NEW ISSUE – BOOK-ENTRY ONLY

Moody's: Aa1
Standard & Poor's: AA
(See "Ratings" herein)

DASNY

DAC Bond®

$600,000,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
CORNELL UNIVERSITY
REVENUE BONDS, SERIES 2024A

Dated: Date of Delivery **Due: July 1, as shown on the inside front cover**

Payment and Security: The Cornell University Revenue Bonds, Series 2024A (the "Series 2024 Bonds") are special limited obligations of the Dormitory Authority of the State of New York ("DASNY"), payable solely from, and secured by a pledge of (i) certain payments to be made under the Loan Agreement dated as of January 26, 2000, as amended and supplemented, between Cornell University (the "University") and DASNY (the "Loan Agreement"), 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 DASNY's Cornell University Revenue Bond Resolution, adopted January 26, 2000, as amended and supplemented (the "Resolution"), the Series 2024A Resolution Authorizing Cornell University Revenue Bonds, Series 2024A adopted January 10, 2024 (the "Series 2024 Resolution").

The Loan Agreement is a general, unsecured obligation of the University and requires the University to pay, in addition to the fees and expenses of DASNY and the Trustee, 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 2024 Bonds.

Prior to the issuance of the Series 2024 Bonds, the University issued its $500,000,000 Cornell University Taxable Bonds, Series 2024B (the "Series 2024B Taxable Bonds"). **The Series 2024B Taxable Bonds are NOT being offered pursuant to this Official Statement. Only the Series 2024 Bonds are being offered by pursuant to this Official Statement.**

The Series 2024 Bonds are not a debt of the State of New York (the "State") nor is the State liable thereon. DASNY has no taxing power.

Description: The Series 2024 Bonds will be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Interest (due July 1, 2024 and each January 1 and July 1 thereafter) will be payable by check or draft mailed to the registered owners of the Series 2024 Bonds at their addresses as shown on the registration books held by the Trustee or, at the option of a holder of at least $1,000,000 in principal amount of Series 2024 Bonds, by wire transfer to the holder of such Series 2024 Bonds, each as of the close of business on the fifteenth day of the month next preceding an interest payment date. The principal, Purchase Price or Redemption Price of the Series 2024 Bonds will be payable at the principal corporate trust office of The Bank of New York Mellon, New York, New York, the Trustee and Paying Agent or, with respect to Purchase Price or Redemption Price, at the option of a holder of at least $1,000,000 in principal amount of Series 2024 Bonds, by wire transfer to the holders of such Series 2024 Bonds as more fully described herein.

The Series 2024 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 2024 Bonds will be made in book-entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2024 Bonds, payments of the principal, Purchase Price and Redemption Price of and interest on the Series 2024 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 2024 BONDS - Book-Entry Only System" herein.

Redemption or Purchase: *The Series 2024 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 Orrick, Herrington & Sutcliffe LLP ("Orrick"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2024 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Orrick, interest on the Series 2024 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Orrick observes that interest on the Series 2024 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Orrick is also of the opinion that interest on the Series 2024 Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including the City of New York). Neither Orrick nor Holley & Pearson-Farrer LLP expresses an opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2024 Bonds. See "PART 10 - TAX MATTERS" herein regarding certain other tax considerations.

The Series 2024 Bonds are offered when, as, and if issued and received by the Underwriters. The offer of the Series 2024 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 Orrick, Herrington & Sutcliffe LLP, New York, New York, and Holley & Pearson-Farrer LLP, New York, New York, Co-Bond Counsel to DASNY, and to certain other conditions. Certain legal matters will be passed upon for the University by its counsel, Ropes & Gray LLP, Boston, Massachusetts. Certain legal matters will be passed upon for the Underwriters by their counsel, Ballard Spahr LLP, Philadelphia, Pennsylvania. DASNY expects to deliver the Series 2024 Bonds in definitive form in New York, New York, on or about April 25, 2024.

BofA Securities **Goldman Sachs & Co. LLC**

Drexel Hamilton, LLC **J.P. Morgan** **Loop Capital Markets**

PNC Capital Markets LLC **Ramirez & Co., Inc.** **TD Securities**

US Bancorp **Wells Fargo Securities**

Dated: April 10, 2024

$600,000,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
CORNELL UNIVERSITY
REVENUE BONDS, SERIES 2024A

Due July 1	Amount	Interest Rate	Yield	CUSIP Number*
2054	$600,000,000	5.500%	4.000%†	65000BW38

* CUSIP numbers have been assigned by an independent company not affiliated with DASNY and are included solely for the convenience of the holders of the Series 2024 Bonds. Neither DASNY nor the Underwriters is responsible for the selection or uses of the CUSIP numbers and no representation is made as to their correctness on the Series 2024 Bonds or as indicated above. CUSIP numbers are subject to being changed after the issuance of the Series 2024 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such Series 2024 Bonds or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2024 Bonds.

† Priced to the first optional redemption date of July 1, 2034.

No dealer, broker, salesperson or other person has been authorized by DASNY, the University or the Underwriters to give any information or to make any representations with respect to the Series 2024 Bonds, other than the information and representations contained in this Official Statement. If given or made, any such information or representations must not be relied upon as having been authorized by DASNY, the University or the Underwriters.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be a sale of the Series 2024 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein relating to DASNY under the heading "DASNY" has been obtained from DASNY. All other information herein has been obtained by the Underwriters from the University and other sources deemed to be reliable by the Underwriters, and is not to be construed as a representation by DASNY or the Underwriters. DASNY does not warrant the accuracy of the statements contained herein relating to the University, nor does DASNY directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of the security for the Series 2024 Bonds or (3) the value or the investment quality of the Series 2024 Bonds.

The University has reviewed the parts of this Official Statement describing the University, the Plan of Finance, the Estimated Sources and Uses of Funds and Appendix B. It is a condition to the sale of and the delivery of the Series 2024 Bonds that the University certify to the Underwriters and DASNY that, as of the date of this Official Statement and of delivery of the Series 2024 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 provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

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

References in this Official Statement to the Act, the Resolution, the Series 2024 Resolution and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2024 Resolution and the Loan Agreement for full and complete details of their provisions. Copies of the Act, the Resolution, the Series 2024 Resolution and the Loan Agreement are on file with DASNY and the Trustee.

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

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

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

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

TABLE OF CONTENTS

DORMITORY AUTHORITY - STATE OF NEW YORK | 515 BROADWAY, ALBANY, N.Y. 12207
CHARLIE WILLIAMS – VICE PRESIDENT | LISA GOMEZ – CHAIR

OFFICIAL STATEMENT RELATING TO

$600,000,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
CORNELL UNIVERSITY
REVENUE BONDS, SERIES 2024A

PART 1 - INTRODUCTION

Purpose of the Official Statement

The purpose of this Official Statement, including the cover page and appendices, is to provide information about DASNY and the University, in connection with the offering by DASNY of $600,000,000 principal amount of its Cornell University Revenue Bonds, Series 2024A (the "Series 2024 Bonds"). The following is a brief description of certain information concerning the Series 2024 Bonds, DASNY and the University. A more complete description of such information and additional information that may affect decisions to invest in the Series 2024 Bonds is contained throughout this Official Statement, which should be read in its entirety. Certain capitalized terms used in this Official Statement are defined in Appendix A hereto.

Purpose of the Issue

The Series 2024 Bonds are being issued to (i) finance or refinance the Costs of the 2024 Project (as defined herein); (ii) refund all or a portion of the outstanding principal amount of DASNY's Cornell University Revenue Bonds, Series 2000A, Series 2004A, Series 2004B, Series 2019B and Series 2019C; (iii) refund a portion of the University's Series 2020B taxable loan, Series 2020C taxable loan and Series 2020D taxable loan; (iv) refund a portion of the University's taxable commercial paper program; and (v) pay certain Costs of Issuance of the Series 2024 Bonds.

Authorization of Issuance

The Series 2024 Bonds will be issued pursuant to DASNY's Cornell University Revenue Bond Resolution, adopted January 26, 2000, as amended and supplemented (the "Resolution"), the Series 2024A Resolution Authorizing Cornell University Revenue Bonds, Series 2024A, with respect to the Series 2024 Bonds, adopted January 10, 2024 (the "Series 2024 Resolution") and the Act. In addition to the Series 2024 Bonds, the Resolution authorizes the issuance of other Series of Bonds to pay other Costs of one or more Projects, to pay certain Costs of Issuance of such Series of Bonds and to refund all or a portion of Outstanding Bonds or other notes or bonds of DASNY issued for the benefit of the University. The Bonds permitted to be issued under the Resolution include fixed interest rate Bonds, 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. See PART 2 – "SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2024 BONDS."

DASNY

DASNY is a public benefit corporation of the State of New York (the "State"), created for the purpose of financing and constructing a variety of public-purpose facilities for certain educational and not-for-profit institutions. See "PART 7 – DASNY."

