The audited financial statements of the University as of June 30, 2019, and for the year then ended are included in Appendix B to this Official Statement. The financial statements include the balance sheet and the related statements of activities and cash flows, as well as related notes to the financial statements. KPMG, the University's independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this Official Statement.

The table below provides a summary of the University's total assets, liabilities and net assets as of June 30th for the last five fiscal years. For fiscal years 2015, 2016 and 2017, net assets of the University are classified and reported as follows: Permanently restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently by the University. Generally, the donors of these assets permit the University to use all or part of the income and gains on related investments for general or specific purposes. Temporarily restricted - Net assets subject to donor-imposed restrictions that will be met by actions of the University and/or the passage of time. Unrestricted - Net assets that are not subject to donor-imposed restrictions. For fiscal years 2018 and 2019, the University adopted ASU No. 2016-14 – Not for Profit (Topic 950) -- *Presentation of Financial Statements of Not-for-Profit Entities*, and the financial statements for fiscal years 2018 and 2019 are presented in accordance with this ASU, which requires the number of net asset classes be reduced from three to two ("with donor restrictions" and "without donor restrictions"); the presentation of expenses by their function and their natural classification in one location; and the inclusion of quantitative and qualitative information about the management of liquid resources and availability of financial assets to meet cash needs within one year of the date of the balance sheet. For a summary of significant accounting policies, see note 1 of the notes to the financial statements of the University included in Appendix B, in particular Note 1(h) which contains a recap of the net asset reclassification driven by the adoption of ASU No. 2016-14.

Financial Summary Summary of Balance Sheets As of June 30 (in thousands)

	2015	2016	2017	2018	2019
Total Assets	\$3,612,589	\$3,533,545	\$3,669,901	\$3,906,488	\$3,901,921
Total Liabilities	1,106,323	1,170,707	1,134,995	1,158,350	1,319,161
Total Net Assets	\$2,506,266	\$2,362,838	\$2,534,906	\$2,748,138	\$2,582,760
Comprised of:					
Unrestricted	\$477,267	\$401,031	\$465,357	-	-
Temporarily Restricted	1,769,998	1,642,742	1,744,249	-	-
Permanently Restricted	259,001	319,065	325,300	-	-
Without Donor Restrictions*	-	-	-	542,948	633,291
With Donor Restrictions*	-	-	-	2,205,190	1,949,469
Total Net Assets	\$2,506,266	\$2,362,838	\$2,534,906	\$2,748,138	\$2,582,760

* University adopted ASU No. 2016-14 – Not for Profit (Topic 950) -- *Presentation of Financial Statements of Not-for-Profit Entities* (see narrative above).

The following table provides a summary of total revenues, expenses and other changes in net assets for the last five fiscal years (aggregating unrestricted, temporarily restricted and permanently restricted net asset classes in fiscal years 2015, 2016 and 2017 and aggregating with donor restrictions and without donor restrictions net asset classes for fiscal years 2018 and 2019).

Financial Summary
Summary of Changes in Net Assets
Fiscal Years Ended June 30
(in thousands)

	2015	2016	2017	2018	2019
Revenues:					
Government grants and contracts	\$ 82,555	\$ 81,278	\$ 87,077	\$ 87,231	\$85,072
Private gifts and grants	372,622	146,321	119,922	211,437	121,380
Investment income and net appreciation (depreciation) in fair value of investments and derivative instruments*	92,983	(57,819)	271,801	239,856	132,102
Sales and services of auxiliary enterprises	32,215	31,904	33,535	34,861	33,258
Rent, royalty and other income	24,816	17,341	26,229	21,897	26,820
Total revenues	605,191	219,025	538,564	595,282	398,632
Expenses:					
Research	230,607	234,989	246,425	251,709	252,013
Graduate education	12,316	12,940	13,598	15,278	15,174
Research support	33,364	33,571	36,220	36,933	38,994
Institutional support	40,736	40,665	41,699	44,993	47,927
Auxiliary enterprises	34,360	34,634	35,102	35,683	38,886
Total expenses	351,383	356,799	373,044	384,596	392,994
Other changes:					
Forgiveness of loan receivable	-	2,735	-	-	
Postretirement related changes other than net periodic postretirement benefit cost	6,589	2,919	(6,548)	(2,546)	8,077
Litigation Payments	-	-	-	-	162,938 **
Net expenses and other changes	357,972	362,453	366,496	382,050	564,009
Change in net assets	\$247,219	(\$143,428)	\$172,068	\$213,232	(\$165,377)

* Includes both operating and non-operating investment income. See “Operating Budget; Spending Policy” below for more detailed information regarding the University’s endowment spending policy.

** See “Litigation and Other Contingent Liabilities.”

Operating Budget; Spending Policy

The University strives to operate with a balanced budget each year using the annual operating budget as the primary financial control over operations of the University. This budget details revenues by source and expenses by function for each laboratory or administrative division. The budget preparation process begins in February preceding the start of each fiscal year, with an assessment of the goals and resources of the University. Proposed budgets developed by the laboratories and departments as a result of these assessments are submitted to and reviewed by central management and amended, where necessary. The final proposed budget is submitted to the Board of Trustees for its review and approval in June. During the fiscal year, monthly operating statements are prepared comparing budgeted and actual revenues and expenses. These statements are reviewed by central management and the Finance and Operations Committee of the Board of Trustees of the University.

For the last five fiscal years, the University operated under an endowment spending policy for operations that applies a spending rate using a modified inflation-based approach. The annual spending rate calculation includes the following: 70% (times) the total amount of prior year endowment spending (times) inflation utilizing the higher education price index; + 30% (times) the three-year average market value of investments (times) the approved spending rate of 5.5%. The approved spending rate in fiscal years 2015, 2016, 2017, 2018 and 2019 was 5.8%, 5.7%, 5.6%, 5.5% and 5.5% respectively.

The table below presents the dollar amounts of annual operating revenues available pursuant to the University’s endowment spending policy over the last five years.

**Annual Operating Revenues Available Pursuant to the Endowment Spending Policy
(in thousands)**

Fiscal Year	Total
2015	\$94,763
2016	97,973
2017	99,861
2018	100,458
2019	101,600

Capital Budget

As part of the University’s annual budgetary and financial planning process, the University’s Board of Trustees approves an annual budget for capital projects. For the three years ended June 30, 2019, budgeted approved capital projects totaled \$374 million, or an average of approximately \$124.6 million per year. Such capital projects were funded through bond proceeds or development gifts. The University anticipates that budgeted amounts for capital projects will be significantly less over the next several years after completion of the River Campus project.

Sponsored Grants and Contracts

The University is one of the leading private research institutions in the United States, and significant amounts of its revenues and expenses relate to research performed under grants, contracts and similar agreements with government agencies. Research under government agreements for the year ended June 30, 2019 produced approximately \$85.072 million of the University’s total revenues. Major government sponsors include centers, divisions and institutes of the Department of Health and Human Services and the National Science Foundation. There can be no assurance that the University will continue to receive government-sponsored research grants and contracts in amounts comparable to those that it has received in the past.

Efforts to secure private support for the University will continue to receive priority attention. Private sponsored research agreements and other private giving for the year ended June 30, 2019 produced approximately \$121.380 million of the University’s total revenues. There can be no assurance that the University will continue to receive private gifts, grants and contracts in amounts comparable to those that it has received in the past.

Howard Hughes Medical Institute

Under an agreement dated August 12, 1986, the Howard Hughes Medical Institute (the “Institute”) conducts programs in medical research in collaboration with the University. The Institute is an independent not-for-profit corporation engaged in medical research in collaboration with universities and teaching hospitals. The agreement provides that the Institute and the University collaborate in the nature of a partnership for the pursuit of medical research, with each of the parties having particular responsibilities for the contribution of monies, property, researchers and administrative personnel.

The University provides the space, support services and the research environment and intellectual resources to nurture the research program. The Institute supports all of the direct costs of the operations of specific laboratories and reimburses the University for the use of assigned space. For the year ended June 30, 2019, the Institute directly

supported (through the University) the fourteen laboratories in the aggregate amount of approximately \$15 million and reimbursed the University in the amount of \$3.3 million for the use of space.

Fund Raising and Development

During the five years ended June 30, 2019 total gifts and pledges totaled approximately \$943.842 million as shown below. Most pledges are paid over a three to five-year period. Fluctuations within gifts and pledges reflect timing of capital campaigns. Most recently, a seven-year capital campaign ended in June 2019 raising approximately \$1.170 billion in gifts and pledges (exceeding the goal of \$940 million).

Gifts and Pledges

Fiscal Year	Operations	Endowment	Facilities	Total
2015	\$117,659,362	\$404,755	\$226,718,433	\$344,782,550
2016	44,707,484	50,077,769	51,536,003	146,321,256
2017	83,440,754	5,810,890	30,669,992	119,921,636
2018	172,233,918	7,908,307	31,294,380	211,436,605
2019	87,886,630	25,747,672	7,746,053	121,380,355

Direct Revenues From Sponsored Research

The University derives direct sponsored research revenues from both the federal and state governments and non-governmental sources (private corporations, foundations and voluntary health organizations). The table below summarizes direct revenues from sponsored research for each of the last five years.

Direct Revenues From Sponsored Research

Fiscal Year	Government	Non-Government Sources	Total
2015	\$53,650,212	\$23,504,785	\$77,154,997
2016	52,933,613	26,455,197	79,388,810
2017	57,843,673	28,562,320	86,405,993
2018	57,272,900	31,465,901	88,738,801
2019	56,374,151	28,959,124	85,333,275

Applications for sponsored research grants generally request funding for a period not exceeding five years. The application, which includes both scientific protocol and requested budgetary funding, is initiated by the head of the laboratory applying for such grant or a faculty member within such laboratory. The completed application is reviewed by the University's Office of Sponsored Program Administration to insure adherence to the policies of both the funding agency and the University. The final application is forwarded to the funding agency for review and ultimate disposition. If the application is accepted, a notice of grant award is received from the funding agency and the grant is activated.

In the event that a Head of Laboratory at the University elects to retire and leave the University, the laboratory will typically phase out such person's sponsored research activities within three years of the planned retirement date. Alternatively, upon retirement, the Head of Laboratory may remain at the University and continue his or her research program and sponsored research support. The University has a continuing program of faculty renewal and Heads of Laboratory are recruited every year to expand research efforts and to replace faculty who have left the University.

The table below lists the ten University laboratories (out of a total of 76 active laboratories) attracting the most sponsored research revenues during the year ended June 30, 2019 and provides information with respect to each laboratory head and each laboratory's sponsored research.

Direct Revenues From Sponsored Research

Ten Largest Laboratories Year Ended June 30, 2019

Laboratory	Government Grants and Contracts	Non-Government Sources	Total Sponsored Research	% of University Sponsored Research	Laboratory Head's Years at University	Laboratory Head's Age
Molecular and Cell Neuroscience	\$ 3,748,848	\$ 8,689,298	\$12,438,146	15%	29	63
Molecular Biology*	2,436,185	6,285,916	8,722,101	10%	n/a	n/a
Virology and Infectious Disease	3,914,138	2,870,348	6,784,486	8%	23	68
Molecular Immunology	2,478,779	1,461,869	3,940,648	5%	12	49
Cellular Physiology and Immunology	482,918	3,390,514	3,873,432	5%	34	62
Biology and Addictive Disease	2,822,582	695,147	3,517,729	4%	18	66
Molecular Genetics and Immunology	2,760,319	556,304	3,316,623	4%	10	56
Cellular and Structural Biology	3,012,156	284,399	3,296,555	4%	28	55
Human Genetics and Infectious Diseases	2,824,151	321,143	3,145,294	4%	16	68
Mammalian Cell Biology & Development	1,577,470	935,670	2,513,140	3%	17	69
	\$26,057,546	\$25,490,608	\$51,548,154	60%		
Other Laboratories	30,316,605	3,468,516	33,785,121	40%		
Total	\$56,374,151	\$28,959,124	\$85,333,275	100%		

*The Laboratory Head passed away in 2019. The University is restructuring the program.

Indirect Cost Recovery

Sponsored research programs and projects are supported by both those costs which are directly charged and those costs that are indirectly accumulated and applied to the research activities on the basis of average cost rates. Direct costs are specifically related to the research work involved. Examples include wages, materials, equipment and contract services. Indirect costs are also incurred in the accomplishment of sponsored research but lack direct specificity due to practical limits encountered in recording their use. These costs are no less actual or related, but differ from direct costs in that they have been incurred for purposes common to some or all of the specific programs, projects or activities of the University. Examples include utilities, maintenance services and general management and administrative services such as accounting, purchasing, personnel and library.

Recovery of these actual direct and indirect costs from sponsors is necessary for the operation of the University. Without reimbursement for indirect costs, sponsored programs and research at the University would require additional internal support of indirect services, to the detriment of other programs and functions.

The federal government, through its Office of Management and Budget, has recognized the real impact of indirect costs, and has described, defined and codified indirect cost reimbursement recovery principles and procedures within its Uniform Guidance for federal awards.

An indirect cost analysis is generally developed by the University at the end of each fiscal year, which accounts for the actual direct and indirect costs incurred and calculates the applicable average cost rates experienced during that fiscal year. Generally, this indirect cost proposal is submitted to the Department of Health and Human Services for review and approval every three to four years. The University's indirect cost rates have been reviewed and approved through the fiscal year ended June 30, 2022. Because of the system utilized by the University and the Department of Health and Human Services for review and approval of indirect costs, the University does not believe that its indirect cost rate for fiscal year 2019 and prior years can be reevaluated. However, if the rates were to be reexamined, the University does not believe it would lose any moneys previously received.

Indirect costs reimbursed under research agreements for each of the last five fiscal years ended June 30, 2019 are shown in the table that follows. Some private foundations and other agencies also allow indirect costs as part of the sponsored program contract or grant.

Indirect Cost Recovery

Fiscal Year	Government	Non-Government Sources	Total
2015	\$28,904,815	\$4,334,949	\$33,239,764
2016	28,344,523	6,278,855	34,623,378
2017	29,223,062	4,020,965	33,244,027
2018	29,958,496	5,938,446	35,896,942
2019	28,698,109	5,225,180	33,923,289

Investment Performance

The table below summarizes the fair values and total return of the University's investments for each of the last five years ended June 30, 2019:

Investments

Fiscal Year	Fair Values at June 30	Investment Income (Net of Expenses)	Realized and Unrealized Gains (Losses)	Endowment Return
2015	\$2,126,133,048	\$1,828,528	\$109,385,025	+6.7%
2016	2,058,252,999	2,833,874	(8,885,628)	(0.8%)
2017	2,077,568,535	447,893	225,517,321	+13.2%
2018	2,205,065,691	1,889,001	207,959,922	+11.3%
2019	2,305,924,544	3,735,449	163,841,427	+8.5%

* Includes the fair value of the investments of the Archives Center, which constituted approximately 5% of the fair value of all of the investments.

The fair value of investments is determined based on quoted market prices or net asset values provided by external managers and general partners in the case of limited partnership and limited liability corporation investments.

The University's invested funds, including cash and cash equivalents, had a fair value of approximately \$2.306 billion as of June 30, 2019, held primarily in the University's Endowment Investment Pool. The Pool is made up of approximately 214 individual accounts that are invested jointly, but accounted for separately to assure compliance with donor restrictions.

The Investment Committee of the Board of Trustees is responsible for overseeing the investment of the University's endowment. With the support of the University's Office of Investments, the Investment Committee is responsible for establishing investment policy and asset allocation; retaining and overseeing external investment managers; and monitoring the implementation and performance of the investment program.

The Investment Committee has established a long-term asset allocation policy that allocated approximately 36% to public equities, 25% to private investments, 20% to absolute return funds, 13% to real assets and 6% to cash and fixed income investments. The asset allocation policy is reviewed annually. The University's endowment maintains sufficient liquidity to meet its anticipated obligations. Various redemption provisions and lock-up periods of the investment portfolio can be found under note 14 of the audited financial statements of the University included in Appendix B.

Indebtedness

At June 30, 2019, the outstanding principal amount of long-term debt of the University (with the Authority and a financial institution) was \$729,232,262 including bond discounts and premiums. The University made all scheduled principal payments under outstanding loan agreements with the Authority. All of the indebtedness constitutes a general obligation of the University and is secured as described below. The indebtedness matures on various dates through 2052.

Authority and Other Indebtedness

The University has entered into loans with the Authority financed through the issuance of revenue bonds by the Authority and one note payable with a financial institution. Various agreements between the University and the Authority entered into in connection with such loans obligate the University to make payments in amounts and at times sufficient to make timely payment of principal and interest on the bonds issued to finance the loans. The following summarizes the loans comprising this indebtedness to the Authority and the note payable to the financial institution. For additional information, see note 6 to the financial statements of the University included in Appendix B.

	Outstanding Principal Amount as of June 30, 2019
Revenue Bonds, Series 2002A2 ⁽¹⁾	\$ 50,000,000
Revenue Bonds, Series 2008A ⁽¹⁾	103,215,000
Revenue Bonds, Series 2009A ⁽²⁾⁽³⁾	54,180,000
Revenue Bonds, Series 2009C ⁽²⁾⁽⁴⁾	100,000,000
Revenue Bonds, Series 2010A ⁽²⁾	50,000,000
Revenue Bonds, Series 2012A ⁽²⁾	26,465,000
Revenue Bonds, Series 2012B ⁽²⁾	51,390,000
Revenue Bonds, Series 2015A ⁽⁵⁾	119,190,000
Revenue Bonds, Series 2015B ⁽⁵⁾	44,000,000
Taxable Note ⁽⁶⁾	25,000,000
Revenue Bonds, Series 2017A ⁽⁵⁾	100,445,000

⁽¹⁾ Variable rate. The University has entered into a standby bond purchase agreement in connection with these bonds. See "Variable Rate Bonds" below.

⁽²⁾ Fixed rate.

⁽³⁾ Expected to be redeemed on December 26, 2019 with the proceeds of the Series 2019A Bonds.

⁽⁴⁾ Expected to be redeemed on December 26, 2019 with the proceeds of the Series 2019C Bonds.

⁽⁵⁾ Variable rate. Sold directly to a financial institution. See "Direct Purchase Bonds and Lines of Credit" below.

⁽⁶⁾ Fixed rate. Issued to major insurance company. See "Direct Purchase Bonds and Lines of Credit" below.

Direct Purchase Bonds and Lines of Credit

The Series 2015A Bonds and Series 2017A Bonds were sold directly to a financial institution. The Series 2015B Bonds were sold directly to a different institution. The Series 2015A Bonds mature on July 1, 2045 and are subject to mandatory tender on May 1, 2025. The Series 2015B Bonds mature on July 1, 2025. The Series 2017A Bonds mature on July 1, 2052 and are subject to mandatory tender on July 30, 2027. In connection with the issuance of the Series 2015A, 2015B and 2017A Bonds, the University agreed to certain reporting requirements and covenants. The Series 2015A Bonds and Series 2017A Bonds are subject to mandatory tender at the option of the purchaser thereof upon the occurrence of an event that constitutes an event of default, including:

- (a) Any downgrade of the University's long-term unenhanced debt rating to BBB- or Baa3 or below, or any downgrade of the University's short-term unenhanced debt rating to P-3, A-3 or F-3 or below.
- (b) The University fails, as of any June 30 or December 31, to maintain a ratio of Minimum Unrestricted Liquidity to Total Funded Debt of not less than 1.00 to 1.00, defined as: (cash plus marketable investments less investments restricted for purposes other than operations) divided by (total current and long term portions of bonds, loans and capital leases). As of June 30, 2019, this ratio was 2.55: 1.

In addition, the Series 2015A Bonds and Series 2017A Bonds are subject to accelerated amortization over a three-year period if the University is rated less than A1 or A+.

Additionally, the University entered into a Note Purchase Agreement with a major insurance company for \$25,000,000, with principal due April 10, 2045. Under the Note Purchase Agreement, the University agreed to certain reporting requirements.

None of the Series 2015A Bonds, the Series 2017A Bonds or the Note described above are secured by revenues or assets of the University.

Variable Rate Bonds

The Series 2002A2 and Series 2008A Bonds bear interest at variable rates and are subject to optional and mandatory tender. The University has entered into agreements with remarketing agents pursuant to which the remarketing agents are obligated to use their best efforts to remarket any bonds that are tendered but not remarketed. In connection with the Series 2002A2 and Series 2008A Bonds, the University has arranged for standby bond purchase agreements (“SBPAs”) to be provided by a bank pursuant to which the bank will purchase any such bonds that are tendered and not remarketed and the University will only be obligated to purchase such bonds if the bank does not purchase them. Both SBPAs terminate on December 31, 2023. Any bonds purchased by the bank pursuant to the applicable SBPA may be subject to repayment on an accelerated basis. Under certain circumstances each bank’s obligation under the applicable SBPA to purchase bonds will terminate, and in such event the University would be obligated to purchase Series 2002A2 or Series 2008A Bonds tendered and not remarketed.

Lines of Credit

The University also has two bank lines of credit from two different financial institutions pursuant to which the University may borrow up to \$100,000,000 and \$150,000,000, respectively, outstanding at any time for any corporate purpose. The \$100,000,000 facility and \$150,000,000 facility have commitment termination dates of November 7, 2022 and February 28, 2021, respectively. Total outstanding draws on both lines of credit at October 31, 2019 was \$115.115 million. The \$150,000,000 facility contains a covenant of the University to maintain a credit rating of no less than A3 from Moody’s and A- from S&P. The \$100,000,000 facility contains a covenant of the University to maintain a credit rating of no less than Baa2 from Moody’s and BBB from S&P.