The University

Cornell University ("Cornell" or the "University") is a private research university chartered and operated under the laws of the State. The University comprises colleges and schools in Ithaca, New York (privately funded colleges and academic units and colleges that receive direct funding from the State of New York) and New York City (medical graduate and professional units as part of Weill Cornell Medicine ("WCM") and Cornell Tech with its academic partner the Technion - Israel Institute of Technology). See "PART 6 - THE UNIVERSITY" and "Appendix B – Consolidated Financial Statements of Cornell University (With Report of Independent Auditors Thereon)."

Series 2024 Bonds

The Series 2024 Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2024 and on each January 1 and July 1 thereafter) at the rates and will mature at the times set forth on the inside front cover page of this Official Statement. See "PART 3 - THE SERIES 2024 BONDS - Description of the Series 2024 Bonds."

Payment of the Series 2024 Bonds

The Series 2024 Bonds and all other Bonds which may be issued under the Resolution are special obligations of DASNY payable solely from the Revenues which consist of certain payments to be made by the University under a Loan Agreement dated as of January 26, 2000, as amended and supplemented (the "Loan Agreement"), which payments are pledged and assigned to the Trustee. The Loan Agreement is a general, unsecured obligation of the University. See "PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2024 BONDS - Payment of the Series 2024 Bonds."

Security for the Series 2024 Bonds

The Series 2024 Bonds are secured equally with all other Bonds issued under the Resolution by the pledge of the Revenues, the proceeds of the Series 2024 Bonds and 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 DASNY under the Loan Agreement. In addition, pursuant to the Loan Agreement, the University may incur Debt secured by a lien and pledge of revenues of the University without granting to DASNY any security interest in any revenues to secure the University's obligations under the Loan Agreement. See "PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2024 BONDS - Security for the Series 2024 Bonds and Issuance of Additional Bonds," and "PART 6 - THE UNIVERSITY - Indebtedness."

The Series 2024 Bonds are not a debt of the State nor is the State liable thereon. DASNY has no taxing power. Neither the State nor DASNY has any responsibility to make payments with respect to the Series 2024 Bonds except for DASNY's responsibility to make payments from moneys received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts under the Resolution and pledged therefor.

2024 Project

The "2024 Project" will consist of the construction, renovation and improvement of certain projects of the University, including (i) buildings, classroom facilities, maintenance, utility, infrastructure and other capital or improvement projects throughout the University's Ithaca campus, (ii) student housing facilities and other capital or improvement projects at the University's WCM campus, and (iii) academic facilities and other capital or improvement projects at the University's Cornell Tech campus. See "PART 4 - PLAN OF FINANCE."

PART 2 - SOURCE OF PAYMENT AND SECURITY FOR THE SERIES 2024 BONDS

Set forth below is a narrative description of certain contractual provisions relating to the source of payment of and security for the Series 2024 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 2024 Resolution. Copies of the Loan Agreement, the Resolution and the Series 2024 Resolution are or will be on file with DASNY and the Trustee. See also "Appendix C - Summary of Certain Provisions of the Loan Agreement" and

"Appendix D - Summary of Certain Provisions of the Resolution" for a more complete statement of the rights, duties and obligations of the parties thereto.

Payment of the Series 2024 Bonds

The Series 2024 Bonds and all other Bonds issued under the Resolution are special obligations of DASNY. The principal, Sinking Fund Installments, if any, and Purchase Price or Redemption Price of and interest on the Series 2024 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, if any, and Purchase Price or Redemption Price of and interest on the Series 2024 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 obligation of the University. The Loan Agreement obligates the University to make payments to satisfy the principal, Sinking Fund Installments, if any, and Purchase Price or Redemption Price of and interest on Outstanding Series 2024 Bonds. Payments made by the University in respect of interest on the Series 2024 Bonds are to be made on the 20th day of each June immediately preceding the July 1 and on the 20th 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 20th day of each June immediately preceding the July 1 on which such principal becomes due.

The Loan Agreement also obligates the University to pay, except as otherwise provided in a Series Resolution or Bond Series Certificate, at least forty-five (45) days (fifteen (15) days in the case of Variable Interest Rate Bonds) prior to a redemption date or purchase date of Series 2024 Bonds called for redemption or contracted to be purchased, the amount, if any, required to pay the Purchase Price or Redemption Price of such Bonds. See "PART 3 - THE SERIES 2024 BONDS - Redemption and Purchase in Lieu of Redemption Provisions."

DASNY 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, if any, and Purchase Price or Redemption Price of and interest on the Series 2024 Bonds.

Security for the Series 2024 Bonds

The Series 2024 Bonds are secured equally with all other Bonds issued under the Resolution by the pledge of the Revenues, the proceeds of the Bonds and 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 2024 Bonds are not a debt of the State nor is the State liable thereon. DASNY has no taxing power. Neither the State nor DASNY has any responsibility to make payments with respect to the Series 2024 Bonds except for DASNY's responsibility to make payments from moneys received from the University pursuant to the Loan Agreement and from amounts held in the funds and accounts under the Resolution and pledged therefor.

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

No security interest in any revenues or assets of the University has been granted by the University to DASNY under the Loan Agreement. In the event of a default under any debt instrument secured by such pledged revenues, the holder or trustee under such debt instrument will have the right to collect a portion or all of such pledged revenues, and apply the revenues so collected to the payment of amounts due under such debt instrument. Any revenues so collected and applied will not be available for satisfying any of the University's obligations under the Loan Agreement.

Events of Default and Acceleration

The following are events of default under the Resolution: (i) a default by DASNY in the payment of the principal, Sinking Fund Installment, if any, or Redemption Price of or interest on any Bond; (ii) a default by DASNY 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 shall no longer be excludable from gross income under the Code; (iii) a default by DASNY 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 DASNY 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 shall have been given to DASNY 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 25% in principal amount of the Outstanding Bonds; or (iv) an event of default under the Loan Agreement shall have 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, the Trustee may, and upon the written request of Holders of not less than 25% in principal amount of the Bonds Outstanding will, by notice in writing to DASNY, declare the principal of and interest on all of the Bonds Outstanding to be immediately due and payable. At the expiration of 30 days from the giving of notice of such declaration, 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 DASNY's failure to comply with the covenant described in clause (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 DASNY'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

In addition to the Bonds currently Outstanding under the Resolution and the Series 2024 Bonds, the Resolution authorizes the issuance of other Series of Bonds to finance one or more projects and for other specified purposes including to refund Outstanding Bonds or other notes or bonds of DASNY issued on behalf of the University. The Bonds which may be issued under the Resolution 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.

PART 3 - THE SERIES 2024 BONDS

Set forth below is a narrative description of certain provisions relating to the Series 2024 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 or will be on file with DASNY and the Trustee. See also "Appendix C - Summary of Certain Provisions of the Loan Agreement" and "Appendix D - Summary of Certain Provisions of the Resolution" for a more complete description of certain provisions of the Series 2024 Bonds.

General

The Series 2024 Bonds will be issued pursuant to the Resolution. The Series 2024 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 2024 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 2024 Bonds, payments of the principal, Purchase Price and Redemption Price of and interest on the Series 2024 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 2024 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 2024 Bonds, the Series 2024 Bonds will be exchangeable for fully registered Series 2024 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."

Description of the Series 2024 Bonds

The Series 2024 Bonds are dated their date of delivery and bear interest from such date (payable July 1, 2024 and on each January 1 and July 1 thereafter) at the rates set forth on the inside front cover page of this Official Statement. The Series 2024 Bonds will be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof.

Interest on the Series 2024 Bonds will be payable by check mailed to the registered owners or, at the option of the registered owner of at least $1,000,000 of Series 2024 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 2024 Bonds are not registered in the name of DTC or its nominee, Cede & Co., the principal, Purchase Price and Redemption Price of the Series 2024 Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of The Bank of New York Mellon, New York, New York, the Trustee and Paying Agent. For a more complete description of the Series 2024 Bonds, see "Appendix D - Summary of Certain Provisions of the Resolution."

Redemption Provisions

The Series 2024 Bonds are subject to redemption, and to purchase in lieu of redemption, as described below.

Optional Redemption.

The Series 2024 Bonds are subject to optional redemption prior to maturity at the election of the University, on or after July 1, 2034, in any order, in whole or in part at any time, at a Redemption Price of one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date.

Purchase in Lieu of Optional Redemption. The Series 2024 Bonds are also subject to purchase in lieu of optional redemption prior to maturity at the election of the University in any order, in whole or in part at any time, at a purchase price equal to the applicable Redemption Price. Notice of purchase of the Series 2024 Bonds will be given in the name of the University to the registered owners of the Series 2024 Bonds to be purchased by first-class mail, postage prepaid, not less than 15 days prior to the date set for purchase specified in such notice.

Selection of Bonds to be Redeemed. In the case of redemptions of less than all of each Series of the Series 2024 Bonds, as applicable, other than mandatory redemptions, DASNY will select the maturities of the Series 2024 Bonds to be redeemed. If less than all of each Series of the Series 2024 Bonds of a maturity are to be redeemed, the Series 2024 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. The Trustee is to give notice of the redemption of the Series 2024 Bonds in the name of DASNY, by first-class mail, postage prepaid, not less than 30 days nor more than 60 days prior to the redemption date to the registered owners of any Series 2024 Bonds which are to be redeemed, at their last known addresses appearing on the registration books of DASNY not more than ten Business Days prior to the date such notice is given.