Interest Rate Exchange Agreements

As of June 30, 2019, the University had entered into five interest rate exchange agreements with a current aggregate notional amount of \$375,000,000. Pursuant to each agreement, the University is obligated to pay the applicable swap counterparty amounts based on a fixed interest rate and is to receive payment from the swap counterparty based on variable interest rates. Under certain circumstances the University may be required to post collateral to secure its obligations under the interest rate exchange agreements. In addition, each agreement may be terminated following the occurrence of certain events, at which time the University may be required to make a termination payment to the swap counterparty. The University’s swap counterparties include: Morgan Stanley Capital Services, Inc. (\$200 million aggregate notional amount); and Bank of New York (\$175 million aggregate notional amount). As of June 30, 2019, the cost of terminating all five interest rate exchange agreements would have been approximately \$153 million.

Insurance

The University currently carries property insurance under a blanket all-risk policy in the amount of \$1,000,000,000 on its buildings and their contents, based on full replacement value. The University self-insures the first \$500,000 of each loss.

The University’s comprehensive general liability insurance coverage has a single limit for bodily injury and property damage of \$1,000,000 per occurrence with a \$3,000,000 aggregate limit per annual policy period. This insurance is provided through commercial insurance companies.

University physicians and other medical staff of the Hospital are insured against claims of medical malpractice under an annual umbrella policy. The University is self-insured for \$1,500,000 per claim and \$3,000,000 in the aggregate per annual period for all claims against all insureds. Umbrella insurance policies in the amount of \$35,000,000 are provided through commercial insurance companies.

In addition, the University carries umbrella policies providing excess coverage of \$50,000,000 per annual policy period over the above-described limits.

Pension Plans

The University provides retirement benefits for full-time faculty, officers and supporting staff employees under a non-contributory defined contribution plan by making direct payments to Teachers Insurance Annuity Association-College Retirement Equities Fund (TIAA-CREF). Pension costs under this plan amounted to \$11,309,000 for the fiscal year ended June 30, 2019. In addition to providing pension benefits, the University provides certain health care and life insurance benefits for retired faculty and administrative employees who meet certain age and length-of-service requirements upon retirement. See note 8 of the notes to the financial statements of the University included in Appendix B for further information.

Health and Safety

Certain hazardous materials are used at the University in scientific research. The University has a Safety Office which oversees the handling and disposal of such materials, as well as the University's general health and safety programs. It is the University's policy to comply with all federal, state and local health and safety laws and regulations and in the absence thereof, to use the standards of nationally recognized professional health and safety organizations as safety guidelines.

Financial Advisor

The Yuba Group LLC, also known as Yuba Group Advisors (the "Financial Advisor"), has been retained by the University to serve as its financial advisor in connection with the offering of the Series 2019BC Bonds. The following three sentences have been provided by the Financial Advisor. The Financial Advisor is not obligated to make, and has not undertaken, an independent verification of any of the information contained in the Official Statement and makes no guarantee as to the accuracy, completeness or fairness of such information. The Financial Advisor is an independent financial advisory and consulting firm and is not engaged in the underwriting or trading of municipal securities or other negotiable instruments. The Financial Advisor does not receive a fee related to or contingent upon the sale and closing of the Series 2019BC Bonds.

LITIGATION AND OTHER CONTINGENT LIABILITIES

Allegations of misconduct by Dr. Reginald Archibald. In March 2018, the University received a complaint from a former patient of Dr. Reginald Archibald that he had engaged in inappropriate conduct towards the patient when he was a child. Dr. Archibald was a University faculty member and Hospital physician from the 1940s until the 1980s; he studied childhood growth and maturation, focusing on children of short stature. Dr. Archibald passed away in 2007.

In response to this complaint, the University engaged Debevoise & Plimpton LLP ("Debevoise"), an external law firm, to investigate. On May 23, 2019, the University made available to the public Debevoise's report on its investigation of Dr. Archibald at <https://archibaldreport.com>, which report is incorporated herein by reference. The University also established and continues to maintain the Rockefeller Hospital Therapy Fund, which is operated in partnership with RAINN (Rape, Abuse & Incest National Network), to provide support for Dr. Archibald's former patients for ongoing therapy costs and assistance in finding a therapist.

On February 14, 2019, New York State enacted the Child Victims Act ("CVA"), which extends the age (from 21 to 55) by which a person may bring a lawsuit alleging child sexual abuse and provides a one-year window (starting August 14, 2019) during which a person of any age may file such a lawsuit.

A large number of former patients have asserted claims against the University and the University has settled a significant number of such claims. As of June 30, 2019, approximately \$162.9 million has been recorded in the University's financial statements for fiscal year 2019 for CVA settlements, legal fees, investigation costs and other expenses through October 25, 2019. The University is actively pursuing non-litigation resolution of claims. The number of existing unsettled claims as of October 25, 2019, including those brought by litigants in 21 lawsuits, is 331. One lawsuit includes a similar claim by a litigant against an additional former faculty member. The University is unable to predict the outcome of these existing unsettled claims and is unable to predict how many additional claims may be asserted. As a result, the University cannot reasonably estimate the possible loss or range of loss or effect on its revenues or operations at this time (and, accordingly, no amounts have been accrued for unsettled claims in the financial statements of the University for the fiscal year ended June 30, 2019), but the effect could be material. Since October 25, 2019 through November 19, 2019, the University has incurred approximately \$7 million for additional CVA settlements, legal fees, investigation costs and other expenses and has been named in three additional lawsuits.

The University expects that a number of these claims will be covered by existing insurance coverage and has filed a lawsuit against its insurers to recover proceeds in connection with these claims. However, there can be no assurance that the University will prevail or as to the amount that it will be able to recover. Sources of payment of claims, to the extent not covered by insurance, may include the University's unrestricted endowment fund, the University's existing lines of credit, the incurrence of additional loans or lines of credit and/or the issuance of taxable bonds.

The University has notified several governmental entities about the Archibald matter. To date, no governmental entity has notified the University that it is taking any action against the University.

Other Litigation. The University is a defendant in various legal actions arising out of the normal course of its operations. Although the outcome of any such actions cannot be currently determined, the University is of the opinion that the eventual liability therefor, if any, will not have a material effect on the financial position of the University or its ability to make required debt service payments.

PART 8 — THE AUTHORITY

Background, Purposes and Powers

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

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

To carry out its programs, DASNY is authorized to issue and sell negotiable bonds and notes to finance the construction of facilities for such institutions, to issue bonds or notes to refund outstanding bonds or notes and to lend funds to such institutions. At September 30, 2019, DASNY had approximately \$56 billion aggregate principal amount of bonds and notes outstanding. DASNY also is authorized to make tax-exempt leases, with its Tax-Exempt Leasing Program (TELP). As part of its operating activities, DASNY also administers a wide variety of grants authorized by

the State for economic development, education and community improvement and payable to both public and private grantees from proceeds of State Personal Income Tax Revenue Bonds issued by DASNY.

DASNY is a conduit debt issuer. Under existing law, and assuming continuing compliance with tax law, interest on most bonds and notes issued by DASNY has been determined to be excludable from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. All of DASNY's outstanding bonds and notes, both fixed and variable rate, are special obligations of DASNY payable solely from payments required to be made by or for the account of the client institution for which the particular special obligations were issued. DASNY has no obligation to pay its special obligations other than from such payments. DASNY has always paid the principal of and interest on all of its obligations on time and in full; however, as a conduit debt issuer, payments on DASNY's special obligations are solely dependent upon payments made by DASNY's client for which the particular special obligations were issued and the security provisions relating thereto.

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

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

DASNY has a staff of approximately 536 employees located in three main offices (Albany, New York City and Buffalo) and at approximately 47 field sites across the State.

Governance

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

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

The current members of DASNY are as follows:

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

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

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

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

JONATHAN H. GARDNER, ESQ., Buffalo.

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

WELLINGTON Z. CHEN, Queens.

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

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

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

JOAN M. SULLIVAN, Slingerlands.

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

GERARD ROMSKI, ESQ., Mount Kisco.

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

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

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

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

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

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

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

The principal staff of DASNY are as follows:

The office of President and chief executive officer is currently vacant. The Vice President will perform the duties of the President until such time as a new President is appointed and confirmed.

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

KIMBERLY J. NADEAU is the Chief Financial Officer and Treasurer of DASNY. As Chief Financial Officer and Treasurer, Ms. Nadeau is responsible for supervising DASNY's investment program, general accounting,

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

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

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

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

CAROLINE V. GRIFFIN is the Chief of Staff of DASNY. She is responsible for overseeing intergovernmental relations and managing the Communications & Marketing Department, as well as coordinating policy and operations across DASNY's multiple business lines. Ms. Griffin most recently served as the Director of Intergovernmental Affairs for Governor Andrew M. Cuomo where she worked as the Governor's liaison with federal, state and local elected officials and managed staff serving in various capacities in the Governor's Office. Prior to that she served as the Assistant Executive Deputy Secretary for Governor Andrew M. Cuomo overseeing the operations staff and Assistant Secretary for Intergovernmental Affairs for both Governor David A. Paterson and Governor Eliot Spitzer. She holds a Bachelor of Arts degree in Communications from Boston College.

Claims and Litigation

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

Other Matters

New York State Public Authorities Control Board

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

Legislation

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

Environmental Quality Review

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

Independent Auditors

The accounting firm of KPMG LLP audited the financial statements of DASNY for the fiscal year ended March 31, 2019. Copies of the most recent audited financial statements are available upon request at the offices of DASNY.

PART 9 — LEGALITY OF THE SERIES 2019BC BONDS FOR INVESTMENT AND DEPOSIT

Under State law, the Series 2019BC Bonds are securities in which all public officers and bodies of the State and all municipalities and municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees, committees, conservators and other fiduciaries in the State may properly and legally invest funds in their control.

The Series 2019BC Bonds may be deposited with the State Comptroller to secure deposits of State moneys in banks, trust companies and industrial banks.

PART 10 — NEGOTIABLE INSTRUMENTS

The Series 2019BC Bonds are negotiable instruments as provided in the Act, subject to the provisions for registration and transfer contained in the Resolution and in the Series 2019BC Bonds.

PART 11 — TAX MATTERS

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2019BC 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 2019BC Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2019BC Bonds. The Authority has covenanted in the Series Resolution and the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141–150 of the Internal Revenue Code (the “Tax Certificate”), and the University has covenanted in the Loan Agreement and the Tax Certificate to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2019BC Bonds from gross

income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the University have made certain representations and certifications in the Tax Certificate. We have also relied on the opinion of counsel to the University as to the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code. Bond Counsel will not independently verify the accuracy of those representations and certifications or that opinion.

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 2019BC 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.

State Taxes

Bond Counsel is also of the opinion that, under existing law, interest on the Series 2019BC Bonds is exempt, by virtue of the Act, from personal income taxation imposed by the State of New York or any political subdivision thereof. Bond Counsel expresses no opinion as to other New York State or local tax consequences arising with respect to the Series 2019BC Bonds nor as to the taxability of the Series 2019BC Bonds or the income therefrom under the laws of any jurisdiction other than the State of New York.

Original Issue Premium

The Series 2019BC Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such 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 2019BC 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 2019BC Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2019BC Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2019BC 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 opinion attached as Appendix E to this Official Statement. 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 2019BC Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Tax 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 2019BC Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2019BC 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 2019BC 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 2019BC Bonds may occur. Prospective purchasers of the Series 2019BC Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2019BC Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2019BC Bonds may affect the tax status of interest on the Series 2019BC Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Series 2019BC Bonds, or the interest thereon, if any action is taken with respect to the Series 2019BC Bonds or the proceeds thereof upon the advice or approval of other counsel.

The form of the approving opinion of Bond Counsel is attached to this Official Statement as Appendix E – “Form of Approving Opinion of Bond Counsel.”

PART 12 — STATE NOT LIABLE ON THE SERIES 2019BC BONDS

The Act provides that notes and bonds of the Authority are not a debt of the State that the State is not liable on them and that such notes and bonds are not payable out of any funds other than those of the Authority. The Resolution specifically provides that the Series 2019BC Bonds are not a debt of the State and that the State is not liable on them.

PART 13 — COVENANT BY THE STATE

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

PART 14 — LEGAL MATTERS

Certain legal matters incidental to the authorization and issuance of the Series 2019BC Bonds by the Authority are subject to the approval of Nixon Peabody LLP, New York, New York, Bond Counsel, whose approving opinion will be delivered with the Series 2019BC Bonds. The proposed form of Bond Counsel’s opinion is set forth in Appendix E hereto.

Certain legal matters will be passed upon for the University by its special counsel, Orrick Herrington & Sutcliffe LLP, New York, New York. Certain legal matters will be passed upon for the Underwriters by their counsel, Katten Muchin Rosenman LLP, New York, New York.

There is not now pending any litigation restraining or enjoining the issuance or delivery of the Series 2019BC Bonds or questioning or affecting the validity of the Series 2019BC Bonds or the proceedings and authority under which they are to be issued.

PART 15 — UNDERWRITING

BofA Securities, Inc., as Representative of the Underwriters, has agreed, subject to certain conditions, to purchase the Series 2019B Bonds at a purchase price of \$90,272,202.09 (which is equal to the par amount of the Series 2019B Bonds, plus aggregate original issue premium of \$17,164,079.85, less an underwriters' discount of \$176,877.76) and the Series 2019C Bonds at a purchase price of \$100,197,507.16 (which is equal to the par amount of the Series 2019C Bonds, plus aggregate original issue premium of \$11,048,194.95, less an underwriters' discount of \$215,687.79), and to make a public offering of the Series 2019BC Bonds at a price that is not in excess of the public offering price stated on the inside cover page of this Official Statement. The Underwriters are obligated to purchase all of the Series 2019BC Bonds if any are purchased.

BofA Securities, Inc., one of the Underwriters of the Series 2019BC Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2019BC Bonds.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Series 2019BC Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, if applicable to this transaction, each of CS&Co. and LPL will purchase Series 2019BC Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2019BC Bonds that such firm sells.

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

PART 16 — CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the University will enter into a written agreement (the "Continuing Disclosure Agreement") for the benefit of the Holders of the Series 2019BC Bonds with Digital Assurance Certification, L.L.C. ("DAC"), as disclosure dissemination agent, and the Trustee. The proposed form of the Continuing Disclosure Agreement is attached as Appendix F hereto.

PART 17— RATINGS

Moody's Investors Service ("Moody's") has assigned a rating of "Aa1" to the Series 2019BC Bonds. S&P Global Ratings ("S&P") has assigned a rating of "AA" to the Series 2019BC Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agencies at the following addresses: S&P, 55 Water Street, New York, New York 10041; and Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by any or all of such rating agencies if, in the judgment of any or all of them, circumstances so warrant. Any such downward revision or withdrawal of such rating or ratings may have an adverse effect on the market price of the Series 2019BC Bonds.

PART 18— MISCELLANEOUS

References in this Official Statement to the Act, the Resolution, the Series 2019BC Resolutions and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2019BC Resolutions and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2019BC Resolutions and the Loan Agreement are on file with the Authority and the Trustee.

The agreements of the Authority with Holders of the Series 2019BC Bonds are fully set forth in the Resolution. Neither any advertisement of the Series 2019BC Bonds nor this Official Statement is to be construed as a contract with purchasers of the Series 2019BC Bonds.

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

The information regarding the University was supplied by the University. The Authority believes that this information is reliable, but the Authority makes no representations or warranties whatsoever as to the accuracy or completeness of this information. The Authority does not warrant the accuracy of the statements contained herein relating to the University nor does it directly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of security for the Series 2019BC Bonds or (3) the value or investment quality of the Series 2019BC Bonds.

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

"Appendix A - Certain Definitions," "Appendix C - Summary of Certain Provisions of the Loan Agreement and Proposed Loan Agreement Amendments," "Appendix D - Summary of Certain Provisions of the Resolution" and "Appendix E - Form of Approving Opinion of Bond Counsel" have been prepared by Nixon Peabody LLP, New York, New York, Bond Counsel.

"Appendix B - Financial Statements of The Rockefeller University (With Independent Auditors' Report Thereon)" contains the audited financial statements of the University as of and for the year ended June 30, 2019 and the report of the University's independent accountants, KPMG LLP, on such financial statements.

The University has reviewed the parts of this Official Statement describing the University, the Principal and Interest Requirements, the Refunding Plan, the Series 2019B Green Bonds Designation, the Estimated Sources and Uses of Funds and Appendix B. The University, as a condition to issuance of the Series 2019BC Bonds, is required to certify that as of the date of this Official Statement and as of the date of issuance of the Series 2019BC Bonds, such parts do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which the statements are made, not misleading.

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

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

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

By: /s/ Authorized Officer
Authorized Officer

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CERTAIN DEFINITIONS

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DEFINITIONS

The following are definitions of certain terms used in this Official Statement.

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

Act means the Dormitory Authority Act (being Chapter 524 of the Laws of 1944 of the State, as amended, and constituting Title 4 and Title 4-B of Article 8 of the Public Authorities Law of the State, as amended).

Annual Administrative Fee means the fee payable during each Bond Year for the general administrative and supervisory expenses of the Authority.

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

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

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

Authority Fee means a fee payable to the Authority consisting of all the Authority's internal costs and overhead expenses attributable to the issuance of a Series of Bonds and the construction of the Projects, as more particularly described in the Loan Agreement.

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the definition "Authority Fee" will be amended as follows:

Authority Fee means the fee payable to the Authority attributable to the issuance of Bonds of a Series, as more particularly described in the Loan Agreement, which may be amended, modified or supplemented by the Authority with the consent of the University.

Authorized Denominations means \$5,000 or any integral multiple thereof.

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

Authorized Officer means (i) in the case of the Authority, the Chair, the Vice-Chair, the Treasurer, an Assistant Treasurer, the Secretary, an Assistant Secretary, the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the Managing Director of Public Finance, the Managing Director of Construction, the

Managing Director of Policy and Program Development, the General Counsel, and when used with reference to any act or document also means any other person authorized by a resolution or the by-laws of the Authority to perform such act or execute such document; (ii) in the case of the University when used with reference to any act or document, the person or persons authorized by a resolution or the by-laws of the University to perform such act or execute such document; and (iii) in the case of the Trustee, the President, a Vice President, an Assistant Vice President, a Corporate Trust Officer, an Authorized Signatory, a Trust Officer or an Assistant Trust Officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of such Trustee or the by-laws of such Trustee.

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

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

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

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

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

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

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

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

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

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

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

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

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

Credit Facility means an irrevocable letter of credit, surety bond, loan agreement, or other agreement, facility or insurance or guaranty arrangement issued or extended by a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a saving and loan association, an insurance company or association chartered or organized under the laws of any state of the United States of America, the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority, pursuant to which the Authority is entitled to obtain moneys to pay the principal, or Redemption Price of Bonds due in accordance with their terms of redemption or tendered for purchase or redemptions, plus accrued interest thereon to the date of payment, purchase or redemption, in accordance herewith and with the Series Resolution authorizing such Bonds or the Bond Series Certificate relating thereto, whether or not the Authority is in default under the Resolution.

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

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

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

Exempt Obligation means (i) an obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision, the interest on which is excludable from gross income under Section 103 of the Code, which is not a "specified private activity bond" within the meaning of Section 57(a)(5) of the Code, and which, at the time an investment therein is made or such obligation is deposited in any fund or account under the Resolution, is rated, without regard to qualification of such rating by symbols such as "+" or "-" and numerical notation, no lower than the second highest rating category for such obligation by at least two Rating Services, (ii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of, or interest on any of the foregoing and (iii) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Federal Agency Obligation means (i) an obligation issued by any federal agency or instrumentality approved by the Authority, (ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by a federal agency approved by the Authority, (iii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing and (iv) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Government Obligation means (i) a direct obligation of the United States of America, (ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by the United States of America, (iii) an obligation to which the full faith and credit of the United States of America are pledged, (iv) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing and (v) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

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

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

Investment Agreement means an agreement for the investment of moneys with a Qualified Financial Institution.

Liquidity Facility means an irrevocable letter of credit, surety bond, loan agreement, Standby Purchase Agreement, line of credit or other agreement or arrangement issued or extended by a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a savings bank, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings and loan association, an insurance company or association chartered or organized under the laws of any state of the United States of America, the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority, pursuant to which moneys may be obtained upon the terms and conditions contained therein for the purchase or redemption of Bonds tendered for purchase or redemption in accordance with the terms of the Resolution and of the Series Resolution authorizing such Bonds or a Bond Series Certificate relating to such Bonds.

Loan Agreement means the Loan Agreement, by and between the Authority and the University dated as of October 31, 2001, as amended and restated as of April 7, 2008, including as proposed to be amended by the Proposed Loan Agreement Amendments, as the same shall be amended, supplemented or otherwise modified as permitted by the Resolution and by the Loan Agreement.

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

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the definition “Management Consultant” will be deleted.

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

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

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

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

Permitted Collateral means (i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligations, (ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations, (iii) commercial paper that (a) matures within two hundred seventy (270) after its day of issuance, (b) is rated in the highest short term rating category by at least one Rating Service and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least one Rating Service no lower than in the second highest rating category or (iv) financial guaranty agreements, surety or other similar bonds or other instruments of an insurance company that has an equity capital of at least \$125,000,000 and is rated by Bests Insurance Guide or a Rating Service in the highest rating category.

Permitted Investments means any of the following: (i) Government Obligations; (ii) Federal Agency Obligations; (iii) Exempt Obligations; (iv) Uncollateralized certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation and issued by a banking organization authorized to do business in the State; (v) Collateralized certificates of deposit that are (a) issued by a banking organization authorized to do business in the State that has an equity capital of not less than \$125,000,000, whose unsecured senior debt, or debt obligations fully secured by a letter or credit, contract, agreement or surety bond issued by it, are rated by at least one Rating Services in at least the second highest rating category, and (b) are fully collateralized by Permitted Collateral; and (vi) Investment Agreements that are fully collateralized by Permitted Collateral.