The failure of any owner of a Series 2024 Bond to be redeemed to receive notice of redemption will not affect the validity of the proceedings for the redemption of such Series 2024 Bond.

The redemption of a Series 2024 Bond may be conditioned upon the availability of sufficient money which, in addition to other moneys available therefor held by the Trustee, is sufficient to redeem, on the redemption dates at the Redemption Price thereof, together with interest accrued to the redemption date, all of the Series 2024 Bonds to be so redeemed and such money is not required to be paid to the Trustee prior to the date on which notice of such optional redemption is given pursuant to the Resolution.

If on the redemption date moneys for the redemption of the Series 2024 Bonds 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 2024 Bonds of such maturity will cease to accrue from and after the redemption date and such Series 2024 Bonds will no longer be considered to be Outstanding.

For a more complete description of the redemption and other provisions relating to the Series 2024 Bonds, see "Appendix D - Summary of Certain Provisions of the Resolution." Also see "Book-Entry Only System" below for a description of the notices of redemption to be given to Beneficial Owners of the Series 2024 Bonds when the Book-Entry Only System is in effect.

Book-Entry Only System

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

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

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners, however, are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Redemption notices will be sent to DTC. If less than all of the Series 2024 Bonds of the same series within a maturity of the Series 2024 Bonds of the same series 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 Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to DASNY as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and redemption premium, if any, of and interest payments on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from DASNY or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Underwriters, the Trustee or DASNY, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of DASNY or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DASNY and the Trustee may treat DTC (or its nominee) as the sole and exclusive registered owner of the Series 2024 Bonds registered in its name for the purposes of payment of the principal and redemption premium, if any, of or interest on the Series 2024 Bonds, giving any notice permitted or required to be given to registered owners under the Resolution, registering the transfer of the Series 2024 Bonds or other action to be taken by registered owners and for all other purposes whatsoever. DASNY, the University, the Trustee and the Underwriters have no responsibility or obligation to any Direct or Indirect Participant, any person claiming a beneficial ownership interest in the Series 2024 Bonds under or through DTC or any Direct or Indirect Participant, or any other person that is not shown on the registration books of DASNY (kept by the Trustee) as being a registered owner, with respect to the accuracy of any records maintained by DTC or any Direct or Indirect Participant, the payment by DTC or any Direct or Indirect Participant of any amount in respect of the principal, redemption premium, if any, or interest on the Series 2024 Bonds, any notice that is permitted or required to be given to registered owners thereunder or under the conditions to transfers or exchanges adopted by DASNY or other action taken by DTC as registered owner. Interest, redemption premium, if any, and principal will be paid by the Trustee to DTC, or its nominee. Disbursement of such payments to the Direct or Indirect Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the Direct or Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to DASNY and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2024 Bond certificates are required to be printed and delivered.

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

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

Each person for whom a Direct or Indirect Participant acquires an interest in the Series 2024 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. NONE OF DASNY, THE UNIVERSITY, THE TRUSTEE OR THE UNDERWRITERS 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 2024 BONDS.

So long as Cede & Co. is the registered owner of the Series 2024 Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2024 Bonds (other than under the caption "PART 10 - TAX MATTERS" herein) means Cede & Co., as aforesaid, and does not mean the Beneficial Owners of the Series 2024 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 2024 Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

DASNY, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2024 Bonds if DASNY determines that (i) DTC is unable to discharge its responsibilities with respect to the Series 2024 Bonds or (ii) a continuation of the requirement that all of the Outstanding Series 2024 Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by DASNY or restricted registration is no longer in effect, Series 2024 Bond certificates will be delivered as described in the Resolution.

NONE OF DASNY, THE UNIVERSITY, THE UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT, (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2024 BONDS UNDER THE RESOLUTION, (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 2024 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 2024 BONDS, (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2024 BONDS OR (VI) ANY OTHER MATTER.

Principal and Interest Requirements

The following table sets forth the amounts, after giving effect to the issuance of the Series 2024 Bonds, required to be paid by the University during each twelve month period ending June 30 of the Bond Years shown for the payment of the principal of and interest on the Series 2024 Bonds, debt service on other outstanding indebtedness of the University and the total debt service on all indebtedness of the University, including the Series 2024 Bonds. See "PART 6 - THE UNIVERSITY – Indebtedness."

Debt Service on University Indebtedness (1)(2)(3)(4)

	Series 2024 Bonds			
12 Month Period Ending June 30	Principal Payments	Interest Payments	Debt Service on Other Outstanding Indebtedness	Total Debt Service
2024	-	$ 6,050,000	$ 76,757,167	$ 82,807,167
2025	-	33,000,000	96,577,210	129,577,210
2026	-	33,000,000	147,323,060	180,323,060
2027	-	33,000,000	93,564,561	126,564,561
2028	-	33,000,000	93,590,491	126,590,491
2029	-	33,000,000	93,560,060	126,560,060
2030	-	33,000,000	158,377,561	191,377,561
2031	-	33,000,000	154,384,811	187,384,811
2032	-	33,000,000	70,605,241	103,605,241
2033	-	33,000,000	70,584,811	103,584,811
2034	-	33,000,000	570,468,164	603,468,164
2035	-	33,000,000	46,387,465	79,387,465
2036	-	33,000,000	36,218,894	69,218,894
2037	-	33,000,000	24,489,214	57,489,214
2038	-	33,000,000	34,409,502	67,409,502
2039	-	33,000,000	34,191,089	67,191,089
2040	-	33,000,000	34,137,361	67,137,361
2041	-	33,000,000	34,087,332	67,087,332
2042	-	33,000,000	377,500,308	410,500,308
2043	-	33,000,000	22,120,936	55,120,936
2044	-	33,000,000	22,103,537	55,103,537
2045	-	33,000,000	22,083,138	55,083,138
2046	-	33,000,000	22,064,066	55,064,066
2047	-	33,000,000	22,040,649	55,040,649
2048	-	33,000,000	22,022,116	55,022,116
2049	-	33,000,000	21,997,696	54,997,696
2050	-	33,000,000	106,510,192	139,510,192
2051	-	33,000,000	2,143,044	35,143,044
2052	-	33,000,000	2,143,964	35,143,964
2053	-	33,000,000	76,068,750	109,068,750
2054	$600,000,000	33,000,000	-	633,000,000

(1) Includes the Series 2024B Taxable Bonds.

(2) This table excludes any debt outstanding under the $200 million authorized tax-exempt commercial paper program and the $300 million taxable commercial paper program, as well as leases.

(3) This table excludes the Refunded Debt refunded by the Series 2024A Bonds and other bonds that may also be repaid by the University concurrent with this transaction.

(4) Each 12-month period ending June 30 includes the principal and interest payments due on July 1 immediately succeeding the end of such 12-month period.

PART 4 - PLAN OF FINANCE

Financing of the 2024 Project

The Series 2024 Bonds will finance a portion of the construction, renovation and improvement of the 2024 Project, including (i) buildings, classroom facilities, maintenance, utility, infrastructure and other capital or improvement projects throughout the University's Ithaca campus, (ii) student housing facilities and other capital or improvement projects at the University's WCM campus, and (iii) academic facilities and other capital or improvement projects at the University's Cornell Tech campus.

The Series 2024 Bonds are expected to fund approximately $324 million of the 2024 Project costs which are a component of the University's capital improvement plan. The remaining costs will be funded through a combination of University funds and other indebtedness.

Refunding Project

In addition to financing the 2024 Project, the University expects to use proceeds from the Series 2024 Bonds to pay the redemption price of all or a portion of the principal amount thereof, plus interest due, on the outstanding DASNY Cornell University Revenue Bonds, Series 2000A, Series 2004A, Series 2004B, Series 2019B, and Series 2019C, a portion of the University's Series 2020B taxable loan, Series 2020C taxable loan and Series 2020D taxable loan and a portion of the University's taxable commercial paper program (collectively, the "Refunded Debt"). The University also expects to repay from its own funds any remaining portion of the outstanding bonds listed above which are not funded from Series 2024 Bond proceeds.

Series 2024B Taxable Bonds

On April 11, 2024, the University directly issued its $500,000,000 Cornell University Taxable Bonds, Series 2024B (the "Series 2024B Taxable Bonds"). The Series 2024B Taxable Bonds were not offered pursuant to this Official Statement. The University's obligations with respect to the Series 2024B Taxable Bonds constitutes an unsecured general obligation of the University.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

PART 5 - ESTIMATED SOURCES AND USES OF FUNDS

Sources of Funds	
Bond Proceeds:	
Principal Amount	$ 600,000,000
Original Issue Premium	74,634,000
	$ 674,634,000
Other Sources of Funds:	
Equity Contribution – Series 2004A Interest (6/3)	$ 303,627
Equity Contribution – Series 2004 Principal	2,752,500
Equity Contribution – Series 2004B Interest (6/3)	316,814
Equity Contribution – Series 2019B Principal	17,297,000
Equity Contribution – Series 2019B Interest (6/3)	340,875
	$ 21,010,815
Total Sources of Funds*	$ 695,644,815
Uses of Funds	
Deposit to Construction Fund	$ 324,211,718
Refunding Deposit (Cash Deposit)	230,530,001
Refunding Deposit (SLGS Purchases)	139,046,314
Costs of Issuance	817,599
Underwriters' Discount	1,039,183
Total Uses of Funds	$ 695,644,815

---
* May not foot due to rounding.