Project means a “dormitory” as defined in the Act, which may include more than one part, financed in whole or in part from the proceeds of the sale of Bonds, as more particularly described in the Resolution, the Loan Agreement or pursuant to the Series Resolution authorizing the issuance of Bonds in connection with such Project.

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

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

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

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

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

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

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

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

Record Date means, with respect to each Interest Payment Date, (i) during any Daily Rate Period, any Commercial Paper Rate Period or any Weekly Rate Period, the close of business on the Business Day preceding such Interest Payment Date, and (ii) during any Term Rate Period or the Fixed Rate Period, the close of business on the

fifteenth (15th) day of the calendar month immediately preceding any calendar month in which there occurs an Interest Payment Date, regardless of whether such day is a Business Day.

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

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

Remarketing Agent means the remarketing agent, if any, appointed and serving in such capacity pursuant to the Bond Series Certificate or any successor remarketing agent.

Resolution means The Rockefeller University Revenue Bond Resolution, adopted by the Authority on October 31, 2001, as from time to time amended or supplemented by Supplemental Resolutions or Series Resolutions in accordance with the terms and provisions of the Resolution.

Revenues means all payments received or receivable by the Authority pursuant to the Loan Agreement, which are required to be paid to the Trustee (except payments to the Trustee for the administrative costs and expenses or fees of the Trustee and payments to the Trustee for deposit to the Arbitrage Rebate Fund).

Securities means (i) any coin or currency of the United States of America which is legal tender for the payment of public and private debts, (ii) common or preferred stock, notes, bonds and debentures, (iii) interests in unit investment trusts, mutual funds, hedge funds, limited partnerships, limited liability companies acquired as an investment, and (iv) other investment agreements and investment property, that (A) in each case, are traded over-the-counter or on a national stock or other exchange or for which there is an active market for the purchase and sale or (B) in case of Securities described in clauses (iii) and (iv) above, at the option of the University, may be redeemed, put to a Qualified Financial Institution for purchase, or otherwise liquidated not less frequently than once each calendar year.

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

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

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

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

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

State means the State of New York.

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

Tax Certificate means a certificate of the Authority including all appendices, schedules and exhibits thereto, executed in connection with a Series of Bonds relating to the arbitrage and the provisions of Section 141 through 150, inclusive, of the Internal Revenue Code of 1986, or any similar certificate, agreement or other instrument made, executed and delivered in lieu of said certificate, in each case as the same may be amended or supplemented.

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

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

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

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

Variable Interest Rate means the rate or rates of interest to be borne by a Series of Bonds or any one or more maturities within a Series of Bonds, which is or may be varied from time to time in accordance with the method of computing such interest rate or rates specified in the Series Resolution authorizing such Bonds or a Bond Series Certificate relating to such Bonds and which shall be based on (i) a percentage or percentages or other function of an objectively determinable interest rate or rates (e.g., a prime lending rate) which may be in effect from time to time or at a particular time or times; *provided, however*, that such variable interest rate may be subject to a maximum interest rate and may be subject to a minimum interest rate and that there may be an initial rate specified in each case as provided in such Series Resolution or a Bond Series Certificate or (ii) a stated interest rate that may be changed from time to time as provided in the Series Resolution authorizing such Bonds or a Bond Series Certificate; *provided further*, that such Series Resolution or Bond Series Certificate shall also specify either (x) the particular period or periods of time or manner of determining such period or periods of time for which each variable interest note shall remain in effect or (y) the time or times at which any change in such variable interest rate shall become effective or the manner of determining such time or times.

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

**FINANCIAL STATEMENTS OF THE ROCKEFELLER UNIVERSITY
(WITH INDEPENDENT AUDITORS' REPORT THEREON)**

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THE ROCKEFELLER UNIVERSITY

Financial Statements

June 30, 2019

(With comparative financial information as of and
for the year ended June 30, 2018)

(With Independent Auditors' Report Thereon)



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

Independent Auditors' Report

The Board of Trustees
The Rockefeller University:

We have audited the accompanying financial statements of The Rockefeller University (the University), which comprise the balance sheet as of June 30, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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



Emphasis of Matter

As discussed in note 1(n) to the financial statements in 2019 the University adopted new accounting guidance, Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the University's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 3, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived before the adjustments to adopt ASU 2016-14. As part of our audit of the 2019 financial statements, we also audited the adjustments described in note 1(n) that were applied to adopt ASU No. 2016-14 retrospectively in the 2018 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

KPMG LLP

November 6, 2019

THE ROCKEFELLER UNIVERSITY

Balance Sheet

June 30, 2019

(With comparative financial information as of June 30, 2018)

Assets	2019	2018
Cash and cash equivalents	\$ 72,872,417	69,796,336
Accounts receivable	9,474,914	10,331,171
Contributions receivable (note 9)	238,452,871	423,944,998
Loans receivable – faculty and staff	37,439,667	33,074,778
Other assets	31,900,748	34,926,168
Investments (notes 3 and 14)	2,305,924,544	2,205,065,691
Plant assets, net (note 7)	<u>1,205,856,387</u>	<u>1,129,349,352</u>
Total assets	<u>\$ 3,901,921,548</u>	<u>3,906,488,494</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 55,110,334	73,094,969
Deferred revenues	6,710,849	3,636,226
Obligation under derivative instruments (notes 6 and 14)	153,110,528	117,634,713
Obligation under lines of credit (note 5)	5,115,000	36,242,943
Long-term debt (note 6)	729,232,262	734,782,645
Conditional asset retirement obligation	8,638,858	8,675,777
Postretirement benefit obligation (note 8)	78,695,000	67,087,000
Amounts held for others (notes 13 and 14)	126,856,510	117,196,179
Contingent liabilities (note 12)	<u>155,691,635</u>	<u>—</u>
Total liabilities	<u>1,319,160,976</u>	<u>1,158,350,452</u>
Commitments and contingencies (notes 3 and 12)		
Net assets (notes 1(n), 4, and 10):		
Without donor restrictions	633,291,264	542,947,858
With donor restrictions	<u>1,949,469,308</u>	<u>2,205,190,184</u>
Total net assets	<u>2,582,760,572</u>	<u>2,748,138,042</u>
Total liabilities and net assets	<u>\$ 3,901,921,548</u>	<u>3,906,488,494</u>

See accompanying notes to financial statements.

THE ROCKEFELLER UNIVERSITY

Statement of Activities

Year ended June 30, 2019

(With summarized comparative financial information for the year ended June 30, 2018)

	2019			2018
	Without donor restrictions	With donor restrictions	Total	Total
Revenues:				
Government grants and contracts	\$ 85,072,260	—	85,072,260	87,231,396
Private gifts and grants	29,122,370	92,257,985	121,380,355	211,436,605
Investment income, net (note 3)	38,030,477	129,546,399	167,576,876	210,434,562
Net (depreciation) appreciation in fair value of derivative instruments (note 6)	(35,475,815)	—	(35,475,815)	29,422,410
Sales and services of auxiliary enterprises	33,258,212	—	33,258,212	34,861,372
Royalty and other income	26,819,910	—	26,819,910	21,895,688
Net assets released from restrictions (note 10)	477,525,260	(477,525,260)	—	—
Total revenues	654,352,674	(255,720,876)	398,631,798	595,282,033
Expenses and other changes:				
Expenses (note 11):				
Research	252,013,234	—	252,013,234	251,709,978
Graduate education	15,174,193	—	15,174,193	15,278,466
Research support	38,994,295	—	38,994,295	36,932,691
Institutional support	47,926,567	—	47,926,567	44,992,791
Auxiliary enterprises	38,885,968	—	38,885,968	35,682,513
Total expenses	392,994,257	—	392,994,257	384,596,439
Other changes:				
Postretirement related changes other than net periodic postretirement benefit cost (note 8)	8,077,000	—	8,077,000	(2,546,000)
Litigation payments (note 12)	162,938,011	—	162,938,011	—
Net expenses and other changes	564,009,268	—	564,009,268	382,050,439
Change in net assets	90,343,406	(255,720,876)	(165,377,470)	213,231,594
Net assets at beginning of year	542,947,858	2,205,190,184	2,748,138,042	2,534,906,448
Net assets at end of year	\$ 633,291,264	1,949,469,308	2,582,760,572	2,748,138,042

See accompanying notes to financial statements.

THE ROCKEFELLER UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2019

(With comparative financial information for the year ended June 30, 2018)

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ (165,377,470)	213,231,594
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net appreciation in fair value of investments	(163,841,427)	(207,959,922)
Net depreciation (appreciation) in fair value of derivative instruments	35,475,815	(29,422,410)
Donated equipment	(678,845)	(95,350)
Depreciation and amortization	46,834,877	42,725,858
Write-off of unamortized bond issuance costs	—	952,340
Private gifts and grants restricted for long-term investment	(25,747,673)	(7,908,307)
Contributions for capital	(7,746,053)	(31,294,380)
Contingent liability	155,691,635	—
Changes in operating assets and liabilities:		
Accounts and accrued interest receivable	856,257	18,889
Contributions receivable, excluding amounts in financing activities	72,631,976	(17,709,499)
Other assets	3,025,420	58,621
Accounts payable and accrued expenses	(7,973,006)	6,067,669
Deferred revenues	3,074,623	(1,060,470)
Conditional asset retirement obligation	(36,919)	(210,311)
Postretirement benefit obligation	11,608,000	1,287,000
Amounts held for others	(1,300,438)	(5,810,968)
Net cash used in operating activities	(43,503,228)	(37,129,646)
Cash flows from investing activities:		
Proceeds from sale of investments	336,516,807	384,922,740
Purchase of investments	(262,573,464)	(292,207,286)
Additions to plant assets	(123,098,450)	(166,115,825)
Change in accounts payable for capital expenditures	(10,011,629)	3,489,517
Principal collections on loans receivable – faculty and staff	1,272,706	4,964,390
Issuance of loans – faculty and staff	(5,637,595)	(6,554,181)
Net cash used in investing activities	(63,531,625)	(71,500,645)
Cash flows from financing activities:		
Proceeds from private gifts and grants restricted for long-term investment	14,302,877	24,492,167
Proceeds from private gifts restricted for capital	132,051,000	39,980,000
Proceeds from issuance of long-term debt	—	100,445,000
Proceeds from lines of credit	5,115,000	36,242,943
Retirement of indebtedness	(5,115,000)	(100,000,000)
Retirement of line of credit	(36,242,943)	—
Bond issuance costs	—	(445,000)
Net cash provided by financing activities	110,110,934	100,715,110
Net increase (decrease) in cash and cash equivalents	3,076,081	(7,915,181)
Cash and cash equivalents at beginning of year	69,796,336	77,711,517
Cash and cash equivalents at end of year	\$ 72,872,417	69,796,336
Supplemental disclosures:		
Interest paid	\$ 33,297,390	32,531,551
Net appreciation in amounts held for others	10,960,769	12,252,688

See accompanying notes to financial statements.

THE ROCKEFELLER UNIVERSITY

Notes to Financial Statements

June 30, 2019

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(1) Discussion of Operations and Summary of Significant Accounting Policies

The Rockefeller University (the University) is a world-renowned center for research and graduate education in the biomedical sciences, chemistry, bioinformatics, and physics. The University's 82 laboratories conduct both clinical and basic research and study a diverse range of biological and biomedical problems with the mission of improving the understanding of life for the benefit of humanity. Laboratories are loosely clustered in nine research areas covering a wide spectrum of disciplines in the life sciences, including neuroscience, immunology, genetics, structural biology, and bioinformatics. The University does not charge tuition. Its revenues are derived primarily from investment income, government grants and contracts, and private gifts and grants.

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

(a) *Basis of Presentation*

The University maintains its accounts in accordance with the principles of fund accounting. Under this method of accounting, resources for various purposes are classified into funds that are in accordance with activities or objectives specified by donors. Separate accounts are maintained for each fund.

For financial reporting purposes, however, the University prepares its financial statements on the accrual basis of accounting in accordance with standards established by the Financial Accounting Standards Board (FASB) or external reporting by not-for-profit organizations. Those standards require the classification of net assets and changes therein in two classes of net assets as follows:

- *Without Donor Restrictions* – Net assets are not subject to donor-imposed restrictions, but may be designated for specific purposes by the University or may be limited by contractual agreements with outside parties. In addition, changes in this category of net assets include returns on “funds functioning as endowment” and certain types of philanthropic support.

Such philanthropic support includes gifts without restrictions, including those designated by the Board of Trustees (the Board) to function as endowment and previously restricted gifts and grants for buildings that have been placed in service.

- *With Donor Restrictions* – Net assets subject to donor-imposed restrictions that will be met either by actions of the University or the passage of time. Items that affect this net asset category are gifts with donor restrictions, including gifts for buildings not yet placed in service and unexpended investment returns on donor-imposed endowment funds that have not been appropriated for expenditure. Expirations of restrictions on net assets with donor restrictions, including reclassification of restricted gifts for buildings when the associated long-lived assets is placed in service, are reported as net assets restricted from restrictions.

Also included in the category are net assets subject to donor-imposed restrictions to be maintained permanently by the University, including gifts and pledges wherein donors stipulate that the corpus of the gift be held in perpetuity.

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Revenue is reported as increases in net assets without donor restrictions unless limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. As discussed further in note 4, the University follows the provisions of Accounting Standards Codification (ASC) Topic 958, Subtopic 205-45, *Classification of Donor-Restricted Endowment Funds Subject to the Uniform Prudent Management of Institutional Funds Act*, which impacts the reporting of investment return on endowment funds. Accordingly, dividends, interest, and net gains and losses on endowment funds are reported as increases or decreases in net assets with donor restrictions until appropriated for expenditure by the University.

(b) Fair Value Measurements

Fair value is defined 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. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted or published prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that the University has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted or published prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 inputs are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

(c) Cash Equivalents

All highly liquid debt instruments with an original maturity of three months or less are considered to be cash equivalents, except for such assets that are part of the University's investment portfolio managed by external investment managers for long-term purposes.

(d) Contributions

Contributions, including unconditional promises to give, are reported as revenues in the period received. Contributions to be received after one year are discounted to reflect the present value of future cash flows at a risk-adjusted rate. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any, on the contributions.

Contributions of property, plant, and equipment without donor stipulation concerning the use of such long-lived assets are reported as revenues of the net assets without donor restrictions class. Contributions of cash or other assets to be used to acquire property, plant, and equipment are reported as revenues of the net assets with donor restrictions class; the restrictions are considered to be

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released at the time such long-lived assets are placed into service. A contribution is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to transfer assets. Conditional promises to give are recognized only when the conditions on which they depend are met and the promises become unconditional. Conditional contributions at June 30, 2019 were \$18,200,000.

(e) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based upon quoted or published market values. Investments in partnerships, as a practical expedient, are reflected at net asset value (NAV) as reported by the general partners, and may differ from the values that would have been reported had a ready market for these securities existed. The University reviews and evaluates the values provided by the general partners and agrees with the valuation methods and assumptions used in determining the fair value of the limited partnerships.

(f) Plant Assets

Plant assets are stated at cost or at fair value at date of donation in the case of gifts. Depreciation of buildings and building improvements is recorded over estimated useful lives ranging from 15 to 50 years. Equipment is depreciated over estimated useful lives ranging from 5 to 10 years. Leasehold improvements are amortized over the life of the asset or term of the lease, whichever is shorter. Library books are depreciated over estimated useful lives of 15 years.

(g) Government Grants and Contracts

Revenue from government grants and contracts is generally recognized as earned, that is, as the related costs are incurred under the grant or contract agreements. Amounts expended in excess of reimbursements are reported as accounts receivable.

(h) Derivative Instruments

The University accounts for derivative instruments at fair value. The fair value of the derivatives held is based upon values provided by third-party financial institutions and is assessed by management for reasonableness. The fair values of the University's interest rate swaps were calculated as of June 30, 2019 using industry-recognized methodologies. The valuations are based on the present value of the difference between the fixed rate paid by the University and the mid-market fixed rate the University would pay on a similar transaction if it were entered into on June 30, 2019.

(i) Conditional Asset Retirement Obligation

Upon acquisition, and when reasonably estimable, the University recognizes the fair value of the liability related to the legal obligation to perform asset retirement activity on tangible long-lived assets.

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(j) Income Taxes

The University is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. The University follows the guidance of ASC Subtopic 740-10, *Income Taxes – Overall*, which addresses accounting for uncertainties in income taxes recognized in an enterprise's financial statements. The University utilizes a threshold of more-likely than-not for recognition and derecognition of tax positions taken or expected to be taken in a tax return.

(k) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made in the preparation of these financial statements include the valuation of investments, estimated net realizable value of receivables, the obligation under derivative instruments, and the postretirement benefit obligation. Actual results could differ from those estimates.

(l) Comparative Financial Information

The statement of activities is presented with prior year financial information in total, which does not include net asset class detail. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the University's 2018 financial statements, from which the summarized information was derived before the adjustments to adopt ASU 2016-14. As part of our audit of the 2019 financial statements, we also audited the adjustments described in note 1(n) that were applied to adopt ASU No. 2016-14 retrospectively in the 2018 financial statements.

(m) Reclassifications

Certain amounts in the 2018 financial statements have been reclassified to conform to the 2019 presentation.

(n) Recent Accounting Pronouncements

In August 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which, among other things, changes how not-for-profit entities report net asset classes, expenses, and liquidity in their financial statements. The University adopted significant requirements of the new ASU, which includes the reduction of the number of net asset classes from three to two: with donor restrictions and without donor restrictions; the presentation of expenses by their function and their natural classification in one location; and quantitative and qualitative information about the management of liquid resources and availability of financial assets to meet cash needs within one year of the date of the balance sheet. As a result of adopting this ASU, certain prior year amounts, including \$199,023 and \$522,097 as of June 30, 2018 and 2017, respectively, of underwater endowment funds were reclassified to conform to the presentation requirements.

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A recap of the net asset reclassifications driven by the adoption of ASU No. 2016-14 as of June 30, 2019 follows:

<u>Net asset classifications</u>	<u>ASU No. 2016-14 classifications</u>		
	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total net assets</u>
Net assets as of June 30, 2018, as previously presented:			
Unrestricted	\$ 542,748,655	—	542,748,655
Temporarily restricted	—	1,871,794,949	1,871,794,949
Permanently restricted	—	333,594,438	333,594,438
Reclassification of underwater endowments to implement ASU No. 2016-14	<u>199,203</u>	<u>(199,203)</u>	<u>—</u>
Net assets as reclassified as of June 30, 2018	<u>\$ 542,947,858</u>	<u>2,205,190,184</u>	<u>2,748,138,042</u>

In May 2014, The FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires the University to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the University expects to be entitled in exchange for those goods or services. The University adopted ASU No. 2014-09 for the year ended June 30, 2019 on a retrospective basis, which did not have a significant impact on the financial statements.

In accordance with Topic 606, the University accounts for a customer contract when both parties have approved the contract and are committed to perform their respective obligations, each party's rights can be identified, payment terms can be identified, the contract has commercial substance, and it is probable the University will collect substantially all of the consideration to which it is entitled.

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(i) Nature of Goods and Services

<u>Products and services</u>	<u>Nature, timing of satisfaction of performance obligations, and significant payment terms</u>
Auxiliary enterprises	<p>Consists of the following:</p> <p><i>Press operations</i> – issues 4 different scientific journals. Subscription sales revenue is recognized on a straight-line basis over the subscription (contract) period (one year) up front.</p> <p><i>Housing services</i> – provides a variety of housing accommodations in support of the scientific needs of the University. Tenants leases are for a one-year term. Revenue is recognized on a point in time basis.</p> <p><i>Food Services</i> – provides food services to the University community through a cafeteria, café and conference dining. Food service revenue is recognized at a point in time sale.</p>
Royalty income	<p>Royalty income is generated from licensing agreements the University enters with a 3rd party Patentable inventions, tangible materials and copyrighted materials are transferred to the for-profit sector for further development into useful commercial products and services. Licensing agreements can terminate for convenience. Agreements are milestone based and revenue is recognized upon receipt (point in time) once certain milestones are achieved.</p>

In June 2018, the FASB issued ASU No. 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which clarifies how entities determine whether to account for a transfer of assets (or a reduction, settlement or cancellation of a liability) as an exchange transaction or a contribution based on whether commensurate value has been received or transferred. The new guidance also clarifies that a contribution is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to transfer assets. The clarified guidance applies to all entities that receive or make contributions (grants). The University adopted ASU No. 2018-08 for the year ended June 30, 2019 on a retrospective basis, which did not have a significant impact on the financial statements.

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In March 2017, the FASB issued ASU No. 2017-07, *Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The University recorded the service cost component (\$3,531,000 and \$3,833,000 for the years ended June 30, 2019 and 2018, respectively) of net benefit cost in the statement of activities line item where compensation cost is reported, and all other components of net benefit cost in the statement of activities, separately from the service cost component and outside of operating activities. The University adopted ASU No. 2017-07 for the year ended June 30, 2019 on a retrospective basis.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of leases with a term of 12 months or less) at the commencement date: (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a right-of-use asset, representing the lessee's right to use, or control the use of, a specified asset for the lease term. The guidance requires a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. In July 2018, the FASB issued ASU No. 2018-11, *Leases (Topic 842) Targeted Improvements*, to provide an additional transition method to adopt the guidance by allowing entities to initially apply the new leases standard at the adoption date and recognize a cumulative effect to the opening balance of net assets. The standard is effective for fiscal years beginning after December 15, 2018. The University is currently evaluating the impact this standard will have on the 2020 financial statements.