PART 6 - THE UNIVERSITY

General

Founded in 1865, Cornell is a privately endowed research university and State-federal land-grant institution, with a responsibility to make contributions in all fields of knowledge in a manner that prioritizes public engagement to improve the quality of life in the state, the nation and the world.

The University's main campus is in Ithaca, New York. New York City is home to both the WCM and the Cornell Tech campuses. WCM also has a campus in Doha, Qatar. As a land-grant university, Cornell operates a cooperative extension outreach program in every county of New York State and receives annual funding from the State to support research, outreach and educational programs.

Ithaca Campus

The campus is located on 2,300 acres in New York State's Finger Lakes region. The campus comprises privately funded colleges and academic units (the "Endowed Colleges") and four schools that receive direct funding from the State (the "Contract Colleges"). In 1865, the State legislature designated Cornell as New York State's land-grant institution under the Morrill Act of 1862. The Contract Colleges are operated by the University on behalf of the State pursuant to statute or contractual agreements under the general supervision of the trustees of the State University of New York ("SUNY"). The privately funded Endowed Colleges and academic units in Ithaca are the College of Architecture, Art and Planning; the College of Arts and Sciences; the College of Business, the College of Engineering; the College of Computing and Information Science; the Graduate School; the Law School; the School of Continuing Education and Summer Sessions; the School of Public Policy; and University Libraries. The four Contract Colleges are the College of Agriculture and Life Sciences ("CALS"); the College of Human Ecology ("CHE"); the School of Industrial and Labor Relations ("ILR"); and the College of Veterinary Medicine.

Contract Colleges. Cornell's Contract Colleges have been assigned by State legislation with specific responsibilities in research and extension directed to support State needs. The specialized missions of the Contract Colleges, as set forth in the State Education Law, are included in Cornell's charter. The cost of construction and acquisition for certain Contract College facilities is borne primarily by the State through the State University Construction Fund.

State operating and capital contributions provide significant financial support to the integrated academic and research programs of the University as well as general campus overhead costs. State operating budget appropriations are received as part of the SUNY appropriation budget and are based on negotiations with SUNY and the New York State Department of Budget. In addition to the direct operating budget appropriation received through SUNY, State funds also support employee benefits and debt service on SUNY bonds used to finance certain Contract College facilities.

Future State support for the Contract Colleges is dependent on the enactment of annual appropriations by the State and the willingness and ability of the State and SUNY to provide such payments. In the event that future State support for the Contract Colleges is below historic levels, the University may be required to increase tuition charges and/or decrease expenditures at the Contract Colleges.

New York City Campuses

Weill Cornell Medicine. Founded in 1898, and affiliated with New York-Presbyterian Hospital since 1927, WCM comprises the academic units of the Medical College and the Graduate School of Medical Sciences and the Weill Cornell Physician Organization (the "Physician Organization"). The Medical College and the Graduate School of Medical Sciences conduct instructional and research activities in the medical field, and, through the Physician Organization, the physician members generate clinical practice income for Cornell from their professional services to patients.

Cornell Tech. In December 2011, the City of New York selected Cornell, with its academic partner, the Technion - Israel Institute of Technology, to develop and build a new applied science and engineering campus on Roosevelt Island in New York City. Cornell Tech opened the Roosevelt Island campus in September 2017.

Accreditation

Cornell is regionally accredited by the Middle States Commission on Higher Education. In addition, Cornell's academic programs are accredited by several programmatic education accrediting associations.

Governance

Cornell is governed by a Board of Trustees (the "Board of Trustees") which meets four times a year. The Board of Trustees includes: four ex-officio trustees, 43 members elected by the Board of Trustees for staggered terms of four years each; eight members elected by alumni for staggered terms of four years each; two members elected by faculty for terms of four years each; two members elected by students for terms of two years each; one member elected by employees for a term of four years; one member being the eldest lineal descendent of Ezra Cornell; and three members appointed by the Governor of the State of New York for terms of three years. For the academic year 2023-2024, the University has 64 members of the Board of Trustees.

The Board of Trustees is composed of the following members:

The Board of Trustees also has the following committees: Academic Affairs; Alumni Affairs; Audit, Risk and Compliance; Board Composition and Governance; Buildings and Properties; Compensation; Development; Executive; Finance; Investment; Research and Innovation, Student Life, Trustee-Community Communications; and University Relations.

Administration

The President of Cornell, as chief executive and educational officer, is charged with the principal responsibility for administration of the University. The Board of Trustees elects all officers of Cornell, which include:

Name	Position
Martha E. Pollack	President
Michael I. Kotlikoff	Provost
Robert A. Harrington, M. D.	Provost for Medical Affairs
Donica Thomas Varner	Vice President and General Counsel
Christopher J. Cowen	Executive Vice President and Chief Financial Officer

Brief biographies for each of the above listed officers follow:

Martha E. Pollack, President. Dr. Martha E. Pollack is the fourteenth President of Cornell University, where she is a professor of computer science, information science, and linguistics. From 2000 to 2017, Dr. Pollack held positions of increasing responsibility at the University of Michigan, serving as Dean of the School of Information, Vice Provost for Academic and Budgetary affairs and finally, Provost and Executive Vice President for Academic Affairs. A computer scientist focusing on artificial intelligence, including on natural-language processing, automated planning, and the design of assistive technology for people with cognitive impairment, Dr. Pollack earned a bachelor's degree in linguistics at Dartmouth College and an M.S. and Ph.D. in computer and information science at the University of Pennsylvania. She is a fellow of the American Academy of Arts and Sciences, American Association for the Advancement of Science, the Association for Computing Machinery, and the Association for the Advancement of Artificial Intelligence. During her tenure as President of the University, Dr. Pollack has worked to invest in new, evidence-based approaches to teaching and learning, foster an inclusive and equitable community, and utilize Cornell's urban and rural identities to meet the challenges and potential challenges facing universities in the present and future, respectively.

Michael I. Kotlikoff, Provost. Dr. Michael I. Kotlikoff, a professor of molecular physiology, serves as the 16th Provost of Cornell University. As the University's chief academic officer, chief budgeting officer, and first deputy officer to the President, he works to enhance the university's excellence in teaching, scholarship, and outreach. He was recruited to Cornell in 2000 as the founding chair of the Department of Biomedical Sciences and chair of the Mammalian Genomics Life Science Initiative. Prior to being selected as Provost, Dr. Kotlikoff served as the Austin O. Hooey Dean of the Cornell College of Veterinary Medicine. His laboratory has been internationally recognized for cell signaling and heart repair and was continuously funded by the National Institutes of Health ("NIH") for over 35 years, including during his tenure as Dean and Provost. He currently serves on the NIH Council of Councils. Dr. Kotlikoff received his B.A. (literature) and V.M.D. degrees from the University of Pennsylvania and his Ph.D. in physiology from the University of California, Davis.

Robert A. Harrington, M.D. Dr. Robert A. Harrington is a cardiologist and serves as the Stephen and Suzanne Weiss Dean of WCM and Provost for Medical Affairs of Cornell University. His research areas of focus include evaluating antithrombotic therapies to treat acute ischemic heart disease and to minimize the acute complications of percutaneous coronary procedures and trying to better understand and improve upon the methodology of clinical research, including the use of technologies to facilitate the conduct of clinical trials. A previous American Heart Association ("AHA") president, Dr. Harrington remains a member of AHA's Board of Directors. He is also an elected member of the Association of American Physicians, the Association of University Cardiologists, and the National Academy of Medicine / Institute of Medicine. In addition, he has served as a chair and member of the US Food and Drug Administration Cardiovascular and Renal Drugs Advisory Committee. Among other awards and recognitions, Dr. Harrington was named a Master of the American College of Cardiology in 2016, was awarded the AHA's Clinical Research Prize in 2017, and earned the AHA Council on Clinical Cardiology Distinguished Achievement Award in 2022. In 2022, he was awarded the Stokes Medal, and in 2023, Honorary Fellowship in the Irish Cardiac Society. Dr. Harrington received his B.A. from the College of the Holy Cross and his M.D. from Tufts University School of Medicine.

Donica Thomas Varner, Vice President and General Counsel. As University General Counsel, Donica Thomas Varner represents and advises all Cornell boards, senior officers, and other officials and units. She oversees offices in Ithaca and New York City, leading approximately 23 attorneys and other staff who provide in-house legal services. With over 29 years of combined experience representing two public research universities, a private residential liberal arts college, and corporate clients, Ms. Varner is an experienced litigator, and management-side labor and employment lawyer. From 2017-2021, Ms. Varner served as the Vice President, General Counsel & Secretary at Oberlin College & Conservatory where she managed Oberlin's legal and compliance programs and corporate secretary functions. She earned her J.D. from the University of Michigan Law School after graduating from North Carolina State University with a degree in political science. Ms. Varner is a fellow of the College of Labor and Employment Lawyers.