(2) Liquidity and Availability of Financial Assets

As of June 30, 2019, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled debt service payments, and capital construction costs not financed with debt, were as follows:

Financial assets:

Cash and cash equivalents	\$	72,872,417
Accounts receivable		9,474,914
Contribution receivable due in one year, excluding endowment		62,881,846
2020 endowment spending		<u>105,056,936</u>
Total financial assets available within one year		250,286,113

Liquidity resources:

Quasi-endowment funds without donor restrictions subject to board resolutions		452,273,743
Revolving credit agreement		150,000,000
Revolving credit agreement		<u>94,885,000</u>
Total financial assets available within one year and liquidity resources	\$	<u><u>947,444,856</u></u>

The University manages its financial assets to be available as its operating expenditures, liabilities, and other obligations come due. In addition, the University invests cash in excess of daily requirements in short-term investments or fixed-income securities. To manage additional liquidity, the University maintains

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lines of credit with several banks that are drawn upon as needed during the year to manage cash flows primarily related to construction activities. Amounts from the board-designated quasi-endowment funds could be made available if necessary through a board resolution.

(3) Investments

The fair value of the University's investments consists of the following at June 30, 2019 and 2018:

	2019	2018
Cash equivalents	\$ 136,896,488	136,142,563
U.S. government and agency obligations	33,863,981	31,371,079
U.S. long equities	289,138,792	335,319,670
International/global equities	303,104,633	235,770,079
Real assets	—	17,107,235
Alternative investments – public:		
Long/short equities	238,690,694	265,631,984
Absolute return	373,364,413	356,576,507
Real assets	41,738,342	43,910,281
Alternative investments – private:		
Buyout funds	274,549,565	227,838,895
Venture capital funds	300,615,150	237,327,824
Real estate funds	47,875,043	65,165,205
Natural resources and other	266,087,443	252,904,369
	\$ 2,305,924,544	2,205,065,691

Investments include limited partnerships totaling approximately \$2.123 billion and \$1.955 billion at June 30, 2019 and 2018, respectively, which are presented above by the underlying investment classification.

Alternative investments – Public investments include interests in limited partnerships that invest principally in public equities and corporate bonds and may employ both long and short strategies.

Alternative investments – Private investments include interests in limited partnerships that invest principally in buyout funds, venture capital, real estate funds, and natural resources. These interests generally have very limited liquidity.

A description of the various categories follows:

Long/short equities represent investments in funds that invest predominantly in liquid publicly traded marketable securities, primarily equities. These funds are able to hold both long and short positions and utilize leverage. These funds attempt to generate higher returns with lower volatility than their long-only counterparts and demonstrate moderate equity market correlation.

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Absolute return represents investments in funds that pursue strategies that do not demonstrate a sustained correlation to public equity markets, such as distressed debt and credit strategies, market neutral strategies, macro strategies, event driven and merger arbitrage strategies, and deep value investing.

Real assets represent investments in funds whose assets attempt to retain their value in inflationary environments and include investments in real estate, commodities, natural resources, and inflation-linked bonds.

Buyout funds represent investments in funds that take negotiated, frequently controlling ownership stakes in companies in the United States and internationally.

Venture capital funds represent investments in companies that are newly formed and which require substantial initial capital.

Real estate funds represent investments in a broad range of commercial and residential real estate properties.

Natural resources and other represent investments in partnerships that invest in a broad range of natural resources, including oil and gas, timber, metals and mining, and power. The other category generally represents private partnerships in credit, royalty, or other nonequity investments.

At June 30, 2019, the University had approximately \$450 million for which capital calls had not been exercised pertaining to alternative investments – private. Such commitments generally have fixed expiration dates or other termination clauses. The University maintains sufficient liquidity to cover such calls. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the balance sheet.

Investment income, net consists of the following as of June 30:

	2019			2018
	Without donor restrictions	With donor restrictions	Total	Total
Interest and dividends	\$ 2,324,636	1,410,813	3,735,449	2,474,640
Net appreciation in fair value of investments	<u>35,705,841</u>	<u>128,135,586</u>	<u>163,841,427</u>	<u>207,959,922</u>
Total	<u>\$ 38,030,477</u>	<u>129,546,399</u>	<u>167,576,876</u>	<u>210,434,562</u>

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(4) Endowment Funds

The primary role of the endowment is to advance the research mission of the University through support of the annual operating budget. The University's endowment consists of both donor-restricted endowment funds and funds designated by the University for long-term purposes and is subject to the provision of the *New York Prudent Management of Institutional Funds Act* (NYPMIFA). The University has interpreted NYPMIFA as allowing it to appropriate for expenditure or accumulate so much of a donor-restricted endowment fund as is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument absent explicit donor stipulations to the contrary.

The endowment's assets are invested in marketable securities, including U.S. and global equities and fixed income securities, and partnerships, including long/short equities, absolute return, venture capital, buyout funds, and real assets. The assets are primarily invested by external investment managers through separate accounts or through commingled vehicles, including funds, trusts, and limited partnerships.

The Investment Committee of the University's Board of Trustees (the Committee) is responsible for overseeing the endowment. With the support of the Office of Investments, the Committee establishes the endowment's investment policy and asset allocation, retains and oversees external investment managers, and monitors the implementation and performance of the investment program. The Committee has established a long-term asset allocation policy, which is designed to earn superior investment returns while reducing the risk of permanent impairment of capital. The policy emphasizes (1) a substantial allocation to equity investments; (2) broad diversification of asset class, style, and manager; (3) low correlation to traditional equity market indices; (4) low volatility strategies; and (5) less efficient asset classes. The asset allocation policy is reviewed annually by the Committee. Actual asset allocation is reviewed quarterly by the Committee, which may tactically overweight or underweight a particular asset class.

(a) Spending Policy

The University operates under a modified inflation-based spending formula for operations. This formula consists of 70% of the allowable spending in the prior fiscal year, increased by the rate of inflation (Higher Education Price Index (HEPI)) and 30% of the current year spend rate applied to a 12 quarter average market value. Should endowment returns prove to be insufficient to support this policy, the balance is provided from accumulated capital gains. Should endowment returns exceed the amounts necessary to attain this objective, the balance is reinvested. The applied spending rate was 5.5% as of June 30, 2019 and 2018, respectively. The spending rate appropriation from the portion of the endowment without donor restrictions for the year ended June 30, 2019 was \$76,312,149.

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(b) Funds with Deficiencies

From time to time, the fair value of endowment assets may fall below the fund's original value. Deficiencies of this nature are reported in net assets with donor restrictions. As of June 30, 2019, the fair value of two endowment accounts were less than their original donated amount by a total of approximately \$68,350, as follows:

	<u>Original amount</u>	<u>Fair value at June 30 2019</u>	<u>Underwater amount</u>
Underwater fund #1	\$ 51,941	38,957	(12,984)
Underwater fund #2	3,416,397	3,361,031	(55,366)
	<u>\$ 3,468,338</u>	<u>3,399,988</u>	<u>(68,350)</u>

The University applies the aforementioned spending policy to its endowment accounts with deficiencies by utilizing the accumulated gains on the board designated endowment without donor restrictions.

At June 30, 2019 and 2018, net assets associated with endowment funds consisted of the following:

	<u>2019</u>		
	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor restricted	\$ —	1,660,038,063	1,660,038,063
Designated for long-term purposes	452,273,743	—	452,273,743
Total	<u>\$ 452,273,743</u>	<u>1,660,038,063</u>	<u>2,112,311,806</u>

	<u>2018</u>		
	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor restricted	\$ —	1,621,326,375	1,621,326,375
Designated for long-term purposes	424,672,169	—	424,672,169
Total	<u>\$ 424,672,169</u>	<u>1,621,326,375</u>	<u>2,045,998,544</u>

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Changes in net assets associated with endowment funds, exclusive of pledges and nonpooled endowments principally in trusts, for the years ended June 30, 2019 and 2018, were as follows:

	2019		
	Without donor restrictions	With donor restrictions	Total
Net assets at June 30, 2018	\$ 424,672,169	1,621,326,375	2,045,998,544
Contributions	—	14,302,877	14,302,877
Investment return, net	35,188,614	129,546,399	164,735,013
Transfers, net	12,872,022	(25,917,672)	(13,045,650)
Total before spending rate	<u>472,732,805</u>	<u>1,739,257,979</u>	<u>2,211,990,784</u>
Endowment spending rate:			
Without donor restrictions	(20,459,062)	(76,312,149)	(96,771,211)
With donor restrictions	—	(2,907,767)	(2,907,767)
Total endowment spending rate	<u>(20,459,062)</u>	<u>(79,219,916)</u>	<u>(99,678,978)</u>
Net assets at June 30, 2019	<u>\$ 452,273,743</u>	<u>1,660,038,063</u>	<u>2,112,311,806</u>

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Transfers out of with donor restrictions principally consists of money that was released from restriction due to the death of one of the University's laboratory heads. Such funds were transferred into the without donor restricted net assets. Transfers into without donor restrictions principally consists of the aforementioned transfer offset by funding for litigation payments.

	2018		
	Without donor restrictions	With donor restrictions	Total
Net assets at June 30, 2017	\$ 401,836,570	1,511,168,893	1,913,005,463
Contributions	—	24,492,167	24,492,167
Investment return, net	41,740,839	166,788,985	208,529,824
Transfers, net	—	853,810	853,810
Total before spending rate	<u>443,577,409</u>	<u>1,703,303,855</u>	<u>2,146,881,264</u>
Endowment spending rate:			
Without donor restrictions	(18,905,240)	(75,327,457)	(94,232,697)
With donor restrictions	—	(6,650,023)	(6,650,023)
Total endowment spending rate	<u>(18,905,240)</u>	<u>(81,977,480)</u>	<u>(100,882,720)</u>
Net assets at June 30, 2018	<u>\$ 424,672,169</u>	<u>1,621,326,375</u>	<u>2,045,998,544</u>

Transfers into with donor restrictions primarily relates to unspent restricted endowment spend draws that were re-capitalized.

(5) Obligation under Lines of Credit

On October 1, 2013, the University entered into a revolving credit agreement with a financial institution. This agreement consists of a \$150 million committed facility, expiring on February 28, 2021, to be used for general institutional purposes. The facility borrowings may occur at the London Interbank Offered Rate (LIBOR) plus 0.50%, money market rate plus 0.50%, or a Corporate Base Rate. The commitment fee on the facility is 0.10% of the undrawn balance. There was \$0 and \$28,172,948 outstanding as of June 30, 2019 and 2018, respectively.

On December 23, 2016, the University entered into a revolving credit agreement with a financial institution. This agreement consists of a \$100 million committed facility, expiring on December 23, 2019, to be used for general institutional purposes. The facility borrowings may occur at LIBOR plus 0.45% or a prime based rate. The commitment fee on the facility is 0.10% of the undrawn balance. There was \$5,115,000 and \$8,069,995 outstanding as of June 30, 2019 and 2018, respectively.

Fees relating to the obligation under the line of credit for the years ended June 30, 2019 and 2018 were approximately \$281,000 and \$238,000, respectively.

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Subsequent to year-end the University drew an additional \$110 million from the above lines of credit.

(6) Long-Term Debt

The University has financed certain plant asset acquisition and construction costs through revenue obligations of the Dormitory Authority of the State of New York (the Authority) and other sources. The following obligations were outstanding at June 30, 2019 and 2018:

	2019	2018
The Rockefeller University Revenue Bonds, Series 2017A, variable rate, partially hedged by interest rate swap, due 2052 (effective rate 3.65% and 3.66% as of June 30, 2019 and 2018, respectively)	\$ 100,445,000	100,445,000
Note Payable, direct placement 3.77%, due serially to 2045	25,000,000	25,000,000
The Rockefeller University Revenue Bonds, Series 2015A, variable rate, partially hedged by interest rate swap, due 2045 (effective rate 4.53% and 4.50% as of June 30, 2019 and 2018, respectively)	119,190,000	119,190,000
The Rockefeller University Revenue Bonds, Series 2015B, variable rate, partially hedged by interest rate swap, due 2025 (effective rate 2.29% and 1.99% as of June 30, 2019 and 2018, respectively)	44,000,000	44,000,000
The Rockefeller University Revenue Bonds, Series 2012B, 4.00% to 5.00%, due serially to 2038	51,390,000	51,390,000
The Rockefeller University Revenue Bonds, Series 2012A, 4.00% to 5.00%, due serially to 2037	26,465,000	26,465,000
The Rockefeller University Revenue Bonds, Series 2010A, 5.00%, due serially to 2041	50,000,000	50,000,000
The Rockefeller University Revenue Bonds, Series 2009C, 5.00%, due serially to 2040	100,000,000	100,000,000
The Rockefeller University Revenue Bonds, Series 2009A, 4.50% to 5.00%, due serially to 2028	54,180,000	59,295,000
The Rockefeller University Revenue Bonds, Series 2008A, variable rate, partially hedged by interest rate swap, due 2039 (effective rate 4.09% and 3.96% as of June 30, 2019 and 2018, respectively)	103,215,000	103,215,000
The Rockefeller University Revenue Bonds, Series 2002A2, variable rate, partially hedged by interest rate swap, due 2032 (effective rate 4.21% and 4.17% as of June 30, 2019 and 2018, respectively)	50,000,000	50,000,000
	723,885,000	729,000,000
Unamortized bond premium	10,528,215	11,269,568
Unamortized bond issuance costs	(5,180,953)	(5,486,923)
	\$ 729,232,262	734,782,645

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The Series 2012A, 2012B, 2010A, 2009A, and 2009C bonds were issued at a premium, which are being amortized over the lives of the bonds.

As of June 30, 2019, the University's projected debt service payments on its long-term debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total debt service</u>
Year ending June 30:			
2020	\$ 5,375,000	30,975,849	36,350,849
2021	5,645,000	30,775,841	36,420,841
2022	5,305,000	30,539,419	35,844,419
2023	5,575,000	30,312,359	35,887,359
2024	5,850,000	30,071,799	35,921,799
Thereafter	<u>696,135,000</u>	<u>478,622,621</u>	<u>1,174,757,621</u>
	<u>\$ 723,885,000</u>	<u>631,297,888</u>	<u>1,355,182,888</u>

Interest expense on long-term debt for the years ended June 30, 2019 and 2018 was approximately \$28,775,000 and \$26,695,000, respectively; approximately \$4,522,000 and \$5,837,000 was capitalized for the years ended June 30, 2019 and 2018, respectively.

On April 10, 2015, the University entered into a note purchase agreement with a major insurance company for \$25 million, with principal due April 10, 2045.

The Series 2015A bonds bear interest at a variable rate and were directly placed with a financial institution for an initial 10 year period through a bond purchase and placement agreement. The 2015B bonds bear interest at a variable rate and were directly placed with a financial institution through a bond purchase and placement agreement.

The Series 2002A2 bonds and the Series 2008A bonds bear interest at variable rates and are subject to optional and mandatory tender. The University has entered into agreements with remarketing agents pursuant to which the remarketing agents are obligated to use their best efforts to remarket any bonds so tendered. The University is obligated to purchase any bonds that are tendered but not remarketed. In connection with the Series 2002A2 and 2008A bonds, the University arranged for a standby purchase agreement to be provided by a bank, pursuant to which the bank will purchase any bonds that are tendered and not remarketed.

On August 3, 2017, the Series 2009B bonds were refunded through proceeds from the 2017A bonds. The 2017A bonds were issued in the amount of \$100,445,000. The 2017A bonds bear interest at a variable rate and were directly placed with a financial institution for an initial 10 year period through a bond purchase and placement agreement.

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Interest Rate Swap Agreements

The University has entered into five interest rate swap agreements. The following schedule presents the notional principal amounts of the swaps and other related information as of June 30, 2019:

<u>Effective date</u>	<u>Notional amount</u>	<u>Termination date</u>
January 31, 2002	\$ 50,000,000	2032
May 2, 2005	50,000,000	2032
July 1, 2008	100,000,000	2039
July 1, 2009	100,000,000	2040
July 1, 2010	75,000,000	2040

The swaps are a partial hedge of the Series 2002A2, 2008A, 2015A, 2015B, and 2017A bond issues. Under the terms of the agreements, the University pays interest at predetermined fixed rates and receives variable rates. Included in obligation under derivative instruments in the balance sheet is the net cumulative loss on these derivative transactions in the amounts of \$153,110,528 and \$117,634,713 at June 30, 2019 and 2018, respectively. Additionally, the change in the cumulative (loss) gain is included in net (depreciation) appreciation in fair value of derivative instruments in the accompanying statement of activities and amounted to \$(35,475,815) and \$29,422,410 for the years ended June 30, 2019 and 2018, respectively.

(7) Plant Assets

Plant assets at June 30, 2019 and 2018 comprise the following:

	<u>2019</u>	<u>2018</u>
Land and land improvements	\$ 32,141,074	22,991,999
Buildings and building improvements	1,712,505,007	1,154,579,743
Equipment	106,272,650	94,728,705
Leasehold improvements	424,726	424,726
Library books	755,237	755,237
Works of art	888,464	877,839
Total	1,852,987,158	1,274,358,249
Less accumulated depreciation and amortization	(655,692,857)	(608,255,046)
Construction in progress	8,562,086	463,246,149
	<u>\$ 1,205,856,387</u>	<u>1,129,349,352</u>

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The University commenced a construction project to build a two story research tower over the FDR Drive in New York City. The project was completed in March 2019. The estimated cost of the River Campus project was \$530 million. The University has commitments in the amount of \$12.8 million as of June 30, 2019 related to its capital expansion project.

(8) Retirement Benefits

The University has defined contribution retirement plans covering substantially all academic and nonacademic personnel. The plans are fully funded by the purchase of annuity contracts. Pension costs amounted to approximately \$11,309,000 and \$10,970,000 for the years ended June 30, 2019 and 2018, respectively.

In addition to providing pension benefits, the University provides certain healthcare and life insurance benefits for retired faculty and administrative employees who meet certain age and length-of-service requirements upon retirement. The University recognizes the funded status (i.e., the difference between the fair value of plan assets and projected benefit obligations) of its benefit plan as an asset or liability in its balance sheet and recognizes changes in that funded status in the year in which the changes occur through changes in net assets without donor restrictions.

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The following table sets forth the postretirement benefit plan's funded status and amounts recognized in the University's financial statements as of and for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 93,869,000	91,243,000
Service cost	3,531,000	3,833,000
Interest cost	3,954,000	3,934,000
Plan participants' contributions	554,000	449,000
Retiree drug subsidy receipts	150,000	120,000
Actuarial loss (gain)	7,553,000	(2,549,000)
Benefits paid	<u>(3,337,000)</u>	<u>(3,161,000)</u>
Benefit obligation at end of year	<u>106,274,000</u>	<u>93,869,000</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	26,782,000	25,443,000
Actual return on plan assets	797,000	1,339,000
Employer contribution	2,633,000	2,592,000
Plan participants' contributions	554,000	449,000
Retiree drug subsidy receipts	150,000	120,000
Benefits paid	<u>(3,337,000)</u>	<u>(3,161,000)</u>
Fair value of plan assets at end of year (Level 1 inputs)	<u>27,579,000</u>	<u>26,782,000</u>
Accrued postretirement benefit obligation (APBO)	<u>\$ 78,695,000</u>	<u>67,087,000</u>

The components of net periodic postretirement benefit cost for the years ended June 30 are as follows:

	<u>2019</u>	<u>2018</u>
Service cost	\$ 3,531,000	3,833,000
Interest cost	3,954,000	3,934,000
Expected return on plan assets	<u>(1,877,000)</u>	<u>(1,784,000)</u>
Net periodic postretirement benefit cost	<u>\$ 5,608,000</u>	<u>5,983,000</u>

No amounts will be amortized into net periodic postretirement benefit cost in 2019.

As of June 30, 2019, the postretirement benefit obligation includes net actuarial losses of \$12,210,000. As of June 30, 2018, the postretirement benefit obligation includes net actuarial losses of \$3,577,000.

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Weighted average assumptions used to calculate the benefits obligation and to determine net periodic pension cost as of and for the years ended June 30 are as follows:

	<u>2019</u>	<u>2018</u>
Discount rate for benefit obligation	3.788 %	4.479 %
Discount rate for net periodic postretirement cost	4.479	4.285
Expected return on plan assets	7.01	7.01

For measurement purposes, an annual rate of 5.9% of increase in the per capita cost of covered healthcare and prescription drug benefits was assumed as of June 30, 2019. The rate was assumed to decrease to an ultimate rate of 4.5% in 2037 and remain at that level thereafter. Assumed healthcare cost trends have a significant effect on the amounts reported for the healthcare plans. A one-percentage-point change in assumed healthcare cost trend rates would have the following effects:

		<u>1-percentage- point increase</u>	<u>1-percentage- point decrease</u>
Effect on total of service and interest cost components	\$	1,859,000	(1,401,000)
Effect on year-end APBO		22,224,000	(17,191,000)

The asset allocation of the postretirement benefit plan as of June 30 was:

	<u>2019</u>	<u>2019 Target</u>	<u>2018</u>	<u>2018 Target</u>
Asset Category:				
Equities	78 %	75 %	79 %	75 %
Fixed income	22	25	21	25
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

The fair value of plan assets as of June 30, 2019 and 2018 includes equity mutual funds of approximately \$21.4 million and \$21.1 million, respectively, and fixed income mutual funds of approximately \$6.2 million and \$5.7 million, respectively.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 is reflected assuming that the University will continue to provide a prescription drug benefit to plan participants that is at least actuarially equivalent to Medicare Part D. The University received the federal subsidy until 2018. The amounts do not reflect the effects, if any, of the Patient Protection and Affordable Care Act and Health Care and Reconciliation Act that were enacted in March 2010.