Christopher J. Cowen, Executive Vice President and Chief Financial Officer. Chris Cowen began his tenure at Cornell in June 2023. He is the most senior non-academic officer for the University and is responsible for directing the financial and administrative services in support of University activities. As part of this responsibility, he has custody and control of the University's funds and facilities and has general responsibility for the maintenance of financial records and the safety and security of the University. Mr. Cowen previously served as the Senior Vice President and Chief Financial Officer at the University of Florida in Gainesville. Prior to that, Mr. Cowen spent six years at Bank of America and four years at Goldman Sachs & Co., serving as managing director and co-head of the higher education finance group. From 1992 to 2010, he was managing director and head of the national higher education consulting practice for Prager, Sealy & Co., and from 1990 to 1992, he was a financial analyst for Merrill Lynch & Co. He holds a B.S. in economics from The Wharton School at the University of Pennsylvania and an MBA from the University of California, Berkeley, Hass School of Business.

Financial Management

The University comprises nine undergraduate units and four graduate and professional colleges and schools in Ithaca, New York; two medical graduate and professional units, together with the Physician Organization, collectively referred to as "Weill Cornell Medicine" or "WCM," in New York City, and "Weill Cornell Medicine - Qatar" in Doha, Qatar. The Cornell Tech campus, also in New York City, offers graduate programs in applied sciences, including three programs offered jointly with the Technion - Israel Institute of Technology under the auspices of the Joan and Irwin Jacobs Technion-Cornell Institute. The University is subject to the common administrative authority and control of the Cornell University Board of Trustees. The University is prohibited from using funds attributable to the Contract Colleges (i.e., those colleges operated by the University on behalf of New York State) for other units of the University. Except as specifically required by law, the Contract and Endowed Colleges at Ithaca, Cornell Tech, and WCM are, to the extent practicable, governed by common management principles and policies determined at the private discretion of the University. In addition to the activities of the Endowed and Contract Colleges, the activities of the University's subsidiaries and certain affiliated organizations are included in the consolidated financial statements. All significant intercompany transactions and balances are eliminated in the accompanying consolidated financial statements included in "Appendix B – Consolidated Financial Statements of Cornell University (With Report of Independent Auditors Thereon)."

Cornell's budget is approved by the Board of Trustees in May of each year and is developed through the following process.

During the budget process, the University sets basic priorities and income estimates in the fall that are then reviewed and refined and become the basis for the development of unit budget plans in the spring. WCM's budget must first be approved by the Board of Fellows of WCM before being ratified by the Board of Trustees.

Contract Colleges. The Contract Colleges receive a significant amount of funding through appropriations from the State of New York administered through the State University of New York. This funding is dependent upon the preparation of the budget for the State. The State budget development process begins in late fall with preliminary requests that are reviewed with SUNY and culminates with the adoption of the State budget for the following State fiscal year (April 1 – March 31). The Contract Colleges develop an all-funds budget following the same process and timing as all other campus operating units.

Capital Budget. The capital budget process through which the University considers the priorities, costs, and financing of capital projects begins in late summer. The capital budget is finalized with a review by the Board of Trustees' Finance Committee in March and approved by the full Board of Trustees in May. Updates and changes occur throughout the year.

Student Information

The student body currently consists of over 16,000 undergraduates and approximately 11,600 graduate and professional students from all 50 U.S. states and over 130 countries. The following table includes enrollment figures for the undergraduate, graduate and professional programs in Ithaca, and for the Medical College in New York City.

Enrollment Summary

Fall	Full-Time Undergraduate	Full-Time Graduate / Professional & Medical College	Total Full-Time Enrollment
2019	15,043	10,311	25,354
2020	14,743	10,199	24,942
2021	15,503	11,453	26,956
2022	15,735	11,490	27,225
2023	16,071	11,603	27,674

Application, Admissions and Enrollment

Cornell receives applications substantially in excess of the number of students it can accept to its undergraduate programs. The following tables set forth the number of applications for admissions and demand data for undergraduate freshman students as of fall semester for the years listed. Since the beginning of the coronavirus ("COVID-19") pandemic in spring 2020, Cornell has not required first-year applicants to submit SAT or ACT exam scores. Three of Cornell's undergraduate colleges do not use test scores at all as part of their admissions process, while applicants to the other five undergraduate colleges have the option to submit such scores. The University is in the process of evaluating the role of testing as part of its admission process on a longer-term basis.

First Year Admission Statistics

Fall	Total Applications	Acceptances	Acceptance Rate	Number Enrolled	Yield
2019	49,114	5,330	10.9%	3,218	60.4%
2020	51,500	5,514	10.7	3,296	59.8
2021	67,380	5,852	8.7	3,765	64.3
2022	71,164	5,168	7.3	3,491	67.6
2023	67,846	5,358	7.9	3,537	66.0

Percentage of All Full-Time Bachelor's Degree Students
First Generation, Pell Grant Recipients

	2019	2020	2021	2022	2023
First Generation	14.0%	14.6%	15.7%	16.6%	18.0%
Pell Grant Recipients	17.0	16.0	17.0	18.0	17.0

Graduate Admission Statistics

Fall	Total Applications	Acceptances	Acceptance Rate	Number Enrolled	Yield
2019	23,888	5,956	24.9%	2,706	45.4%
2020	27,509	6,512	23.7	2,855	43.8
2021	30,074	6,404	21.3	3,052	47.7
2022	30,529	6,713	22.0	2,840	42.3
2023	32,245	7,240	22.5	3,181	43.9

Tuition and Other Student Charges

The table below provides undergraduate tuition rates for the major divisions of the University over the last five academic years.

Tuition Rates

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Undergraduate					
Endowed Colleges	$56,550	$58,586	$60,286	$62,456	$65,204
Contract College – Resident	37,880	39,244	40,382	41,958	43,888
Contract College - Non-resident	56,550	58,586	60,286	62,456	65,204
Graduate and Professional					
Masters Degree (Tier 1) [1]	56,550	58,586	60,286	62,456	65,204
Masters Degree (Tier 2) [2]	37,022	38,354	39,466	40,888	42,688
Masters & Doctoral Degree (Tier 3) [3]	29,500	29,500	29,500	29,500	29,500
Graduate (Tier 4) [4]	28,274	29,290	30,140	31,226	32,600
Graduate (Tier 5) [5]	20,800	20,800	20,800	20,800	20,800
Johnson Graduate School of Management (Masters of Business Administration)	69,440	71,940	74,026	76,690	79,910
Law School	67,748	70,188	71,522	74,098	77,508
Veterinary Medicine Professional - resident	37,136	38,250	39,026	39,900	41,098
Veterinary Medicine Professional - non-resident	54,744	56,824	58,244	59,500	61,284
Weill Cornell Medicine					
Medical College (Doctor of Medicine)	58,760	61,110	62,650	64,500	67,400
Graduate Medical College (Doctor of Philosophy (“PhD”))	37,250	38,370	39,520	40,700	41,920

[1] Tier 1: Professional degrees include: ILR eMPS, MEng, MPS (Applied Statistics, AEM, Information Sciences, Real Estate), (executive) MMH (three semesters), MS (Information Systems)
[2] Tier 2: Professional degrees include MHA, MILR, MLA, MPA, MPH, MRP, MPS (CALS, Hum Ec., ID, ILR - except ILR NYC, ILR eMPS), MS (Nutrition, Atmospheric Sciences).
[3] Tier 3: Endowed Research Masters Ithaca-MA, MFA, MS (except as noted above) and Doctoral Degrees: PhD, DMA, JSD.
[4] Tier 4: MPS ILR NYC
[5] Tier 5: Contract College Masters Ithaca - M.A., M.S (except as noted above) and Doctoral Degrees: Ph.D.

In addition to tuition, students on the Ithaca campus pay an annual activity and health fee, and students at WCM pay a health service fee. There are several room and board plans. For 2023-2024, the average cost for room and board for the Ithaca campus is approximately $16,396.

Financial Aid

Students receive assistance from various sources, which include University funds, State and federal financial aid programs, and other awards from outside sources. Cornell makes admissions decisions without regard to the ability of students or parents to pay educational costs.

The following table provides a breakdown of the sources from which undergraduate need-based scholarship and grant aid has been provided over the last five academic years.

Sources of Undergraduate Aid (In Thousands)[(1)]

Academic Year	Cornell Aid	State Aid	Federal Aid	Outside Award	Total
2018-19	$270,739	$6,419	$49,967	$20,423	$347,548
2019-20	280,147	6,028	46,861	19,809	352,845
2020-21	299,306	5,984	41,277	20,857	367,424
2021-22	335,009	6,879	42,129	17,791	401,808
2022-23	365,109	7,052	42,764	22,398	437,323

[1] The information provided in this table is supplied by the University's management. PricewaterhouseCoopers LLP has not reviewed this information and does not express an opinion or any other form of assurance with respect thereto.

Faculty

As of the fall of 2023, the University's total faculty was approximately 3,800. Of those, on the Ithaca campus, 73% hold tenure positions, and more than 99% hold the highest degrees in their respective fields.

Employee Relations

Cornell has nine collective bargaining agreements with eight unions covering approximately 1,500 full-time employees as of November 15, 2023. The contracts are with the Building Trades Council (expires June 2026); two units in New York City with the Communication Workers of America (exempt unit: expires June 2025; non-exempt unit: expires March 2026); Cornell Police Union (expires June 2025); the International Union of Operating Engineers-Ithaca (expires March 2028); Teamsters (expires September 2025); the United Automobile, Aerospace, and Agricultural Implement Workers of America (expires June 2024); the International Security, Police and Fire Professionals of America (expires September 2025). On November 9, 2023, a graduate student unit of approximately 3,200 elected the United Electrical, Radio and Machine Workers of America as their bargaining representative. Cornell will be negotiating new contracts with the United Automobile, Aerospace, and Agricultural Implement Workers of America, the newly formed graduate student union, United Electrical, and the newly formed postdoctoral associate union at Weill Cornell Medicine, in 2024.

Organized Research

In fiscal year 2023, organized research expenditures totaled $1.17 billion, a 24% increase over the last five years. The majority of the federally-sponsored expenditures originate from the United States Department of Health and Human Services and the National Science Foundation. The following table is a five-year summary of organized research expenditures:

Total Organized Research (In Millions)[(1)]

June 30	Expenditures
2019	$ 944.9
2020	981.9
2021	986.9
2022	1,057.4
2023	1,173.0

[1] The information provided in this table is supplied by the University's management. PricewaterhouseCoopers LLP has not reviewed this information and does not express an opinion or any other form of assurance with respect thereto.

Annual Financial Information

The tables that follow are based on the audited consolidated financial statements of the University for fiscal years ended June 30, 2019, through 2023, and should be read in conjunction with the audited consolidated financial statements of the University and related footnotes as of June 30, 2023, included in Appendix B.

Consolidated Statement of Financial Position. Following is a summary of assets, liabilities, and net assets as of June 30, for the fiscal years ended June 30, 2019 through 2023.

Consolidated Statement of Financial Position
(In Thousands)

	2019	2020	2021	2022	2023
Total Assets	$13,968,334	$14,850,618	$17,907,729	$17,961,299	$18,221,061
Total Liabilities	3,334,669	4,529,786	4,457,854	4,246,947	4,182,935
Net Assets	10,633,665	10,320,832	13,449,875	13,714,352	14,038,126
Net Assets Comprised of:					
Without donor restrictions	3,422,627	3,029,185	3,833,101	4,109,936	4,181,622
With donor restrictions	7,211,038	7,291,647	9,616,774	9,604,416	9,856,504
Total	$10,633,665	$10,320,832	$13,449,875	$13,714,352	$14,038,126

Consolidated Statement of Activities. The following table provides a summary of revenues and expenses as of June 30, for the fiscal years ended June 30, 2019 through 2023.

Consolidated Statement of Activities
(In Thousands)

Operating Revenues	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Net Tuition and fees	$770,907	$801,856	$792,381	$876,328	$904,425
State and federal appropriations	151,421	150,198	143,545	152,400	152,674
Grants and contracts	856,100	882,646	923,064	1,088,151	1,094,905
Contributions	239,016	288,409	365,894	302,977	398,374
Investment return, distributed	332,407	336,630	350,298	344,256	418,009
Physician Organization	1,116,384	1,031,162	1,176,195	1,304,677	1,361,999
Other*	878,572	850,030	840,183	1,041,823	1,103,620
Total Operating Revenues	$4,344,807	$4,340,931	$4,591,560	$5,110,612	$5,434,006
Operating Expenses					
Compensation and benefits	$2,884,000	$2,995,105	$3,060,643	$3,311,962	$3,589,676
Supplies, services and other	1,063,625	1,037,938	961,148	1,181,429	1,288,146
Maintenance and Facilities	139,262	132,725	146,029	156,002	158,179
Interest Expense	57,338	38,009	30,940	34,296	66,194
Depreciation	304,818	312,780	305,381	303,434	308,838
Total Operating Expenses	$4,449,043	$4,516,557	$4,504,141	$4,987,123	$5,411,033
Change in net assets from operating activities	$(104,236)	$(175,626)	$87,419	$123,489	$22,973
Change in net assets from non-operating activities	233,578	(137,207)	3,041,624	140,988	300,801
Change in net assets	$129,342	$(312,833)	$3,129,043	$264,477	$323,774
Total net assets, beginning of year	10,504,323	10,633,665	10,320,832	13,449,875	13,714,352
Total net assets, end of year	$10,633,665	$10,320,832	$13,449,875	$13,714,352	$14,038,126

* Educational Activities, Sales and Service and Auxiliary Enterprises

Investments

The University's Investment Policy for Long Term Investments ("LTI") is to manage a balanced portfolio using external managers for domestic and international equity, commodities, fixed income investments, and various partnerships for hedge funds, real estate, and private equity. The assets are managed to maximize total return subject to risk constraints.

The Investment Committee of the Board of Trustees oversees all investable assets, including the allocation of investments among external investment managers and any restrictions on the amounts of capital in any type of investment. The Investment Committee delegates authority for day-to-day management, supervision, and administration of the portfolio to the Chief Investment Officer.

The Long-Term Investment Pool ("LTIP") represents the core investor in the LTI. External managers oversee a significant portion of the LTI portfolio, except for a subset of accounts, overseen by Cornell entities, whose aggregate value (at December 31, 2023) was approximately $536 million (5.3% of LTI).*

The University's Long-Term Investments at Fair Value as of December 31, 2023[1] is summarized in the following table:

Type	Current Values (In Millions)*	Percentage[1]
Global Equities	$1,973.87	19.4%
Emerging Markets Equity	456.67	4.5
Private Equity	2,839.37	27.9
Real Assets	1,692.30	16.6
Enhanced Fixed Income	677.77	6.6
Core Fixed Income	402.93	4.0
Marketable Alternatives	1,342.35	13.2
Diversifying Assets	253.32	2.5
Administrative Accounts	7.71	0.1
Portfolio Rebalancing Accounts	447.54	4.4
Cash	84.82	0.8
Total	$10,178.66	100.0%

[1] Due to the reporting lag of certain investment valuations within the LTI, the investments summarized in the table represent 79.9% of valuations reported.

Liquidity

The University has various sources of internal liquidity. A summary of these sources is displayed in the following table as of December 31, 2023:

Total Daily Liquidity
(In Thousands)

	Total*
Cash, money market funds and repurchase agreements	$902,741
US Treasuries and Agencies / other	656,937
Total Daily Liquidity	$1,559,678

* The preliminary financial data noted has been prepared by, and is the responsibility of, the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to such preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Gifts and Bequests

Cornell received approximately $3.7 billion in gifts and bequests over the last five fiscal years ended June 30, 2023. The table below shows gifts (excluding pledges and outside trusts) by type of donor as reported by the Cornell Alumni Affairs Office in accordance with Council for Advancement and Support of Education (CASE) standards.

Gifts by Type of Donor[(1)]
(In Millions)

Donor	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Alumni	$241.1	$357.1	$483.5	$553.0	$384.5
Corporations and Foundations	168.7	93.8	130.9	129.0	188.4
Friends/Other	113.9	180.9	204.3	233.8	278.8
Total	$523.7	$631.8	$818.7	$915.8	$851.7

[1] The information provided in this table is supplied by the University's management. PricewaterhouseCoopers LLP has not reviewed this information and does not express an opinion or any other form of assurance with respect thereto.

Cornell Campaign

In October 2021, Cornell launched the public phase of the "To Do the Greatest Good" campaign. The campaign is an eight-year (fiscal year 2019 – fiscal year 2026), $5 billion campaign, and is named for a note from founder Ezra Cornell about his reasons for founding the University. The campaign is focused on three pillars: educating students to be leaders who carry the Cornell ethos forward; tackling the world's most challenging problems, from sustainability to health to social and economic equity; and connecting Cornell with the world through public engagement, international programs, and global reach. As of March 11, 2024, the University raised approximately $4.62 billion in cash and pledges.[*]

Capital Plan

The University strategically manages a ten-year capital plan to advance significant strategic and facility renewal needs and budgets on a five-year basis. This ten-year capital plan captures capital projects with a total cost above $10 million. The budget approved in May 2023 identifies capital activity that will begin in fiscal year 2024 for the next five years. The five-year capital budget starting in fiscal year 2024 is approximately $1.4 billion. Funding for the projects included in such budget is expected to come from a variety of sources, including fund raising, funds provided by New York State, and potential and current issuances of debt.