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The benefits expected to be paid in each fiscal year from 2020 to 2024 and the five subsequent years thereafter are as follows:

	Payments not reflecting medicare subsidy	Medicare subsidy	Benefits reflecting medicare subsidy
2020	\$ 3,081,000	193,000	2,888,000
2021	3,328,000	198,000	3,130,000
2022	3,536,000	203,000	3,333,000
2023	3,710,000	207,000	3,503,000
2024	3,921,000	210,000	3,711,000
2025–2029	23,036,000	1,107,000	21,929,000

The expected benefits to be paid are based on the same assumptions used to measure the University's benefit obligation at June 30, 2019.

Employer contributions of approximately \$2.8 million are expected to be made in 2020.

(9) Contributions Receivable

Contributions receivable consist of the following at June 30, 2019 and 2018:

	2019	2018
Amounts expected to be collected in:		
Less than one year	\$ 69,978,512	207,764,442
One year to five years	131,823,300	163,631,914
Thereafter	64,100,000	86,360,000
	<u>265,901,812</u>	<u>457,756,356</u>
Less allowance	(2,500,000)	(2,500,000)
Less discount to present value at a 5% rate at June 30, 2019 and 2018	(24,948,941)	(31,311,358)
	<u>\$ 238,452,871</u>	<u>423,944,998</u>

Included in gross contributions receivable at June 30, 2019 and 2018 is approximately \$130 million and \$226 million, respectively, due from three donors. Included in private gifts and grants revenue in the accompanying statement of activities are contributions from one donor representing 39% of total contributions.

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(10) Net Assets

Net assets consist of the following as of June 30, 2019 and 2018:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>2019 Total</u>	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>2018 Total</u>
Operations	\$ (290,491,604)	—	(290,491,604)	(240,048,075)	—	(240,048,075)
Net investment in plant	471,509,125	—	471,509,125	358,323,764	—	358,323,764
Endowment funds without donor restrictions	452,273,743	—	452,273,743	424,672,169	—	424,672,169
Underwater endowment funds	—	(68,350)	(68,350)	—	(199,202)	(199,202)
Research	—	115,822,532	115,822,532	—	116,214,697	116,214,697
Research support	—	291,063	291,063	—	768,449	768,449
Graduation education	—	735,700	735,700	—	2,777,731	2,777,731
Renovation of facilities	—	45,398	45,398	—	103,724,273	103,724,273
Subsequent years:						
Pledges – Facilities	—	87,869,383	87,869,383	—	212,174,330	212,174,330
Pledges – Program	—	88,071,040	88,071,040	—	158,170,637	158,170,637
Pledges – Endowment	—	33,047,820	33,047,820	—	21,603,025	21,603,025
Accumulated gains	—	1,248,542,963	1,248,542,963	—	1,281,101,148	1,281,101,148
Annuity Trust & Split						
Interest Agreements	—	296,491	296,491	—	296,491	296,491
Permanent endowment corpus	—	374,815,268	374,815,268	—	308,558,605	308,558,605
	<u>\$ 633,291,264</u>	<u>1,949,469,308</u>	<u>2,582,760,572</u>	<u>542,947,858</u>	<u>2,205,190,184</u>	<u>2,748,138,042</u>

The endowment funds without donor restrictions consisted of the following at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Board designated funds primarily for capital reserves	\$ 55,878,854	51,461,759
Working capital in the endowment	36,658,090	35,247,260
Other funds designated for long-term investment	359,736,799	337,963,150
	<u>\$ 452,273,743</u>	<u>424,672,169</u>

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Net assets released from restrictions as of June 30, 2019 consisted of the following:

Spending on restricted funds:

Research	\$ 84,189,471
Research support	500,000
Education	514,237
Facilities	262,547,875
Pledge payments without donor restrictions	22,205,545
Endowment spending rate:	
Without donor restrictions	76,312,149
Restricted spending:	
Research	2,906,817
Education	950
Expired donor restrictions	<u>28,348,216</u>
Total	<u>\$ 477,525,260</u>

(11) Expenses by Natural Classification by Function

Expenses are reported in the statement of activities in categories recommended by the National Association of College and University Business Officers. The University's primary program services are research and graduate education. Expenses reported as research support and auxiliary enterprises are incurred in support of these primary program services. Accordingly, total program services expenses approximated \$345,068,000 and \$339,604,000 in 2019 and 2018, respectively. Institutional support includes approximately \$9,235,000 and \$7,822,000 of fund-raising expenses in 2019 and 2018, respectively. Operations and maintenance of plant and depreciation are allocated to program and supporting activities based upon square footage. Interest is allocated to program and supporting activities based upon the usage of bond proceeds.

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Expenses are reported in the statement of activities in functional categories. Natural expenses were categorized as follows:

	2019						Total
	Research	Education	Research support	Operations and maintenance of plant (O&M)	Institutional support	Auxiliary enterprises	
Salaries and benefits	\$ 99,913,160	1,889,264	28,748,344	16,603,794	32,710,373	7,905,583	187,770,518
Supplies and other	26,676,786	5,893,500	10,012,751	6,923,139	1,934,561	15,018,384	66,459,121
Fellowships and stipends	7,318,767	4,709,004	—	—	—	—	12,027,771
Subcontracts	12,886,036	—	—	—	—	—	12,886,036
Professional fees and service contracts	9,671,014	350,976	5,662,077	4,316,749	5,187,256	2,197,821	27,385,893
Depreciation and amortization	25,515,044	2,606,255	3,673,341	3,678,428	3,763,092	7,598,718	46,834,878
Interest and related costs	22,836,422	—	4,935,547	112,972	471,058	709,162	29,065,161
O&M - Utilities	26,667,318	103,202	6,447,369	(29,490,684)	2,506,772	4,330,902	10,564,879
Interdepartmental charges	20,528,687	(378,008)	(20,485,134)	(2,144,398)	1,353,455	1,125,398	—
Total functional expenses	252,013,234	15,174,193	38,994,295	—	47,926,567	38,885,968	392,994,257
Postretirement related changes other than service costs	3,407,425	111,440	1,893,839	—	2,128,279	536,017	8,077,000
Litigation payments	—	—	—	—	162,938,011	—	162,938,011
Total expenses and other changes	\$ 255,420,659	15,285,633	40,888,134	—	212,992,857	39,421,985	564,009,268

	2018						Total
	Research	Education	Research support	Operations and maintenance of plant (O&M)	Institutional support	Auxiliary enterprises	
Salaries and benefits	\$ 102,709,637	1,729,000	26,216,247	16,241,021	28,858,057	7,508,607	183,262,569
Supplies and other	26,639,824	5,835,159	10,951,290	8,088,731	1,920,447	12,596,289	66,031,740
Fellowships and stipends	7,322,941	4,445,225	—	—	—	—	11,768,166
Subcontracts	12,832,886	—	—	—	—	—	12,832,886
Professional fees and service contracts	11,902,888	713,760	5,043,095	3,458,633	5,954,401	2,265,923	29,338,700
Depreciation and amortization	24,143,997	2,323,129	3,692,242	3,288,714	3,373,490	6,856,626	43,678,198
Interest and related costs	21,045,810	—	4,745,913	92,461	345,057	701,488	26,930,729
O&M - Utilities	25,086,135	97,104	6,066,431	(27,264,307)	2,358,691	4,409,397	10,753,451
Interdepartmental charges	20,025,860	135,089	(19,782,527)	(3,905,253)	2,182,648	1,344,183	—
Total functional expenses	251,709,978	15,278,466	36,932,691	—	44,992,791	35,682,513	384,596,439
Postretirement related changes other than service costs	(1,074,075)	(35,128)	(596,968)	—	(670,868)	(168,961)	(2,546,000)
Total expenses and other changes	\$ 250,635,903	15,243,338	36,335,723	—	44,321,923	35,513,552	382,050,439

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(12) Contingent Liabilities

Amounts expended by the University under various government grants and contracts are subject to audit by governmental agencies. In the opinion of management, audit adjustments, if any, will not have a significant effect on the University's financial position.

During 2018, the University retained external legal counsel to investigate a report by a former patient of inappropriate conduct by a former physician at the Rockefeller University Hospital. The University made publicly available the external counsel's report on its investigation. The University also established the Rockefeller Hospital Therapy Fund to provide financial assistance for therapy costs.

The New York Child Victims Act (CVA), which was passed in February 2019, modifies the statute of limitations for civil claims relating to certain childhood abuse claims and creates a one-year window, beginning August 14, 2019, for persons to initiate civil lawsuits. As of June 30, 2019, approximately \$162.9 million has been recorded in the financial statements for CVA settlements, legal fees, investigation costs, and other expenses through October 25, 2019. Such future costs and other expenses relating to this matter cannot be reasonably estimated at this time. The University expects that a number of these claims will be covered by existing insurance coverage and has filed a lawsuit against its insurers to recover proceeds in connection with these claims.

The University is a defendant in various other lawsuits. Management of the University does not expect the ultimate resolution of these actions to have a significant effect on the University's financial position.

(13) Affiliated Entities

The Rockefeller Archive Center

The Rockefeller Archive Center (RAC) was a division of the University. On June 20, 2006, RAC was formed as a separate legal entity with a board of trustees separate and distinct from the University's board of trustees. The University's President participates in RAC's board of trustees.

The University has entered into an agreement whereby it is providing investment services to RAC. Amounts held for others represent the fair value of RAC's units in the University's endowment pool. RAC, upon written notice to the University, may submit a request to redeem all or a portion of the units held by RAC. Each redemption request shall be no less than \$2 million. After receiving the redemption request, the University shall notify RAC of the portion, if any, of the redemption request that is accepted and the manner and timing of payment of the redemption amounts. Pursuant to the terms of the investment services agreement, RAC has no beneficial interest or rights with respect to the University's underlying investments.

Tri-Institutional Therapeutics Discovery Institute

Tri-Institutional Therapeutics Discovery Institute (TDI) is a nonprofit corporation formed in 2013 to further and improve health and the diagnosis, prevention, and treatment of disease through furthering and improving translational research. TDI is controlled and governed by the University and two other leading not-for-profit academic, medical, and research institutions. The University's president and one additional University faculty member participate on TDI's board of directors. The University provides accounting and tax services to TDI on a pro-bono basis.

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The collaboration agreement among TDI and the Tri-Institutional members states that each Tri-Institutional member will contribute at least \$1.3 million annually (calendar year basis) in support of TDI's activity. In 2019 and 2018, the University provided funding of \$1,109,000 and \$1,750,000, respectively, to TDI.

(14) Fair Value

The University's assets and liabilities at June 30, 2019 that are reported at fair value are summarized within the fair value hierarchy as follows:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments reported at fair value:				
Cash equivalents	\$ 136,896,488	136,896,488	—	—
U.S. government and agency obligations	33,863,981	33,863,981	—	—
U.S. long equities	11,669,608	11,669,608	—	—
	<u>182,430,077</u>	<u>\$ 182,430,077</u>	<u>—</u>	<u>—</u>
Investments reported at net asset value:				
Public:				
U.S. long equities	277,469,184			
International/global equities	303,104,633			
Long/short equities	238,690,694			
Absolute return	373,364,413			
Real assets	41,738,342			
Total public at net asset value	<u>1,234,367,266</u>			
Private:				
Buyout funds	274,549,565			
Venture capital funds	300,615,150			
Real estate funds	47,875,043			
Natural resources and other	266,087,443			
Total private at net asset value	<u>889,127,201</u>			
Total investments	<u>\$ 2,305,924,544</u>			
Liabilities:				
Interest rate swap agreements	\$ 153,110,528	—	153,110,528	—
Amounts held for others	126,856,510	—	—	126,856,510

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Equities and alternative investments – public contain various monthly, quarterly, semi-annual, and annual redemption restrictions with required written notice ranging up to 180 days. In addition, certain of these investments are restricted by initial lock-up periods. As of June 30, 2019, the following table summarizes at fair value the composition of various redemption provisions and lock-up periods in the investment portfolio:

<u>Redemption period</u>	<u>Long equities</u>	<u>Public investments reported at net asset value</u>			<u>Total</u>
		<u>Long/short equities</u>	<u>Absolute return</u>	<u>Real assets</u>	
Monthly	\$ 159,615,174	—	—	—	159,615,174
Quarterly	198,144,243	86,217,284	117,637,992	41,738,342	443,737,861
Semiannual	—	—	192,987,497	—	192,987,497
Annual	—	2,831,393	49,816,367	—	52,647,760
In liquidation	2,419,569	354,365	2,759,698	—	5,533,632
Lock-up (a)	220,394,831	149,287,652	10,162,859	—	379,845,342
Total	\$ <u>580,573,817</u>	<u>238,690,694</u>	<u>373,364,413</u>	<u>41,738,342</u>	<u>1,234,367,266</u>

(a) The amount subject to redemption lock-up is set to expire as follows:

	<u>Amount</u>
Fiscal year:	
2020	\$ 171,250,903
2021	65,378,641
Thereafter	<u>143,215,798</u>
	\$ <u>379,845,342</u>

Private partnerships are invested through drawdown vehicles such that capital is drawn and repaid over time. On average, private partnerships have a cash flow weighted duration that ranges from 3 to 5 years.

THE ROCKEFELLER UNIVERSITY

Notes to Financial Statements

June 30, 2019

(With comparative financial information as of and
for the year ended June 30, 2018)

The University's assets and liabilities at June 30, 2018 that are reported at fair value are summarized within the fair value hierarchy as follows:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Investments reported at fair value:				
Cash equivalents	\$ 136,142,563	136,142,563	—	—
U.S. government and agency obligations	31,371,079	31,371,079	—	—
U.S. long equities	58,812,386	58,812,386	—	—
International/global equities	7,023,514	7,023,514	—	—
Real assets	<u>17,107,235</u>	<u>17,107,235</u>	<u>—</u>	<u>—</u>
	<u>250,456,777</u>	\$ <u>250,456,777</u>	<u>—</u>	<u>—</u>
Investments reported at net asset value:				
Public:				
U.S. long equities	276,507,284			
International/global equities	228,746,565			
Long/short equities	265,631,984			
Absolute return	356,576,507			
Real assets	<u>43,910,281</u>			
Total public at net asset value	<u>1,171,372,621</u>			
Private:				
Buyout funds	227,838,895			
Venture capital funds	237,327,824			
Real estate funds	65,165,205			
Natural resources and other	<u>252,904,369</u>			
Total private at net asset value	<u>783,236,293</u>			
Total investments	\$ <u>2,205,065,691</u>			
Liabilities:				
Interest rate swap agreements	\$ 117,634,713	—	117,634,713	—
Amounts held for others	117,196,179	—	—	117,196,179

THE ROCKEFELLER UNIVERSITY

Notes to Financial Statements

June 30, 2019

(With comparative financial information as of and
for the year ended June 30, 2018)

Equities and alternative investments – public contain various monthly, quarterly, semi-annual, and annual redemption restrictions with required written notice ranging up to 180 days. In addition, certain of these investments are restricted by initial lock-up periods. As of June 30, 2018, the following table summarizes at fair value the composition of various redemption provisions and lock-up periods in the investment portfolio:

<u>Redemption period</u>	<u>Long equities</u>	<u>Public investments reported at net asset value</u>			<u>Total</u>
		<u>Long/short equities</u>	<u>Absolute return</u>	<u>Real assets</u>	
Monthly	\$ 149,207,659	—	—	—	149,207,659
Quarterly	187,295,530	64,763,755	114,185,857	43,910,281	410,155,423
Semiannual	—	—	189,219,852	—	189,219,852
Annual	—	46,983,010	49,648,696	—	96,631,706
In liquidation	4,829,703	1,289,372	3,522,102	—	9,641,177
Lock-up (a)	163,920,957	152,595,847	—	—	316,516,804
Total	\$ <u>505,253,849</u>	<u>265,631,984</u>	<u>356,576,507</u>	<u>43,910,281</u>	<u>1,171,372,621</u>

(a) The amount subject to redemption lock-up is set to expire as follows:

	<u>Amount</u>
Fiscal year:	
2019	\$ 118,716,694
2020	38,742,565
Thereafter	<u>159,057,545</u>
	\$ <u>316,516,804</u>

Private partnerships are invested through drawdown vehicles such that capital is drawn and repaid over time. On average, private partnerships have a cash flow weighted duration that ranges from 3 to 5 years.

The following table presents the University's activity for the fiscal years ended June 30, 2019 and 2018 for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	<u>Fair value at June 30, 2018</u>	<u>Acquisitions</u>	<u>Dispositions</u>	<u>Realized gains</u>	<u>Unrealized gains</u>	<u>Fair value at June 30, 2019</u>
Amounts held for others	\$ 117,196,179	5,442,888	(6,743,327)	9,404,813	1,555,957	126,856,510
	<u>Fair value at June 30, 2017</u>	<u>Acquisitions</u>	<u>Dispositions</u>	<u>Realized gains</u>	<u>Unrealized gains</u>	<u>Fair value at June 30, 2018</u>
Amounts held for others	\$ 110,754,459	1,232,204	(7,047,343)	6,670,647	5,586,212	117,196,179

THE ROCKEFELLER UNIVERSITY

Notes to Financial Statements

June 30, 2019

(With comparative financial information as of and
for the year ended June 30, 2018)

(15) Subsequent Events

The University evaluated events subsequent to June 30, 2019 through November 6, 2019, the date on which the financial statements were issued and concluded that no additional disclosures are required, except as referred to above.

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**SUMMARY OF CERTAIN PROVISIONS
OF THE LOAN AGREEMENT AND PROPOSED LOAN AGREEMENT AMENDMENTS**

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SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND PROPOSED LOAN AGREEMENT AMENDMENTS

The following is a brief summary of certain provisions of the Loan Agreement pertaining to the Bonds and the Project. Such summary does not purport to be complete and reference is made to the Loan Agreement for full and complete statements of such and all provisions. Defined terms used herein shall have the meanings ascribed to them in Appendix A.

Termination

The Loan Agreement shall remain in full force and effect until no Bonds are Outstanding and until all other payments, expenses and fees payable under the Loan Agreement by the University shall have been made or provision made for the payment thereof; *provided, however*, that certain liabilities and obligations of the University under the Loan Agreement shall nevertheless survive any such termination. Upon such termination, an Authorized Officer of the Authority shall deliver such documents as may be reasonably requested by the University to evidence such termination and the discharge of its duties under the Loan Agreement, and the release or surrender of any security interests granted by the University to the Authority pursuant to the Loan Agreement.

(Section 42)

Construction of Projects

The University agrees that, whether or not there are sufficient moneys available to it under the provisions of the Resolution and under the Loan Agreement, the University shall complete the acquisition, design, construction, reconstruction, rehabilitation and improving or otherwise providing and furnishing and equipping of each Project, substantially in accordance with the Contract Documents relating thereto. Subject to the conditions of the Loan Agreement, the Authority will, to the extent of moneys available in the applicable Construction Fund, cause the University to be reimbursed for, or pay, any costs and expenses incurred by the University which constitute Costs of the Project, provided such costs and expenses are approved by an Authorized Officer of the Authority.

(Section 5)

Amendment of a Project; Cost Increases; Additional Bonds

A Project may be amended by the University with the prior written consent of an Authorized Officer of the Authority to decrease, increase or otherwise modify the scope thereof. Any such increase may provide for the addition of any further acquisition, design, construction, reconstruction, rehabilitation, improving, or otherwise providing furnishing and equipping of a Project which the Authority is authorized to undertake. The University shall provide such moneys or an irrevocable letter of credit or other security in a form acceptable to the Authority as is required for the cost of completing a Project or portion thereof in excess of the moneys in the Construction Fund established for such Project.

(Section 6)

Financial Obligations

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

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

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

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

(d) On each June 10 immediately preceding the July 1 and on each December 10 immediately preceding the January 1, on which interest becomes due on Outstanding Bonds, other than Variable Interest Rate Bonds, the interest becoming due on such July 1 or January 1 interest payment date for such Bonds;

(e) On each June 10 immediately preceding the July 1 on which the principal or Sinking Fund Installments on any Outstanding Bonds becomes due, the principal and Sinking Fund Installments on the Bonds coming due on such July 1;

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

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

(h) Promptly after notice from the Authority, but in any event not later than fifteen (15) days after such notice is given, the amount set forth in such notice as payable to the Authority (i) for the Authority Fee then unpaid, (ii) to reimburse the Authority for payments made by it pursuant to the Loan Agreement and any expenses or liabilities incurred by the Authority pursuant to the Loan Agreement, (iii) to reimburse the Authority for any external costs or expenses incurred by it attributable to the issuance of a Series of Bonds or the financing or construction of a Project, including but not limited to any fees or other amounts payable under a remarketing agreement, a Credit Facility or a Liquidity Facility; (iv) for the costs and expenses incurred to compel full and punctual performance by the University of all the provisions of the Loan Agreement or the Resolution in accordance with the terms thereof, and (v) for the fees and expenses of the Trustee and any Paying Agent in connection with performance of their duties under the Resolution;

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

(j) Promptly upon demand by an Authorized Officer of the Authority, the difference between the amount on deposit in the Arbitrage Rebate Fund available to be rebated in connection with the Bonds of a Series or otherwise available therefor under the Resolution and the amount required to be rebated to the Department of the Treasury of the United States of America in accordance with the Code in connection with the Bonds of such Series;

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

(l) Promptly upon demand by an Authorized Officer of the Authority, all amounts required to be paid by the Authority to a Counterparty in accordance with an Interest Rate Exchange Agreement or to reimburse the Authority for any amounts paid to a Counterparty in accordance with an Interest Rate Exchange Agreement.

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

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

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

The obligations of the University to make payments or cause the same to be made under the Loan Agreement shall be absolute and unconditional and the amount, manner and time of making such payments shall not be decreased, abated, postponed or delayed for any cause or by reason of the happening or non-happening of any event, irrespective of any defense or any right of set-off, recoupment or counterclaim which the University may otherwise have against the Authority, the Trustee or any Bondholder for any cause whatsoever including, without limiting the generality of the foregoing, failure of the University to complete a Project or the completion thereof with defects, failure of the University to occupy or use a Project, any declaration or finding that the Bonds or any Series of Bonds or the Resolution is invalid or unenforceable or any other failure or default by the Authority or the Trustee; *provided, however*, that nothing in the Loan Agreement shall be construed to release the Authority from the performance of any agreements on its part contained in the Loan Agreement or any of its other duties or obligations, and in the event the Authority shall fail to perform any such agreement, duty or obligation, the University may institute such action as it may deem necessary to compel performance or recover damages for non-performance. Notwithstanding the foregoing, the Authority shall have no obligation to perform its obligations under the Loan Agreement to cause advances to be made to reimburse the University for, or to pay, the Costs of a Project beyond the extent of moneys available in the Construction Fund established for such Project.

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

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

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

The University, if it is not then in default under the Loan Agreement, shall have the right to make voluntary payments in any amount to the Trustee. In the event of a voluntary payment, the amount so paid shall be deposited in the Debt Service Fund and applied in accordance with the Resolution or held by the Trustee for the payment of Bonds in accordance with the Resolution. Upon any voluntary payment by the University, the Authority agrees to direct the Trustee to purchase or redeem Bonds in accordance with the Resolution or to give the Trustee irrevocable instructions in accordance with the Resolution with respect to such Series of Bonds; *provided, however*, that in the event such voluntary payment is in the sole judgment of the Authority sufficient to pay all amounts then due under the Loan Agreement and under the Resolution, including the purchase or redemption of all Bonds Outstanding, or to pay or provide for the payment of all Bonds Outstanding in accordance with the Resolution, the Authority agrees, in accordance with the instructions of the University, to direct the Trustee to purchase or redeem all Bonds Outstanding, or to cause all Bonds outstanding to be paid or to be deemed paid in accordance with the Resolution.

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and the following subsections of Section 9 of the Loan Agreement summarized below will be amended to add written notice to the Trustee as follows:

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

The University, if it is not then in default under the Loan Agreement, shall have the right to make voluntary payments in any amount to the Trustee. In the event of a voluntary payment, the amount so paid shall be deposited in the Debt Service Fund and applied in accordance with the Resolution or held by the Trustee for the payment of Bonds in accordance with the Resolution. Upon any voluntary payment by the University, the Authority agrees to direct the Trustee in writing to purchase or redeem Bonds in accordance with the Resolution or to give the Trustee irrevocable instructions in writing in accordance with the Resolution with respect to such Series of Bonds; *provided, however*, that in the event such voluntary payment is in the sole judgment of the Authority sufficient to pay all amounts then due under the Loan Agreement and under the Resolution, including the purchase or redemption of all Bonds Outstanding, or to pay or provide for the payment of all Bonds Outstanding in accordance with the Resolution, the Authority agrees, in accordance with the instructions of the University, to direct the Trustee in writing to purchase or redeem all Bonds Outstanding, or to cause all Bonds outstanding to be paid or to be deemed paid in accordance with the Resolution.

(Section 9)

Consent to Pledge and Assignment

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 10 of the Loan Agreement will be amended to delete cross-references to “Management Consultant” and will read as follows:

The University consents to and authorizes the assignment, transfer or pledge by the Authority to the Trustee of (i) the Authority's rights to receive the payments required to be made pursuant to paragraphs (c), (d), (e), (f) and (i) of the provisions of the Loan Agreement summarized above under the caption “*Financial Obligations*” and (iii) all

funds and accounts established by the Resolution and pledged thereby in each case to secure any payment or the performance of any obligation of the University under the Loan Agreement or arising out of the transactions contemplated in the Loan Agreement whether or not the right to enforce such payment or performance shall be specifically assigned by the Authority to the Trustee. The University further agrees that the Authority may pledge and assign to the Trustee any and all of the Authority's rights and remedies under the Loan Agreement. Upon any pledge and assignment by the Authority to the Trustee authorized by this section, the Trustee shall be fully vested with all of the rights of the Authority so assigned and pledged and may thereafter exercise or enforce, by any remedy provided therefor by the Loan Agreement or by law any of such rights directly in its own name. Any such pledge and assignment shall be limited to the Authority's rights (x) to receive payments required to be made pursuant to paragraphs (c), (d), (e), (f) and (i) of the provisions of the Loan Agreement summarized above under the caption "*Financial Obligations*" and (y) and to enforce all other obligations required to be performed by the University pursuant to the Loan Agreement.

(Section 10, as proposed to be amended)

Management Consultant

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 15 of the Loan Agreement (provided below in its entirety) will be deleted.

If at any time the rating on any Outstanding Bonds or on any of the University's long term unsecured, unenhanced debt obligations is reduced by Moody's Investor Service, Inc. ("Moody's") to "A1" or by Fitch, Inc. ("Fitch") or Standard & Poor's Rating Services ("S&P") to "A+", the Authority may request the University to engage, at the University's expense, a Management Consultant, which the University has agreed to engage within 60 days after such request is made; and, if at any time the rating on any Outstanding Bonds or on any of the University's long term unsecured, unenhanced debt obligations is reduced by Moody's to less than "A1" or by Fitch or S&P to less than "A+" or if any rating is suspended or withdrawn by Moody's, Fitch or S&P, the University, at the University's expense, shall and has agreed to engage a Management Consultant within 60 days after such reduction, suspension or withdrawal, unless the Authority has waived such obligation which it may do in its sole discretion. The Management Consultant shall review the fees and tuition, operations and management of the University and any other matter deemed appropriate by the Authority and make such recommendations with respect to such fees and tuition, operations, management and other matters. Copies of the report and recommendations of the Management Consultant shall be filed with the Authority, the Trustee, the Board of Trustees of the University and an Authorized Officer of the University no later than 120 days following the date of engagement of such Management Consultant. The Board of Trustees of the University and such Authorized Officer of the University shall each deliver to the Authority no later than 60 days following the date of filing with the Authority of the report and recommendations of the Management Consultant a written report setting forth their respective comments and reaction to the report and recommendations of the Management Consultant. The University shall, to the extent feasible, promptly upon its receipt of such recommendations, and subject to applicable requirements or restrictions imposed by law or regulation, revise its tuition, fees and charges, its methods of operation or collections or its debt and investment management and shall take such other action as shall be in conformity with such recommendations. The University shall deliver to the Authority and the Trustee:

(i) within 45 days of receipt of such Management Consultant's report (x) a report setting forth in reasonable detail the steps the University proposes to take to implement the recommendations of such Management Consultant, and (y) a certified copy of a resolution adopted by the Board of Trustees of the University accepting both the Management Consultant's report and the report prepared by the University as required in clause (x) hereof; and

(ii) within 30 days after the end of each calendar quarter a report demonstrating the progress made by the University in implementing the recommendations of the Management Consultant.

Notwithstanding the foregoing provisions of this sections, the University may elect in lieu of engaging a Management Consultant to provide security in form and substance acceptable to the Authority in its sole discretion for the University's obligations under the Loan Agreement or any Liquidity Facility and/or Credit Facility.

(Section 15)

Tax-Exempt Status of the University

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 16 of the Loan Agreement will be amended to only modify subsection (vi) read as follows:

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

(Section 16, as proposed to be amended)

Use and Control of Projects; Restrictions on Religious Use

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

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

(Sections 20 and 21)

Maintenance, Repair and Replacement

The University agrees that, throughout the term of the Loan Agreement, it shall, at its own expense, hold, operate and maintain the Projects in a careful, prudent and economical manner, and keep the same, with the appurtenances and every part and parcel thereof, in good repair, working order and safe condition and shall from time to time make all necessary and proper repairs, replacements and renewals so that at all times the operation of the Projects may be properly and advantageously conducted. The University shall have the right to remove or replace any type of fixtures, furnishings and equipment in the Projects which may have been financed by the proceeds of the sale of Bonds provided the University substitutes for any removed or replaced fixtures, furnishings and equipment, additional fixtures, furnishings and equipment having equal or greater value and utility than the fixtures, furnishings and equipment so removed or replaced.

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

(Section 22)

Insurance

(a) The University shall procure and maintain, or cause to be procured and maintained, to the extent reasonably obtainable, from responsible insurers, insurance of the type and in the amounts customarily maintained by institutions providing services similar to those provided by the University. All policies of insurance required by this section shall be primary to any insurance maintained by the Authority.

(b) The University shall, with respect to each Project, at the times specified in the following paragraphs, procure and maintain, or cause to be procured and maintained, to the extent reasonably obtainable, from responsible insurers acceptable to the Authority, the following insurance:

(i) with respect to any building the construction of which shall not have been completed (and until insurance is procured pursuant to subparagraph (ii) below), all risk builders' risk insurance against direct physical loss or damage, or with respect to the acquisition and installation of equipment or machinery, in lieu of all risk builders' risk, an installation floater on an all risk basis. The amount of such insurance shall be on a one hundred per centum (100%) completed value basis on the insurable portion;

(ii) at all times (except during a period when builders' risk insurance is in effect as required by subparagraph (i) above), all risk property insurance against direct physical loss or damage to the Project in an amount not less than one hundred per centum (100%) of the replacement value thereof (such replacement value to be determined on the basis of replacement costs without allowance for depreciation), exclusive of excavations and foundations and similar property normally excluded under New York standard forms; provided, however, that the inclusion of the Project under a blanket insurance policy or policies of the University insuring against the aforesaid hazards in an amount aggregating at least one hundred per centum (100%) of the insurable value of the insured property, exclusive of excavations and foundations and similar property normally excluded under New York standard forms, shall constitute complete compliance with the provisions of this paragraph with respect to the Project; provided, further, that in any event, each such policy shall be in an amount sufficient to prevent the University and the Authority from becoming co-insurers under the applicable terms of such policy;

(iii) at all times, statutory workers' compensation insurance, covering loss resulting from injury, sickness, disability or death of employees and employer's liability insurance with limits of at least \$1,000,000 for each accident, each sickness, and aggregate occupational illness or sickness;

(iv) at all times, statutory disability benefits;

(v) at all times, commercial general liability insurance protecting the Authority and the University against loss or losses from liabilities arising from bodily injury of persons or damage to the property of others caused by accident or occurrence, with limits of not less than \$1,000,000 per accident or

occurrence on account of injury to persons or property damage with \$2,000,000 policy aggregate, excluding liability imposed upon the Authority or the University by any applicable workers' compensation law;

(vi) commencing with the date on which the Project or any part thereof is completed or first occupied, or any equipment, machinery, fixture or personal property covered by comprehensive boiler and machinery coverage is accepted, whichever occurs earlier, insurance providing comprehensive boiler and machinery coverage in an amount considered adequate by the Authority, which insurance may include deductible provisions approved by the Authority; and

(vii) each other form of insurance which the University is required by law to provide and such other kinds of insurance in such amounts as from time to time may be reasonably required by the Authority.

(c) Any insurance procured and maintained by the Authority or the University pursuant to this section, including any blanket insurance policy, may include deductible provisions reasonably satisfactory to the Authority and the University. In determining whether or not any insurance required by this section is reasonably obtainable or if the deductible on any such insurance is a reasonable deductible, the Authority may rely solely and exclusively upon the advice and judgment of any insurance consultant chosen by the University and approved by the Authority, and any such decision by the Authority, based upon such advice and judgment, shall be conclusive.

(d) No provision of this section shall be construed to prohibit the University from self-insuring against any risk at the recommendation of any insurance consultant chosen by the University and approved by the Authority; provided, however, that self-insurance plans shall not cover property, plant and equipment. The University shall also cause an annual evaluation of such self-insurance plans to be performed by an independent insurance consultant. The University shall provide adequate funding of such self-insurance if and to the extent recommended by such insurance consultant and approved by the Authority.

(e) Each policy maintained pursuant to this section shall provide that the insurer writing such policy shall give at least thirty (30) days notice in writing to the Authority of the cancellation or non-renewal or material change in the policy unless a lesser period of notice is expressly approved in writing by the Authority. The University, not later than July 15 of each year, shall provide to the Authority certificate(s) of insurance describing all policies of insurance maintained as of June 30 by the University pursuant to this section stating with respect to each such policy (i) the insurer, (ii) the insured parties or loss payees, (iii) the level of coverage, and (iv) such other information as the Authority may have reasonably requested.

(f) All policies of insurance shall be open to inspection by the Authority and the Trustee or their representatives at all reasonable times. If any change shall be made in any such insurance, a description and notice of such change shall be furnished to the Authority and the Trustee at the time of such change. The University covenants and agrees not to make any change in any policy of insurance which would reduce the coverages or increase the deductible thereunder without first securing the prior written approval of the Authority.

(g) All policies of insurance maintained pursuant to this section, other than policies of workers' compensation insurance, shall include the Authority and the University, as additional insureds or as mortgagee or as loss payee as appropriate.

(h) In the event the University fails to provide the insurance required by this section, the Authority may elect at any time thereafter to procure and maintain the insurance required by this section at the expense of the University. The policies procured and maintained by the Authority shall be open to inspection by the University at all reasonable times, and, upon request of the University, a complete list describing such policies as of the June 30 preceding the Authority's receipt of such request shall be furnished to the University by the Authority.

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 23 of the Loan Agreement will be amended to read as follows:

(a) The University agrees to maintain or cause to be maintained insurance with insurance companies or by means or self-insurance, insurance of such type, against such risks and in such amounts as are customarily carried

by private colleges and universities located in the State of a nature similar to that of the University, which insurance shall include property damage, fire and extended coverage, public liability and property damage liability insurance in amounts estimated to indemnify the reasonably anticipated damage, loss or liability, subject to reasonable deductible provisions. The University shall at all times also maintain worker's compensation coverage and disability benefits insurance coverage as required by the laws of the State.

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

(c) In the event the University fails to provide the insurance required by this section, the Authority may elect at any time thereafter to procure and maintain the insurance required by this section at the expense of the University. The policies procured and maintained by the Authority shall be open to inspection by the University at all reasonable times, and, upon request of the University, a complete list describing such policies as of the June 30 preceding the Authority's receipt of such request shall be furnished to the University by the Authority.

(Section 23, as proposed to be amended)

Reports and Financial Information

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

(Section 26)

Defaults and Remedies

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

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

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

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

(d) the University shall be in default under any agreement entered into with the issuer of or in connection with a Liquidity Facility of a Credit Facility (which default has not been waived or cured) if the University's obligations thereunder are secured by a lien upon or pledge which is equal to or prior to the lien created by the Loan Agreement or the pledge thereof made thereby and, upon such default, (i) the principal of any indebtedness thereunder may be declared to be due and payable or (ii) the lien upon or pledge may be foreclosed or realized upon;

(e) the University shall (i) be generally not paying its debts as they become due, (ii) file, or consent by answer or otherwise to the filing against it, a petition under the United States Bankruptcy Code or under any other bankruptcy or insolvency law of any jurisdiction, (iii) make a general assignment for the benefit of its general creditors, (iv) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any substantial part of its property, (v) be adjudicated insolvent or be liquidated, or (vi) take corporate action for the purpose of any of the foregoing;

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

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

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

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

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

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

(l) a final judgment for the payment of money which in the reasonable judgment of the Authority will materially adversely affect the rights of the Holders of the Bonds shall be rendered against the University and at any time after thirty (30) days from the entry thereof, (i) such judgment shall not have been paid or otherwise discharged, or (ii) the University shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and shall not have caused, within thirty (30) days, the execution of or levy under such judgment, order, decree or process or the enforcement thereof to have been stayed pending determination of such appeal.

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

(a) declare all sums payable by the University under the Loan Agreement immediately due and payable;

(b) direct the Trustee in writing to withhold any and all payments, advances and reimbursements from the proceeds of Bonds or any Construction Fund or otherwise to which the University may otherwise be entitled under

the Loan Agreement and in the Authority's sole discretion apply any such proceeds or moneys for such purposes as are authorized by the Resolution;

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

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

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

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

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

At any time before the entry of a final judgment or decree in any suit, action or proceeding instituted on account of any Event of Default or before the completion of the enforcement of any other remedies under the Loan Agreement, the Authority may annul any declaration made or action taken pursuant to the Loan Agreement and its consequences if such Events of Default shall be cured. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereto.

Upon receipt of the consent of the holders of majority in principal amount of the Outstanding Bonds, the Proposed Loan Agreement Amendments will become effective and Section 29 of the Loan Agreement will be amended to add written notice in subsection (b) and will read as follows:

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

(b) direct the Trustee in writing to withhold any and all payments, advances and reimbursements from the proceeds of Bonds or any Construction Fund or otherwise to which the University may otherwise be entitled under the Loan Agreement and in the Authority's sole discretion apply any such proceeds or moneys for such purposes as are authorized by the Resolution;

(Section 29, as proposed to be amended)

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SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

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SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

The following is a brief summary of certain provisions of the Resolution pertaining to the Bonds and the Project. Such summary does not purport to be complete and reference is made to the Resolution for full and complete statements of such and all provisions. Defined terms used herein shall have the meanings ascribed to them in Appendix A.

Contract with Bondholders

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

(Section 1.03)

Refunding Bonds and Additional Obligations

All or any portion of one or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund all Outstanding Bonds, one or more Series of Outstanding Bonds, a portion of a Series of Outstanding Bonds or a portion of a maturity of a Series of Outstanding Bonds. The Authority may issue Refunding Bonds in an aggregate principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits required by the provisions of the Resolution and of the Series Resolution authorizing such Series of Refunding Bonds.

The proceeds, including accrued interest, of Refunding Bonds shall be applied simultaneously with the delivery of such Refunding Bonds in the manner provided in or as determined in accordance with the Series Resolution authorizing such Refunding Bonds or the Bond Series Certificate relating to such Series of Refunding Bonds.

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

(Sections 2.04 and 2.05)

Pledge of Revenues

The proceeds from the sale of the Bonds, the Revenues, and all funds and accounts established by the Resolution and any Series Resolution, excluding the Arbitrage Rebate Fund and any fund established for the payment of the purchase price of Option Bonds tendered for purchase, are pledged and assigned to the Trustee as security for the payment of the principal and Redemption Price of and interest on the Bonds and as security for the performance of any other obligation of the Authority under the Resolution and any Series Resolution, all in accordance with the provisions of the Resolution and any Series Resolution. The pledge of the Revenues and the assignment of the Authority's security interest therein shall also be for the benefit of each Provider as security for the payment of any amounts payable to such Provider under the Resolution; *provided, however*, that such pledge and assignment shall, in all respects, be subject and subordinate to the rights and interest therein of the Bondholders. The pledge made by the Resolution is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of the Bonds, the Revenues and the funds and accounts established by the Resolution and any Series Resolution which are pledged thereby shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. No instrument by which such

pledge is created nor any financing statement need be recorded or filed. The Bonds shall be special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of the Bonds, the Revenues and the funds and accounts established by the Resolution and are pledged thereby, which pledge shall constitute a first lien thereon.

(Section 5.01)

Establishment of Funds and Accounts

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

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

In addition to the accounts and subaccounts, if any, required to be established by the Resolution or by any Series Resolution or any Bond Series Resolution, the Authority may establish such other accounts or subaccounts as it considers necessary or desirable. All moneys at any time deposited in any fund, account or subaccount created and pledged by the Resolution or by any Series Resolution or required thereby to be created shall be held in trust for the benefit of the Holders of Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided in the Resolution; *provided, however*, that the proceeds derived from the remarketing of Option Bonds tendered or deemed to have been tendered for purchase in accordance with the Series Resolution authorizing the issuance of such Bonds or the Bond Series Certificate relating to such Bonds or derived from a Liquidity Facility relating to such Bonds, and any fund or account established by or pursuant to such Series Resolution for the payment of the purchase price or of Option Bonds so tendered or deemed to have been tendered, shall not be held in trust for the benefit of the Holders of the Bonds other than such Option Bonds and are pledged by the Resolution for the payment of the purchase price of such Option Bonds.

(Section 5.02)

Application of Bond Proceeds and Allocation Thereof

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

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

(Section 5.03)

Application of Moneys in the Construction Fund

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

Upon receipt by the Trustee of a certificate relating to the completion of a Project, the moneys, if any, then remaining in the Construction Fund relating to such Project, after making provision in accordance with the direction of an Authorized Officer of the Authority for the payment of any Costs of Issuance and Costs of the Project then unpaid, shall be paid or applied by the Trustee as follows and in the following order of priority:

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

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

(Section 5.04)

Deposit and Allocation of Revenues

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

First: To the Debt Service Fund (i) in the case of Revenues received during the period from the beginning of each Bond Year until December 31 thereof, the amount, if any, necessary to make the amount in the Debt Service Fund equal to (a) the interest on Outstanding Bonds payable on or prior to the next succeeding January 1, including the interest estimated by the Authority to be payable on any Variable Interest Rate Bond on and prior to the next succeeding January 1, assuming that such Variable Interest Rate Bond will bear interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds then bear interest, plus one percent (1%) per annum, (b) the Sinking Fund Installments of Outstanding Option Bonds and Variable Interest Rate Bonds payable on or prior to the next succeeding January 1 and (c) the purchase price or Redemption Price of Outstanding Bonds theretofore contracted to be purchased or called for redemption pursuant to the Resolution on or prior to the next succeeding January 1, plus accrued interest thereon to the date of purchase or redemption; and (ii) in the case of Revenues received thereafter and until the end of such Bond Year, the amount, if any, necessary to make the amount in the Debt Service Fund equal to (a) the interest on and the principal and Sinking Fund Installments of Outstanding Bonds payable on and prior to the next succeeding July 1, including the interest estimated by the Authority to be payable on any Variable Interest Rate Bond on and prior to the next succeeding July 1, assuming that such Variable Interest Rate Bond will bear interest, from and after the next date on which the rate at which such Variable Interest Rate Bond bears interest is to be adjusted, at a rate per annum equal to the rate per annum at which such Bonds then bear interest, plus one percent (1%) per annum and (b) the purchase price or Redemption Price of Outstanding Bonds theretofore contracted to be purchased or called for redemption pursuant to the Resolution on or prior to the next succeeding July 1, plus accrued interest thereon to the date of purchase or redemption;

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

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

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

(Section 5.05)

Debt Service Fund

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

- (a) the interest due and payable on all Outstanding Bonds on such interest payment date;
- (b) the principal amount due and payable on all Outstanding Bonds on such interest payment date; and
- (c) the Sinking Fund Installments or other amounts related to a mandatory redemption, if any, due and payable on all Outstanding Bonds on such interest payment date.