Indebtedness and Other Liabilities

As of June 30, 2023, Cornell had approximately $2.3 billion (net of premium) in debt and other liabilities outstanding, including fixed- and variable-rate bonds, commercial paper, mortgages, capital leases ($54.0 million), and operating leases ($407.7 million). Approximately two-thirds of the outstanding debt is fixed rate and approximately one-third is variable rate debt. While no assurances can be given with respect to such plan, in connection with the issuance of the Series 2024 Bonds, Cornell expects to redeem or repay, using University equity, DASNY's Cornell University Revenue Bonds Series 2000B and the balance remaining, following the application of Series 2024 Bond proceeds, on DASNY's Cornell University Revenue Bonds Series 2000A, Series 2004A, Series 2004B, Series 2019B and Series 2019C, the Series 2020B, 2020C and 2020D taxable loans and on the University's taxable commercial paper program. On April 11, 2024, the University directly issued $500 million Series 2024B

[*] The preliminary financial data noted has been prepared by, and is the responsibility of, the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to such preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Taxable Bonds. Following the issuance of the Series 2024 Bonds and the Series 2024B Taxable Bonds, the net increase in University debt is expected to be approximately $490 million.

On April 11, 2024, the University also issued $98.3 million of taxable commercial paper to refinance the Hudson Cornell Residential JV LLC subsidiary debt.

In 2023, the University entered into two new 30-year lease agreements for clinical and research space in New York City on behalf of WCM. In each case, WCM's leasehold interest began in September 2023 and, to align therewith, the right-of-use assets and lease liabilities approximating $200 million were recorded in fiscal year 2024. In conjunction with the commencement of the new leases, approximately $35 million of existing leases will be terminated in fiscal year 2024. Additionally, approximately $125 million is expected to be recorded as a right-of-use asset and lease liability during fiscal year 2028 when additional research space is made available for use.

The University currently has two standby bond purchase facilities in place with respect to DASNY's Cornell University Revenue Bonds Series 2019B (expires April 2025) and Series 2004 (expires January 2025), each of which are variable rate demand bonds. The University expects to refinance both bond series using proceeds from the Series 2024 Bonds. As a result, such standby bond purchase facilities would be terminated.

The University is authorized to maintain working capital lines of credit up to $450 million. The University currently maintains facilities at four different financial institutions ($25 million expiring in January 2027, $125 million expiring in February 2026, $200 million expiring in May 2024 and $100 million expiring in July 2025). The lines of credit include an event of default if the University rating is withdrawn, suspended, or reduced below Aa3 and AA- by Moody's and/or S&P respectively for two of the agreements, and Baa2 and BBB by Moody's and/or S&P respectively for the other two.

The University had approximately $692 million notional amount (as of April 10, 2024) of executed interest rate swap agreements with various counterparties including Morgan Stanley Derivatives Products, Inc., Goldman Sachs Mitsui Marine Derivative Products, L.P., Merrill Lynch Capital Services, Inc., The Bank of New York Mellon, and JPMorgan Chase Bank, N.A., pursuant to which the University pays or will pay a fixed rate in exchange for receiving a floating rate. On April 12, 2024, the University terminated all five swap positions.

For additional information concerning the University's outstanding indebtedness, see "Appendix B – Consolidated Financial Statements of Cornell University (With Report of Independent Auditors Thereon)."

Pension Plans

The University's employee retirement plan coverage is provided by two basic types of plans: one based on a predetermined level of funding (defined contribution), and the other based on a years-of-service calculation to determine the level of benefit to be provided (defined benefit). The defined contribution plans for the Endowed Colleges and for exempt employees (those not subject to the overtime provisions of the Fair Labor Standards Act) at WCM are funded either by employer contributions based on a percentage of salary or by voluntary employee contributions. The contributions to the defined contribution plans are held on investment platforms with the Teachers Insurance and Annuity Association (also a record-keeper to the plans), Vanguard (WCM only), and Fidelity Investments (also a record-keeper to the Endowed Colleges only). Total contributions of the Endowed Colleges and WCM plans for the fiscal years ended June 30, 2023, and 2022 amounted to $143 million and $135.8 million, respectively.

WCM maintains the University's only defined benefit plan. The participants include non-exempt employees at WCM who meet the eligibility requirements for participation. The plan was frozen in 1976 for exempt employees at WCM, and the accrued benefits were merged with the active non-exempt retirement plan in 1989. In accordance with the funding requirements applicable to defined benefit plans under the Employee Retirement Income Security Act of 1974 ("ERISA"), the University must contribute to the plan's trust an actuarially determined amount that represents current year benefits plus an amount to fund any shortfall in trust assets needed to satisfy plan benefit obligations. For further information concerning the funded status of this plan, see footnote 7 to "Notes to Consolidated Financial Statements of Cornell University (With Report of Independent Auditors Thereon).

Employees of the Contract Colleges are covered under the New York State pension plan. Contributions to the State retirement system and other fringe benefit costs are paid directly by the State. The amount of the direct payments applicable to the University as revenue and expenditures is not currently determinable and is not included in the University's consolidated financial statements. The University reimburses the State for fringe benefit costs on certain salaries, principally those associated with externally sponsored programs. The amounts reimbursed to the State during the years ended June 30, 2023, and June 30, 2022, were $20.1 million and $18.1 million, respectively, which are included in the expenses of general operations.

Insurance

The University maintains a self-insured retention and purchases commercial excess/umbrella insurance above the retention. Ithaca-based campuses maintain property insurance on their buildings and contents with a blanket policy limit of $1 billion. WCM maintains a separate property policy with a blanket limit of $850 million on a replacement costs basis for its multiple campus properties. The deductibles on each policy differ. In addition, WCM carries medical malpractice insurance through MCIC Vermont ("MCIC"). MCIC is a reciprocal risk retention group that provides medical malpractice insurance coverage and risk management services to its subscribers. All WCM faculty physicians are enrolled in MCIC.

Cybersecurity

The University recognizes that cybersecurity threats may take many forms and are constantly evolving. Like many other large universities, Cornell's campuses rely on large and complex technological systems to conduct operations, to provide programs and services, and meet its overall mission. As a recipient and provider of personal, private, and/or other sensitive information, the University faces risks to its networks and systems in the form of hacking, viruses, malware, and other intrusions. While no assurances can be given that the University's efforts to manage cyber threats and attacks will always be successful, or that any such attack would not materially impact the Cornell's operations or finances, the University has developed and invested in multiple forms of cybersecurity and operational controls, such as system-wide policies, firewalls, vulnerability management, anti-malware, backups, tabletop exercises and procedures for incident management. Each campus has dedicated information security professionals, led by a chief information security officer. The University has adopted the National Institute of Standards and Technology's Cybersecurity Framework ("NIST CSF") for managing its cybersecurity program and regularly reports its maturity status to the Board of Trustees. All three campuses have completed independent assessments based on the NIST CSF. Additionally, the University maintains cyber liability insurance.

Sustainable Campus

The University is committed to sustainability and climate change research, teaching and engagement, including by using its own campuses to develop, test, and implement solutions that address climate change issues. Cornell University maintains a platinum sustainability rating—the highest status—from the Association for the Advancement of Sustainability in Higher Education ("AASHE"), the international group tracking comprehensive metrics that address the environmental, social and economic dimensions of sustainability for college campuses. The Cornell University Sustainable Cornell Council ("SCC" formed in 2007 under a different name) coordinates the University plans and work to achieve carbon neutrality, while also working to create a sustainable campus and community and to create partnerships to translate this work nationally and internationally. The SCC has three steering committees (Carbon Neutral Campus, Campus Operations, and Education and Engagement). These committees are responsible for the University sustainability priorities and Climate Action Plan. The Climate Action Plan is Cornell's overarching plan for carbon neutrality for the Ithaca campus operations, the advancement of a living laboratory for climate research and teaching and global solutions for a low-carbon future by 2035.

In 2021, Cornell University, the City of Ithaca and the Town of Ithaca formed the Finger Lakes Energy Compact (the "Compact"). This is the first campus-city partnership to be recognized by the United Nations. The Compact aims to (i) increase access to affordable carbon-free electricity to all members of our communities, including the City, Town, campus, and greater Finger Lakes and New York State populations; (ii) reduce emissions from energy use in buildings and expand access to zero-emissions transportation options; (iii) use Cornell's Ithaca campus as a living laboratory to advance energy efficiency and renewable energy, and (iv) develop, implement, and share financial models to increase equitable access.

Cornell aspires to build and maintain a campus where every member of the Cornell community can play a role in creating a sustainable campus, community and world. The University policy is to build high-performing, energy efficient buildings at LEED Silver certification or higher that are consistent with the carbon neutrality goal and sustainability priorities. Initiatives to supply the campus with 100% renewable energy (heat, cooling and electricity) are in process. The campus hydroelectric plant and regional solar farms already generate 20% of the Ithaca campus' annual electricity, while the ongoing initiative to develop earth source heat and to operate a lake source cooling plant are expected to meet the Ithaca campus's thermal needs without the use of refrigerants and only a fraction of the electricity needed by heat pumps or conventional chillers.

Financial Advisor

The Yuba Group LLC (the "Financial Advisor"), has been retained by the University to serve as its financial advisor in connection with the offering of the Series 2024 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 2024 Bonds.