The amounts paid out pursuant to this subdivision shall be irrevocably pledged to and applied to such payments.

Notwithstanding the first paragraph of this subdivision, the Authority may, at any time subsequent to July 1 of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with moneys on deposit in the Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds to be redeemed from such Sinking Fund Installment. Any Term Bond so purchased and any Term Bond purchased by the University and delivered to the Trustee in accordance with the Loan Agreement shall be canceled upon receipt thereof by the Trustee and evidence of such cancellation shall be given to the Authority. The principal amount of each Term Bond so canceled shall be credited against the Sinking Fund Installment due on such date; *provided, however*, that such Term Bond is canceled by the Trustee prior to the date on which notice of redemption is given.

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

(Section 5.06)

Arbitrage Rebate Fund

The Trustee shall deposit to the Arbitrage Rebate Fund any moneys delivered to it by the University for deposit therein and, notwithstanding any other provisions of the Resolution, shall transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Authority, moneys on deposit in any other funds held by the Trustee under the Resolution at such times and in such amounts as set forth in such directions.

Moneys on deposit in the Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority to make payments to the Department of the Treasury of the United States of America at such times and in such amounts as the Authority shall determine to be required by the Code to be rebated to the Department of the Treasury of the United States of America. Moneys which an Authorized Officer of the Authority determines to be in excess of the amount required to be so rebated shall, first, be applied to reimburse pro rata, each Provider for moneys advanced under a Credit Facility or a Liquidity Facility, including interest thereon, which is then unpaid in proportion to the respective amounts advanced by each Provider, and, then be deposited to any fund or account established under the Resolution in accordance with the directions of such Authorized Officer.

(Section 5.07)

Application of Moneys in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Resolution, if at any time the amounts held in the Debt Service Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds and the interest accrued and unpaid and to accrue on such Bonds to the next date on which all such Bonds are redeemable, or to make provision pursuant to the Resolution for the payment of the Outstanding Bonds at the maturity or redemption dates thereof, the Trustee shall so notify the Authority and the University. Upon receipt of such notice, the Authority may (i) direct the Trustee to redeem all such Outstanding Bonds, whereupon the Trustee shall proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds by the Resolution and

by each Series Resolution as provided in the Resolution, or (ii) give the Trustee irrevocable instructions in accordance with the Resolution and make provision for the payment of the Outstanding Bonds at the maturity or redemption dates thereof in accordance therewith.

(Section 5.08)

Investment of Funds and Accounts

Moneys held under the Resolution by the Trustee, if permitted by law, shall, as nearly as may be practicable, be invested by the Trustee, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority (which direction shall specify the amount thereof to be so invested), in Government Obligations, Federal Agency Obligations Exempt Obligations, and, if not inconsistent with the investments guidelines of a Rating Service applicable to funds held under the Resolution, any other permitted investment; *provided, however*, that each such investment shall permit the moneys so deposited or invested to be available for use at the times at which the Authority reasonably believes such moneys will be required for the purposes of the Resolution *provided, further*, that (x) any Permitted Collateral required to secure any Permitted Investment shall have a market value, determined by the Trustee or its agent periodically, but no less frequently than weekly, at least equal to the amount deposited or invested including interest accrued thereon, (y) the Permitted Collateral shall be deposited with and held by the Trustee or an agent of the Trustee approved by an Authorized Officer of the Authority, and (z) the Permitted Collateral shall be free and clear of claims of any other person.

Permitted Investments purchased as an investment of moneys in any fund or account held by the Trustee under the provisions of the Resolution shall be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof shall be retained in, credited or charged, as the case may be, to such fund or account.

In computing the amount in any fund or account held by the Trustee under the provisions of this section, Permitted Investments shall be valued at par or the market value thereof, plus accrued interest, whichever is lower.

Notwithstanding anything to the contrary in the Resolution, the Authority, in its discretion, may direct the Trustee to, and the Trustee shall, sell, present for redemption or exchange any investment held by the Trustee pursuant to the Resolution and the proceeds thereof may be reinvested as provided in this section. Except as otherwise provided in the Resolution, the Trustee shall sell at the best price obtainable, or present for redemption or exchange, any investment held by it pursuant to the Resolution whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the fund or account in which such investment is held. The Trustee shall advise the Authority and the University on or before the fifteenth (15th) day of each calendar month, of the amounts required to be on deposit in each fund and account under the Resolution and of the details of all investments held for the credit of each fund and account in its custody under the provisions of the Resolution as of the end of the preceding month and as to whether such investments comply with the provisions of the Resolution. The details of such investments shall include the par value, if any, the cost and the current market value of such investments as of the end of the preceding month. The Trustee shall also describe all withdrawals, substitutions and other transactions occurring in each such fund and account in the previous month.

(Section 6.02)

Creation of Liens

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

(Section 7.06)

Amendment of Loan Agreement

The Loan Agreement may not be amended, changed, modified, altered or terminated so as to materially adversely affect the interest of the Holders of the Outstanding Bonds without the prior written consent of (a) the Holders of at least a majority in aggregate principal amount of the Bonds then Outstanding, or (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modifications or amendments, the Holders of not less than a majority in aggregate principal amount of the Bonds of each Series so affected then Outstanding; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this section; *provided further*, that no such amendment, change, modification, alteration or termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds the consent of the Holders of which is a requirement for any such amendment, change, modification, alteration or termination, or decrease the amount of any payment required to be made by the University under the Loan Agreement that is to be deposited with the Trustee or extend the time of payment thereof.

The Loan Agreement may be amended, changed, modified or altered (i) to make changes necessary or appropriate in connection with the acquisition, construction, reconstruction, rehabilitation and improvement, or otherwise providing, furnishing and equipping of any facilities constituting a part of any Project or to otherwise amend the Project or (ii) with the consent of the Trustee, to cure any ambiguity, or to correct or supplement any provisions contained in the Loan Agreement which may be defective or inconsistent with any other provisions contained in the Resolution or in the Loan Agreement. Except as otherwise provided in this section, the Loan Agreement may be amended, changed, modified or altered without the consent of the Holders of Outstanding Bonds or the Trustee. Prior to execution by the Authority of any amendment, a copy thereof certified by an Authorized Officer of the Authority shall be filed with the Trustee.

For the purposes of this section, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Authority, may consent to an amendment, change, modification, alteration or termination permitted by this section in the manner provided herein, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; *provided, however*, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the amendment, change, modification, alteration or termination and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series. In addition, the Holder of an Outstanding Auction Rate Bond shall be deemed to have consented to an amendment, change, modification, alteration or termination permitted by this section, if (i) the Trustee has mailed notice of such proposed amendment to the Holder of such Bonds in the same manner required by the Resolution for an amendment to the Resolution, (ii) on the first Auction Date for such Bond occurring at least 20 days after the date on which the aforementioned notice is given by the Trustee the interest rate determined on such date is the Winning Bid Rate and (iii) there is delivered to the Authority and the Trustee an opinion of Bond Counsel to the effect that such amendment shall not adversely affect the validity of such Auction Rate Bond or any exemption from federal income tax to which the interest on such Auction Rate Bond would otherwise be entitled. As used in this paragraph the following terms shall have the respective meanings: "*Auction Rate Bond*" means a Variable Interest Rate Bond that is not an Option Bond, and that bears interest at rates determined by periodic auctions in accordance with procedures therefore established by the Series Resolution authorizing such Bond or the Bond Series Certificate related thereto; "*Auction Date*" means, with respect to particular any Auction Rate Bond, the date on which an auction is held or required to be held for such Bond in accordance with the procedures established therefore; and "*Winning Bid Rate*" when used with respect to an auction held for any particular Auction Rate Bond, shall have the meaning given to such term in the Series Resolution authorizing such Auction Rate Bond or the Bond Series Certificate related thereto, or, if not otherwise defined, means the lowest rate specified in any purchase bid submitted in such auction, which, if selected, would cause the aggregate principal amount of Auction Bonds offered to be sold in such auction to be subject to purchase bids at rates no greater than the rate specified in such purchase bid. For the purposes of this section, a Series shall be deemed to be adversely affected by an amendment, change, modification or alteration of the Loan Agreement if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series in any material respect. The Trustee may determine whether or not, in accordance with the foregoing provisions, Bonds of any particular Series would be adversely affected in any material respect by any amendment, change, modification or alteration, and any such determination shall be binding and conclusive on the University, the Authority and all Holders of Bonds.

For the purposes of this section, the Trustee shall be entitled to rely upon an opinion of counsel, which counsel shall be satisfactory to the Trustee, with respect to whether any amendment, change, modification or alteration adversely affects the interests of any Holders of Bonds then Outstanding in any material respect.
(Section 7.11)

Modification and Amendment of Resolution Without Consent

The Authority may adopt at any time or from time to time Series Resolutions or Supplemental Resolutions for any one or more of the following purposes, and any such Series Resolution or Supplemental Resolution shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority:

(a) To provide for the issuance of a Series of Bonds pursuant to the provisions of the Resolution and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;

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

(c) To prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(d) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of the Resolution, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Resolution;

(e) To confirm, as further assurance, any pledge under the Resolution, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Resolution, of the Revenues or of any other moneys, securities or funds;

(f) To modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Bonds Outstanding as of the date of adoption of such Supplemental Resolution or Series Resolution shall cease to be Outstanding, and all Bonds issued under such resolutions shall contain a specific reference to the modifications contained in such subsequent Resolutions; or

(g) To modify or amend a Project; or

(h) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in the Resolution or to insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent with the Resolution as theretofore in effect, or to modify any of the provisions of the Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respect, provided that such modification shall not adversely affect the interests of the Holders in any material respect.

(Section 9.01)

Supplemental Resolutions Effective With Consent of Bondholders

The provisions of the Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of Bondholders in accordance with and subject to the provisions of the Resolution, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority.

(Section 9.02)

Powers of Amendment

Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds under the Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as set forth in the provision of the Resolution summarized below under the caption "*Consent of Bondholders*", (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of Holders of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given, or (iii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment Outstanding at the time such consent is given; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof, or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to affect any such modification or amendment. For the purposes of this section, a Series shall be deemed to be affected by a modification or amendment if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may determine whether or not, in accordance with the foregoing provisions, the Bonds of any particular Series or maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds. The Trustee may receive an opinion of counsel, including an opinion of Bond Counsel, as conclusive evidence as to whether Bonds of any particular Series or maturity would be so affected by any such modification or amendment of the Resolution.

(Section 10.01)

Consent of Bondholders

The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Resolution to take effect when and as provided in the Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Holders for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption to be mailed by the Authority to the Holders (but failure to mail such copy and request will not affect the validity of the Supplemental Resolution when consented to as provided below). Such Supplemental Resolution shall not be effective unless and until (i) there shall be filed with the Trustee (a) the written consents of Holders of the percentages of Outstanding Bonds specified in the provision of the Resolution summarized above under the caption "*Powers of Amendment*" and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted thereby, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been mailed as provided in this section. Each such consent shall be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by the Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Resolution shall be conclusive that the consents have been given by the Holders described in such certificate or certificates of the Trustee. Any consent shall be binding upon the Holder of the Bonds giving such consent and, anything in the Resolution to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee provided for below is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that the Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has

been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this section, shall be given to the Bondholders by the Authority by mailing such notice to the Bondholders and, at the discretion of the Authority, by publishing the same at least once not more than ninety (90) days after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinabove provided for is filed (but failure to publish such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this paragraph provided). Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Trustee, each Paying Agent and the Holders of all Bonds upon the filing with the Trustee of proof of the mailing of such notice or at the expiration of thirty (30) days after the filing with the Trustee of the proof of the first publication of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such thirty (30) day period; *provided, however*, that the Authority, the Trustee and any Paying Agent during such thirty (30) day period and any such further period during which any such action or proceeding may be pending shall be entitled to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

(Section 10.02)

Modifications by Unanimous Consent

The terms and provisions of the Resolution and the rights and obligations of the Authority and of the Holders of the Bonds under the Resolution may be modified or amended in any respect upon the adoption and filing with the Trustee by the Authority of a copy of a Supplemental Resolution certified by an Authorized Officer and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in the Resolution, except that no notice to Bondholders either by mailing or publication shall be required.

The purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Authority, may consent to a modification or amendment permitted by certain sections of the Resolution in the manner provided therein, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; provided, however, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series by the Authority.

(Section 10.03)

Events of Default

Each of the following constitutes an “event of default” under the Resolution and each Series Resolution if:

- (a) Payment of the principal, Sinking Fund Installment or Redemption Price of or interest on any Bond shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or
- (b) The Authority shall default in the due and punctual performance of any covenants contained in the Series Resolution authorizing the issuance thereof, and, as a result thereof, the interest on the Bonds of a Series shall no longer be excludable from gross income under Section 103 of the Code; or
- (c) The Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Resolution or in the Bonds or in any Series Resolution on the part of the Authority to be performed and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Authority by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds, or, if such default is not capable of being cured within thirty (30) days, if the Authority fails to commence to cure such default within said thirty (30) days and diligently prosecutes the cure thereof; or
- (d) The Authority shall have notified the Trustee in writing that an “Event of Default”, as defined in the Loan Agreement shall have occurred and is continuing and all sums payable by the University under the Loan

Agreement shall have been declared to be immediately due and payable, which declaration shall not have been annulled and the Authority shall have notified the Trustee of such “Event of Default.”

(Section 11.02)

Acceleration of Maturity

Upon the happening and continuance of any event of default and a responsible officer of the Trustee has actual knowledge of such event of default (other than under paragraph (b) of the provision of the Resolution summarized above under the caption “*Event of Default*”), then and in every such case the Trustee may, and upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds shall, by a notice in writing to the Authority, declare the principal of and interest on all of the Outstanding Bonds to be immediately due and payable. At the expiration of thirty (30) days from the giving of notice of such declaration, such principal and interest shall become and be immediately due and payable, anything in the Resolution or in the Bonds or any Series Resolution to the contrary notwithstanding. At any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, the Trustee shall, with the written consent of the Holders of not less than twenty-five percent (25%) in principal amount of the Bonds not then due by their terms and then Outstanding, by written notice to the Authority, annul such declaration and its consequences if: (i) moneys shall have accumulated in the Debt Service Fund sufficient to pay all arrears of interest, if any, upon all of the Outstanding Bonds (except the interest accrued on such Bonds since the last interest payment date); (ii) moneys shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and any Paying Agent; (iii) all other amounts then payable by the Authority under the Resolution and under each Series Resolution (other than principal amounts payable only because of a declaration and acceleration under this section) shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Resolution, the Series Resolution or in the Bonds (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this section) shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

(Section 11.03)

Enforcement of Remedies

Upon the happening and continuance of any event of default and a responsible officer of the Trustee has actual knowledge of such event of default, then and in every such case, the Trustee may proceed, and, upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds or, in the case of the happening and continuance of an Event of Default described in paragraph (b) of the provision of the Resolution summarized above under the caption “*Event of Default*”, upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, shall proceed (subject to the provisions of the Resolution regarding indemnification of the Trustee), to protect and enforce its rights and the rights of the Holders of the Bonds under the laws of the State or under the Resolution or under any Series Resolution by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained under the Resolution or any Series Resolution or in aid or execution of any power therein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Resolution and under each Series Resolution the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Authority for principal or interest or otherwise under any of the provisions of the Resolution or of any Series Resolution or of the Bonds, with interest on overdue payments of the principal of or interest on the Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the Resolution and under any Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Authority but solely as provided in the Resolution and in any Series

Resolution and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.
(Section 11.04)

Priority of Payments After Default

If at any time the moneys held by the Trustee under the Resolution and under each Series Resolution shall not be sufficient to pay the principal of and interest on the Bonds as the same become due and payable (either by their terms or by acceleration of maturity under the provisions of the Resolution), such moneys together with any moneys then available or thereafter becoming available for such purpose, whether through exercise of the remedies provided for in the Resolution or otherwise, shall be applied (after first depositing in the Arbitrage Rebate Fund all amounts required to be deposited therein and then paying all amounts owing to the Trustee under the Resolution) as follows:

- (a) Unless the principal of all the Bonds has become or been declared due and payable, all such moneys shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the persons entitled thereto of the unpaid principal, Sinking Fund Installments or Redemption Price of any Bonds which shall have become due whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all amounts due on any date, then to the payment thereof ratably, according to the amount of principal, Sinking Fund Installments or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

- (b) If the principal of all of the Bonds has become or been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or preference except as to the difference in the respective rates of interest specified in the Bonds.

The provisions of this section are in all respects subject to the provisions of the Resolution.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The setting aside of such moneys in trust for application in accordance with this section shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such moneys so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of the Resolution as may be applicable at the time of application by the Trustee. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be on an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. The Trustee shall not be required to make payment to the Holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

(Section 11.05)

Termination of Proceedings

In case any proceedings commenced by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee, each Provider, the University and the Bondholders shall be restored to their former positions

and rights under the Resolution, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been commenced.

(Section 11.06)

Bondholders' Direction of Proceedings

Anything in the Resolution to the contrary notwithstanding, the Holders of a majority in principal amount of the Outstanding Bonds or in the case of an event of default described in subparagraph (c) under the heading "Event of Default" above, the Holders of a majority in principal amount of the Outstanding Bonds of the Series affected thereby shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Resolution and under each Series Resolution, provided such direction shall not be otherwise than in accordance with law or the provisions of the Resolution and of each Series Resolution and the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

(Section 11.07)

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Resolution, or for any other remedy under the Resolution unless such Holder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, or, in the case of an event of default under paragraph (b) of the provision of the Resolution summarized above under the caption "*Event of Default*", the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Resolution or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Resolution or for any other remedy under the Resolution and in equity or at law. It is understood and intended that no one or more Holders of the Bonds secured by the Resolution shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Resolution or to enforce any right under the Resolution except in the manner provided in the Resolution, and that all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of the Outstanding Bonds. Notwithstanding any other provision of the Resolution, the Holder of any Bond shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond on the stated maturity expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

(Section 11.08)

Defeasance

If the Authority shall pay or cause to be paid to the Holders of the Bonds of a Series the principal, Sinking Fund Installments, if any, or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, in the Resolution, and in the applicable Series Resolution and Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged to such Bonds and all other rights granted by the Resolution to such Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Authority, and all moneys or securities held by it pursuant to the Resolution and to the applicable Series Resolution which are not required for the payment or redemption of Bonds of such Series shall be paid or delivered by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Provider, the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the

University. The securities so paid or delivered shall be released from any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

Bonds for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph if (a) in case any of such Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Resolution notice of redemption on said date of such Bonds, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (c) the Trustee shall have received the written consent to such defeasance of each Provider which has given written notice to the Trustee and the Authority that amounts advanced under a Credit Facility or Liquidity Facility issued by it or the interest thereon have not been repaid to such Provider, and (d) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses appearing on the registration books, and, if directed by an Authorized Officer of the Authority, by publication, at least twice, at an interval of not less than seven (7) days between publications, in an Authorized Newspaper, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in accordance with this section in the manner provided in the Resolution. Neither the Defeasance Securities nor moneys deposited with the Trustee pursuant to this section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds; *provided, however*, that any moneys received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on such Bonds on and prior to such redemption date or maturity date thereof, as the case may be; *provided further*, that moneys and Defeasance Securities may be withdrawn and used by the Authority for any purpose upon (i) the simultaneous substitution therefor of either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which without regard to reinvestment, together with the moneys, if any, held by or deposited with the Trustee at the same time, shall be sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (ii) receipt by the Trustee of a letter or other written report of a firm of independent certified public accountants verifying the accuracy of the arithmetical computations which establish the adequacy of such moneys and Defeasance Securities for such purpose. Any income or interest earned by, or increment to, the investment of any such moneys so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required by the Resolution to pay the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Authority; second, to each Provider, the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Provider; third, to the Authority the amount certified by an Authorized Officer of the Authority to be then due or past due pursuant to the Loan Agreement for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the University, and any such moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Defeasance Securities

and moneys, if any, in accordance with clause (b) of the preceding paragraph, the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate permitted by the terms thereof; *provided, however*, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such Maximum Interest Rate for any period, the total amount of moneys and Defeasance Securities on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy clause (b) of the preceding paragraph, the Trustee shall, if requested by the Authority, pay the amount of such excess to the Authority free and clear of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

Option Bonds shall be deemed to have been paid in accordance with the second paragraph of this section only if, in addition to satisfying the requirements of clauses (a) and (b) above, there shall have been deposited with the Trustee moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; *provided, however*, that if, at the time a deposit is made with the Trustee pursuant to the second paragraph of this section, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph. If any portion of the moneys deposited with the Trustee for the payment of the principal of and premium, if any, and interest on Option Bonds is not required for such purpose, the Trustee shall, if requested by the Authority, pay the amount of such excess to the Authority free and clear of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

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

(Section 12.01)

Tax Exemption; Rebates

In order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Bonds of such Series as the Authority may designate, the Authority shall comply with the provisions of the Code applicable to the Bonds of such Series, including without limitation the provisions of the Code relating to the computation of the yield on investments of the “gross proceeds” of the Bonds of such Series, as such term is defined in the Code, reporting of earnings on such gross proceeds of the Bonds of such Series, and rebates on such gross proceeds to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Tax Certificate with respect to such Series of Bonds.

The Authority shall not take any action or fail to take any action, which would cause the Bonds of such Series to be “arbitrage bonds” within the meaning of Section 148(a) of the Code; nor shall any part of the proceeds of the Bonds of such Series be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond of such Series to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

The Authority shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds of such Series pursuant to Section 148(f) of the Code from amounts on deposit in the Arbitrage Rebate Fund and available therefor.

(Section 5.01; each Series Resolution)

**FORM OF APPROVING OPINION
OF BOND COUNSEL**

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**FORM OF APPROVING OPINION OF BOND COUNSEL
RELATING TO THE SERIES 2019BC BONDS**

[Date of Issuance]

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

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$73,285,000 aggregate principal amount of The Rockefeller University Revenue Bonds, Series 2019B (Green Bonds) (the “Series 2019B Bonds”) and \$89,365,000 aggregate principal amount of the Rockefeller University Revenue Bonds, Series 2019C (the “Series 2019C Bonds”) and, together with the Series 2019B Bonds, the “Series 2019BC Bonds”), by the Dormitory Authority of the State of New York (the “Authority”), a body corporate and politic constituting a public benefit corporation of the State of New York, created and existing under and pursuant to the Constitution and statutes of the State of New York, including the Dormitory Authority Act, being Title 4 of Article 8 of the Public Authorities Law of the State of New York, as amended to the date hereof, including, without limitation, by the Healthcare Financing Consolidation Act, being Title 4-B of the Public Authorities Law of the State of New York, as amended to the date hereof (the “Act”). We have also examined such certificates, documents, records and matters of law as we have deemed necessary for the purpose of rendering the opinions hereinafter set forth.

The Series 2019B Bonds are issued under and pursuant to the Act, The Rockefeller University Revenue Bond Resolution of the Authority, adopted October 31, 2001 (the “Resolution”), the Series 2019B Resolution Authorizing a Series of The Rockefeller University Revenue Bonds, adopted March 6, 2019 (the “Series 2019B Resolution”), the 2019B Bond Series Certificate, dated as of November 19, 2019, executed by the Authority in connection with the sale and issuance of the Series 2019B Bonds (the “2019B Bond Series Certificate”). The Series 2019C Bonds are issued under and pursuant to the Act, the Resolution, the Series 2019C Resolution Authorizing a Series of The Rockefeller University Revenue Bonds, adopted March 6, 2019 (the “Series 2019C Resolution” and, together with the Series 2019B Series Resolution, the “Series Resolutions”), the 2019C Bond Series Certificate, dated as of November 19, 2019, executed by the Authority in connection with the sale and issuance of the Series 2019C Bonds (the “2019C Bond Series Certificate” and, together with the 2019B Bond Series Certificate, the “Bond Series Certificates”). Said resolutions and the Bond Series Certificates are herein collectively called the “Resolutions.” Unless otherwise defined herein, capitalized terms used herein have the respective meanings given to them in the Resolutions.

The Series 2019BC Bonds are part of an issue of bonds of the Authority (the “Bonds”) which the Authority has established and created under the terms of the Resolution and is authorized to issue from time to time for the purposes authorized by the Act and the Resolution, as then in effect, and without limitation as to amount, except as provided in the Resolutions or as may be limited by law. The Series 2019BC Bonds are being issued for the purposes set forth in the Resolutions.

The Authority is authorized to issue Bonds, in addition to the Series 2019BC Bonds, only upon the terms and conditions set forth in the Resolution and such Bonds, when issued, will with the Series 2019BC Bonds be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the Resolution.

The Series 2019BC Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 or integral multiples thereof. The Series 2019BC Bonds are each numbered consecutively from one upward in order of issuance.

The Series 2019BC Bonds are dated the date hereof and mature on July 1 and bear interest, payable July 1, 2020 and semiannually thereafter on January 1 and July 1 of the years and at the respective principal amounts and rates per annum set forth below.

Series 2019B		
Maturing July 1	Principal Amount	Interest Rate
2050	\$73,285,000	5.00%

Series 2019C		
Maturing July 1	Principal Amount	Interest Rate
2049	\$89,365,000	4.00%

The Series 2019BC Bonds are subject to optional, special and mandatory redemption, and purchase in lieu of optional redemption prior to maturity as provided in the Resolutions.

The Series 2019B Bonds are being issued to (i) finance (a) a new two-story laboratory building, (b) a one-story conference and meeting pavilion located on the North Terrace, and (c) a new privately accessible landscaped area on the North Terrace; and (ii) pay the Costs of Issuance of the Series 2019B Bonds.

The Series 2019C Bonds are being issued to (i) refund all of the Authority's The Rockefeller University Revenue Bonds, Series 2009C and (ii) pay certain Costs of Issuance of the Series 2019C Bonds.

The Authority and The Rockefeller University (the "University") have entered into an Amended and Restated Loan Agreement, dated as of October 31, 2001, as amended and restated on April 7, 2008 (the "Amended and Restated Loan Agreement"), by which the University is required to make payments sufficient to pay, when due, the principal and Redemption Price of and interest on the Outstanding Bonds, including the Series 2019BC Bonds as well as a part of the Authority's annual administrative expenditures and costs. All amounts payable under the Amended and Restated Loan Agreement for payment of the principal or Redemption Price of or interest on the Bonds are required to be paid to the Trustee under the Resolution and have been pledged by the Authority for the benefit of the Holders of the Bonds, including the Series 2019BC Bonds.

We are of the opinion that:

1. The Authority is a body corporate and politic constituting a public benefit corporation of the State of New York, with the right and lawful authority and power to adopt the Resolutions and to issue the Series 2019BC Bonds thereunder.

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

3. The Series 2019BC Bonds have been duly and validly authorized and issued in accordance with the Constitution and statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Series 2019BC Bonds are legal, valid and binding special obligations of the Authority payable as provided in the Resolutions, are enforceable in accordance with their terms and the terms of the Resolutions and are entitled, together with all other Bonds issued under the Resolutions, to the equal benefits of the Resolutions and the Act.

4. The Authority has the right and lawful authority and power to enter into the Amended and Restated Loan Agreement and the Amended and Restated Loan Agreement has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms.

5. The Internal Revenue Code of 1986, as amended (the "Code") sets forth certain requirements that must be met subsequent to the issuance and delivery of the Series 2019BC 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 2019BC Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2019BC Bonds. The Authority has covenanted in the Series Resolution and the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code (the "Tax Certificate") and the University has covenanted in the Amended and Restated Loan Agreement and the Tax Certificate to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2019BC Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority and the University have made certain representations and certifications in the Tax Certificate. We have also relied on the opinion of counsel to the University as to the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code. We have not independently verified the accuracy of those certifications and representations or that opinion.

Under existing law and assuming compliance with the tax covenants described herein, and the accuracy of the aforementioned representations and certifications, interest on the Series 2019BC Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

6. Under existing law, interest on the Series 2019BC Bonds is exempt, by virtue of the Act, from personal income taxes of the State of New York or any political subdivision thereof.

Except as stated in paragraphs 5 and 6 above, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of the Series 2019BC Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Series 2019BC Bonds, or the interest thereon, if any action is taken with respect to the Series 2019BC Bonds or the proceeds thereof upon the advice or approval of other counsel.

We have examined an executed Series 2019BC Bond and, in our opinion, the form of said Bond and its execution are regular and proper.

The opinions contained in paragraphs 2, 3 and 4 above are qualified to the extent that the enforceability of the Resolutions, the Amended and Restated Loan Agreement and the Series 2019BC Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally or as to the availability of any particular remedy.

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

Very truly yours,

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FORM OF CONTINUING DISCLOSURE AGREEMENT

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FORM OF CONTINUING DISCLOSURE AGREEMENT

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
THE ROCKEFELLER UNIVERSITY REVENUE BONDS,
SERIES 2019B (GREEN BONDS) AND SERIES 2019C

This **AGREEMENT TO PROVIDE CONTINUING DISCLOSURE** (the “Disclosure Agreement”), dated as of November 26, 2019, is executed and delivered by The Rockefeller University (the “Obligated Person”), Wells Fargo Bank, National Association, as trustee (the “Trustee”), and Digital Assurance Certification, L.L.C. (“DAC”), as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) issued by the Dormitory Authority of the State of New York (the “Issuer” or “DASNY”) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the parties hereto through use of the DAC system and are not intended to constitute “advice” within the meaning of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer, the Obligated Person or anyone on the Issuer’s or the Obligated Person’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Resolution (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Obligated Person for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Financial Disclosure, Notice Event notice, Failure to File Event notice or Voluntary Event Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Financial Disclosure, Notice Event notice, Failure to File Event notice or Voluntary Event Disclosure required to be or voluntarily submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Obligated Person and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Obligated Person pursuant to Section 9 hereof.

“Disclosure Representative” means the Chief Financial Officer of the Obligated Person or his or her designee, or such other person as the Obligated Person shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Failure to File Event” means the Obligated Person’s failure to file an Annual Report on or before the Annual Filing Date.

“Financial Obligation” means a (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Force Majeure Event” means: (i) acts of God, war or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access System maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“Issuer” means the Dormitory Authority of the State of New York, as conduit issuer of the Bonds.

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

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the Issuer and the Obligated Person in connection with the Bonds, as listed on Exhibit A.

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

“Trustee” means Wells Fargo Bank, National Association and its successors and assigns.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Obligated Person shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 180 days after the end of each fiscal year of the Obligated Person (or any time thereafter following a Failure to File Event as described in this Section), commencing with the fiscal year ending June 30, 2020, such date and each anniversary thereof, the “Annual Filing Date.” Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide the Annual Report to the MSRB through its Electronic Municipal Market Access (“EMMA”) System for municipal securities disclosures. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Obligated Person of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall, not later than two (2) business days prior to the Annual Filing Date, either: (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Financial Information, Audited Financial Statements, if available, and unaudited financial statements, if audited financial statements are not available in accordance with subsection (d) below and the Certification, or (ii) instruct the Disclosure Dissemination Agent in writing, with a copy to the Trustee, that a Failure to File Event may occur, state the date by which the Annual Financial Information and Audited Financial Statements for such year are expected to be provided, and, at the election of the Obligated Person, instruct the Disclosure Dissemination Agent to send a notice to the MSRB in substantially the form attached as Exhibit B on the Annual Filing Date, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Obligated Person hereby irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Obligated Person are prepared but not available prior to the Annual Filing Date, the Obligated Person shall provide unaudited financial statements for filing prior to the Annual Filing Date in accordance with Section 3(b) hereof and, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Section 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed pursuant to Section 4(a)

or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. Principal and interest payment delinquencies;
 2. Non-Payment related defaults, if material;
 3. Unscheduled draws on debt service reserves reflecting financial difficulties;
 4. Unscheduled draws on credit enhancements reflecting financial difficulties;
 5. Substitution of credit or liquidity providers, or their failure to perform;
 6. Adverse tax opinions, IRS notices or events affecting the tax status of the securities;
 7. Modifications to rights of securities holders, if material;
 8. Bond calls, if material;
 9. Defeasances;
 10. Release, substitution, or sale of property securing repayment of the securities, if material;
 11. Ratings changes;
 12. Tender offers;
 13. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
 14. Merger, consolidation, or acquisition of the Obligated Person, if material;
 15. Appointment of a successor or additional trustee, or the change of name of a trustee, if material;
 16. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and
 17. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties;
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Obligated Person pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”
2. “change in obligated person;”
3. “notice to investors pursuant to bond documents;”
4. “certain communications from the Internal Revenue Service;”
5. “secondary market purchases;”
6. “bid for auction rate or other securities;”
7. “capital or other financing plan;”
8. “litigation/enforcement action;”
9. “change of tender agent, remarketing agent, or other on-going party;”
10. “derivative or other similar transaction;” and
11. “other event-based disclosures;”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Obligated Person pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”
8. “consultant reports;” and
9. “other financial/operating data;”

(viii) provide the Obligated Person evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Obligated Person may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, the Trustee and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that

is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

Each Annual Report shall contain:

(a) Annual Financial Information with respect to the Obligated Person which shall include operating data and financial information of the type included in the Official Statement for the Bonds as described in PART 7-THE UNIVERSITY” under the headings “OPERATING INFORMATION” and “ANNUAL FINANCIAL STATEMENT INFORMATION” relating to: (1) *staff* information of the type set forth under the subheading “University Staff;” (2) *student admissions* information of the type set forth under the subheading “Student Admissions;” (3) *plant assets* information of the type set forth under the subheading “University Properties” in the table titled “Univerity Plant Assets,” unless such information is included in the Audited Financial Statements of the Obligated Person; (4) *fund raising and development*, similar to that set forth under the subheading “Fund Raising and Development” in the table titled “Gifts and Pledges,” unless such information is included in the Audited Financial Statements of the Obligated Person; (5) *direct revenue* similar to that set forth under the subheading “Direct Revenues From Sponsored Research” in the tables titled “Direct Revenues From Sponsored Research,” and “Direct Revenues From Sponsored Research-Ten Largest Laboratories,” unless such information is included in the Audited Financial Statements of the Obligated Person; (6) *indirect cost recovery*, similar to that set forth under the subheading “Indirect Cost Recovery” in the table titled “Indirect Cost Recovery,” unless such information is included in the Audited Financial Statements of the Obligated Person; (7) *investment performance*, similar to that set forth under the subheading “Investment Performance” in the table titled “Investments,” unless such information is included in the Audited Financial Statements of the Obligated Person; and (8) *outstanding long-term indebtedness* information of the type set forth under the subheading “Indebtedness - *Authority and Other Indebtedness*,” unless such information is included in the Audited Financial Statements of the Obligated Person; together with a narrative explanation as may be necessary to avoid misunderstanding regarding the presentation of such Annual Financial Information concerning the Obligated Person; and

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles (“GAAP”) or alternate accounting principles as described in the Official Statement will be included in the Annual Report. If Audited Financial Statements are not available, the Obligated Person shall be in compliance under this Disclosure Agreement if unaudited financial statements, prepared in accordance with GAAP or alternate accounting principles as described in the Official Statement, are included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Obligated Person is an “obligated person” (as defined by the Rule), which have been previously filed the Securities and Exchange Commission or available from the MSRB Internet Website. If the document incorporated by reference is a Final Official Statement, it must be available from the MSRB. The Obligated Person will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information shall include an explanation, in narrative form, of such modifications.

SECTION 4. Reporting of Notice Events.

- (a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:
1. Principal and interest payment delinquencies;
 2. Non-payment related defaults, if material;
 3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices and determinations with respect to the tax status of the securities or other material events affecting the tax status of the securities;
7. Modifications to rights of the security holders, if material;
8. Bond calls, if material;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Tender offers;
13. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(13) of this Section 4: For the purposes of the event described in subsection (a)(13) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

14. The consummation of a merger, consolidation or acquisition involving the Obligated Person, or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
15. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
16. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and
17. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

The Obligated Person shall, in a timely manner not in excess of ten business days after its occurrence, notify the Trustee and the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Each such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the desired text of the disclosure, the written authorization for the Disclosure Dissemination Agent to disseminate such information, and identify the desired date for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Obligated Person or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Obligated Person or the Disclosure Representative, such notified party will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Obligated Person determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed as prescribed in subsection (a) or as prescribed in subsection (b) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB, in accordance with Section 2(e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers.

Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference in the Annual Reports, Audited Financial Statements, Notice Event notices and Voluntary Event Disclosure, the Obligated Person shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations.

The Obligated Person acknowledges and understands that other state and federal laws, including but not limited to the United States Securities Act of 1933, as amended, and Rule 10b-5 promulgated under the United States Securities Exchange Act of 1934, as amended, may apply to the Obligated Person, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Obligated Person acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Obligated Person may instruct the Disclosure Dissemination Agent to file Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization for the Disclosure Dissemination Agent to disseminate such information, if applicable, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Obligated Person may instruct the Disclosure Dissemination Agent to file Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the desired text of the disclosure, contain the written authorization for the Disclosure Dissemination Agent to disseminate such information, if applicable, and identify the desired date for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the

Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that neither the Issuer nor the Obligated Person is obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or to file any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Obligated Person from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Section 7, or including any other information in any Annual Report, Failure to File Event notice or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement. If the Obligated Person chooses to include any information in any Annual Report, Failure to File Event notice or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement or to file Voluntary Event Disclosure or Voluntary Financial Disclosure, the Obligated Person shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Voluntary Financial Disclosure, Voluntary Event Disclosure, Failure to File Event Notice or Notice Event notice.

SECTION 8. Termination of Reporting Obligation.

The obligations of the Obligated Person and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Obligated Person is no longer an Obligated Person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent.

The Obligated Person hereby appoints DAC as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Obligated Person may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Obligated Person or DAC, the Obligated Person agrees to appoint a successor Disclosure Dissemination Agent or, alternatively, agrees to assume all responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Obligated Person shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Obligated Person.

SECTION 10. Remedies in Event of Default.

In the event of a failure of the Obligated Person or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Obligated Person has provided such information to the Disclosure Dissemination Agent as provided in this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information, or any other information, disclosures or notices provided to it by the Obligated Person and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Obligated Person, the Holders of the Bonds or any other party. The Disclosure

Dissemination Agent shall have no responsibility for the Obligated Person's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine or liability for failing to determine whether the Obligated Person has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Obligated Person at all times.

THE OBLIGATED PERSON AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT, THE ISSUER AND THE TRUSTEE AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITY WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LOSSES, EXPENSES AND LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AND THE TRUSTEE'S (AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS') NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Obligated Person under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and it shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Obligated Person.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format through the EMMA System and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. No Issuer or Trustee Responsibility.

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

SECTION 13. Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the Obligated Person, the Trustee and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to each of the Obligated Person, the Trustee and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided none of the Obligated Person, the Trustee or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Obligated Person, the Trustee and the Disclosure Dissemination Agent shall have the right to amend this Disclosure Agreement for any of the following purposes:

(i) to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time;

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

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

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

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

SECTION 14. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the Obligated Person, the Trustee, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law.

This Disclosure Agreement shall be governed by the laws of the State of New York (without regard to its conflicts of laws provisions).

SECTION 16. Counterparts.

This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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The Disclosure Dissemination Agent, the Trustee and the Obligated Person have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

THE ROCKEFELLER UNIVERSITY,
Obligated Person

By: _____
Name: _____
Title: _____

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: Dormitory Authority of the State of New York
Obligated Person(s): The Rockefeller University
Name of Bond Issue: The Rockefeller University Revenue Bonds, Series 2019B (Green Bonds) and Series 2019C
Date of Issuance: November 26, 2019
Date of Official Statement: November 19, 2019

Series 2019B Bonds

<u>Maturity</u>	<u>CUSIP No.</u>
2050	64990GVH2

Series 2019C Bonds

2049	64990GVJ8
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EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Dormitory Authority of the State of New York
Obligated Person(s): The Rockefeller University
Name of Bond Issue: The Rockefeller University Revenue Bonds, Series 2019B (Green Bonds) and Series 2019C
Date of Issuance: November 26, 2019
CUSIP Numbers:

NOTICE IS HEREBY GIVEN that the Obligated Person has not provided an Annual Report with respect to the above-named Bonds as required by the Agreement to Provide Continuing Disclosure, dated as of November 26, 2019, by and among the Obligated Person, Wells Fargo Bank, National Association, as Trustee, and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Obligated Person has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent, on behalf of the Obligated Person

cc: Obligated Person

**EXHIBIT C-1
EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and Obligated Person's Names:

Six-Digit CUSIP Number:

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

Number of pages attached: _____

Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;"
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Tender offers;"
13. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. _____ "Merger, consolidation, or acquisition of the obligated person, if material;"
15. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
16. _____ "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
17. _____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

_____ Failure to provide annual financial information as required.

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

Signature:

Name: _____ Title: _____

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

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Agreement to Provide Continuing Disclosure dated as of November 26, 2019 by and among the Obligated Person, the Trustee and DAC.

Issuer's and Obligated Person's Names:

Six-Digit CUSIP Number:

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

Number of pages attached: _____

Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking;"
2. _____ "change in obligated person;"
3. _____ "notice to investors pursuant to bond documents;"
4. _____ "certain communications from the Internal Revenue Service;"
5. _____ "secondary market purchases;"
6. _____ "bid for auction rate or other securities;"
7. _____ "capital or other financing plan;"
8. _____ "litigation/enforcement action;"
9. _____ "change of tender agent, remarketing agent, or other on-going party;"
10. _____ "derivative or other similar transaction;" and
11. _____ "other event-based disclosures."

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

Signature:

Name: _____ Title: _____

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

Date:

**EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET**

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Agreement to Provide Continuing Disclosure dated as of November 26, 2019 by and among the Obligated Person, the Trustee and DAC.

Issuer's and Obligated Person's Names:

Six-Digit CUSIP Number:

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

Number of pages attached: _____

Description of Voluntary Financial Disclosure (Check One):

1. _____ "quarterly/monthly financial information;"
2. _____ "change in fiscal year/timing of annual disclosure;"
3. _____ "change in accounting standard;"
4. _____ "interim/additional financial information/operating data;"
5. _____ "budget;"
6. _____ "investment/debt/financial policy;"
7. _____ "information provided to rating agency, credit/liquidity provider or other third party;"
8. _____ "consultant reports;" and
9. _____ "other financial/operating data."

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

Signature:

Name: _____ Title: _____

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

Date:

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