Litigation, Investigations and Audits

The University is a defendant in various legal actions, some of which are for substantial monetary amounts that arise out of the normal course of its operations. These include four class action proceedings as well as proceedings in which the University and other defendants have been named in multiple lawsuits related to alleged misconduct by a former WCM physician who has been charged with federal crimes relating to his alleged conduct. There also is an ongoing federal criminal investigation into the circumstances surrounding that physician's conduct at the University. Additionally, there are various other audits, inquiries and investigations that take place in the course of University operations and these include certain governmental requests related to alleged bias on campus among other topics. Although the final outcome of these legal actions and various proceedings cannot be forecast with precision, the University's administration is of the opinion that potential liability related to the actions will not have a material effect on the University's financial position after taking into account insurance coverage and cash reserves.

PART 7 - DASNY

Background, Purposes and Powers

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

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

To carry out its programs, DASNY is authorized to issue and sell negotiable bonds and notes to finance the construction of facilities for such institutions, to issue bonds or notes to refund outstanding bonds or notes, and to lend funds to such institutions. As of December 31, 2023, DASNY had approximately $55 billion aggregate principal amount of bonds and notes outstanding.

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

DASNY is a conduit debt issuer. Under existing law, and assuming continuing compliance with tax law, interest on most bonds and notes issued by DASNY has been determined to be excludable from gross income for federal tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended. All DASNY's outstanding bonds and notes, both fixed and variable rate, are special limited 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 limited obligations were issued. DASNY has no obligation to pay its special limited obligations other than from such payments.

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

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

DASNY has a staff of approximately 475 employees located in four main offices (Albany, New York City, Buffalo and Rochester) and at approximately 40 field sites across the State.

Governance

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

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

The current members of DASNY are as follows:

LISA A. GOMEZ, *Chair,* Pelham.

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

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

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

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

ROBERT J. RODRIGUEZ, Westchester.

Robert J. Rodriguez was appointed as a Member of DASNY by the Governor on June 10, 2023. Mr. Rodriguez serves as New York's Secretary of State. He previously served as a member of the New York State Assembly for 11 years representing Assembly District 68. He was Co-Chair of the Legislative Task Force on Demographic Research and Reapportionment, founding Chair of the Assembly Sub-committee on Infrastructure and Member of Committees on Ways and Means, Housing, Labor, Banking, Corporations and Authorities, and Mental Health. Mr. Rodriguez also held positions at Public Financial Management, A.C. Advisory, Inc and Bloomberg L.P. Mr. Rodriguez has Bachelor of Arts in History and Political Science from Yale University and received his MBA in Finance from New York University Stern Business School.

ALFONSO L. CARNEY, JR., 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. 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.

WELLINGTON Z. CHEN, Queens.

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

JOAN M. SULLIVAN, Slingerlands.

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

JANICE McKINNIE, Buffalo.

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

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

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

BLAKE G. WASHINGTON, *Budget Director of the State of New York*, Albany; *ex-officio*.

Blake G. Washington is the Budget Director for the State of New York, appointed by Governor Kathy Hochul. Mr. Washington is responsible for the development and management of the New York State budget and leads a team of public servants to administer the fiscal duties of the state, including economic and revenue forecasting, tax policy, fiscal planning, capital financing and management of the State's debt portfolio. Mr. Washington was previously employed by the New York State Assembly Ways and Means Committee for over 20 years, culminating with his service as Secretary to the Committee from 2015 through 2023. In that role, Mr. Washington advised the Assembly Speaker and the Assembly Majority on all budget and fiscal matters and served as the Assembly's lead negotiator on the New York State budget. He began his career in public service as a probation officer in Sullivan County, New York. Mr. Washington earned both his master's and bachelor's degrees from the State University of New York at Albany.

JAMES MCDONALD, M.D., *Commissioner of Health of the State of New York*, Albany; *ex-officio.*

James McDonald, M.D., was named Acting Commissioner starting January 1, 2023 and confirmed as Commissioner by the State Senate on June 10, 2023. Prior to that, Dr. McDonald served as the Medical Director of the State Department of Health's Office of Public Health and Interim Director of the Center for Community Health, part of the Office of Public Health. Before joining the State Department of Health, Dr. McDonald worked for 10 years at the Rhode Island Department of Health, most recently as Interim Director/Commissioner. Dr. McDonald earned his medical degree from Loyola Stritch School of Medicine in Chicago. He earned his MPH from the University of North Carolina in Chapel Hill. Dr. McDonald is board certified in pediatrics as well as preventive medicine.

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.

CHARLIE WILLIAMS is the Vice President of DASNY and assists the President in the administration and operation of DASNY. Mr. Williams coordinates policy and operations across all DASNY business lines and serves as chief advisor on all DASNY operational matters. Mr. Williams most recently served as Managing Director for Executive Direction at DASNY. Prior to that, he served as Deputy Budget Director for the NYS Division of Budget where he oversaw the budgets of approximately 125 state agencies and authorities in the areas of economic development, human services, housing, energy, environment, education, arts, agriculture, parks, mental hygiene, developmental disabilities, addiction services and public protection. He holds a Bachelor of Arts degree from State University of New York at Plattsburgh and a Master's degree in Public Administration from the Rockefeller College of the University at Albany.

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

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

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

SARA POTTER RICHARDS is the Managing Director for Executive Direction. Ms. Richards works with all Members of the Executive Management team to coordinate policy and operations across DASNY business lines. She is responsible for coordinating the work of the DASNY Board of Directors and overseeing the Grants Administration Unit and the Office of Environmental Affairs. Ms. Richards began her DASNY career in the Office of General Counsel and has held a variety of positions of increasing responsibility, most recently serving as Chief of Staff. She holds a Bachelor of Science degree from Ithaca College and a Juris Doctor degree from Albany Law School.

Claims and Litigation

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

There is not now pending any litigation against DASNY (i) restraining or enjoining the issuance or delivery of the Series 2024 Bonds nor (ii) challenging the validity of the Series 2024 Bonds or the proceedings and authority under which DASNY will issue the Series 2024 Bonds.

Other Matters

New York State Public Authorities Control Board

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

Legislation

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

Environmental Quality Review

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

Independent Auditors

The accounting firm of KPMG LLP audited the financial statements of DASNY for the fiscal year ended March 31, 2023. Copies of the most recent audited financial statements are available upon request at the offices of DASNY.

PART 8 - LEGALITY OF THE SERIES 2024 BONDS FOR INVESTMENT AND DEPOSIT

Under New York State law, the Series 2024 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 2024 Bonds may be deposited with the State Comptroller to secure deposits of State money in banks, trust companies and industrial banks.

PART 9 - NEGOTIABLE INSTRUMENTS

The Series 2024 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 2024 Bonds.

PART 10 - TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Orrick"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2024 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Orrick is of the further opinion that interest on the Series 2024 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Orrick observes that interest on the Series 2024 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Orrick is also of the opinion that interest on the Series 2024 Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Neither Orrick nor Holley & Pearson-Farrer LLP ("Co-Bond Counsel") expresses an opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2024 Bonds. A complete copy of the proposed form of opinion of Co-Bond Counsel is set forth in Appendix E hereto.

To the extent the issue price of any maturity of the Series 2024 Bonds is less than the amount to be paid at maturity of such Series 2024 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Series 2024 Bonds, which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Series 2024 Bonds is the first price at which a substantial amount of such maturity of the Series 2024 Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2024 Bonds accrues daily over the term to maturity of such Series 2024 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2024 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2024 Bonds. Beneficial Owners of the Series 2024 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2024 Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Series 2024 Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2024 Bonds is sold to the public.

Series 2024 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such purchaser. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2024 Bonds. DASNY and the University have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2024 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2024 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2024 Bonds. The opinion of Orrick assumes the accuracy of these representations and compliance with these covenants. Orrick has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Orrick's attention after the date of issuance of the Series 2024 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2024 Bonds. Accordingly, the opinion of Orrick is not intended to, and may not be relied upon in connection with any such actions, events or matters.

In addition, Orrick has relied, among other things, on the opinion of Ropes & Gray LLP, counsel to the University, regarding the current qualification of the University as an organization described in Section 501(c)(3) of the Code. Such opinion is subject to a number of qualifications and limitations. Orrick has also relied upon representations of the University concerning the University's "unrelated trade or business" activities as defined in Section 513(a) of the Code. Neither Orrick nor counsel to the University has given any opinion or assurance concerning Section 513(a) of the Code and neither Co-Bond Counsel nor counsel to the University can give or has given any opinion or assurance about the future activities of the University or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the resulting changes in enforcement thereof by the Internal Revenue Service (the "IRS"). Failure of the University to be organized and operated in accordance with the Internal Revenue Service's requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code, or to operate the facilities financed or refinanced by the Series 2024 Bonds in a manner that is substantially related to the University's charitable purpose under Section 513(a) of the Code, may result in interest payable with respect to the Series 2024 Bonds being included in federal gross income, possibly from the date of the original issuance of the Series 2024 Bonds.

Although Orrick is of the opinion that interest on the Series 2024 Bonds is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York), the ownership or disposition of, or the accrual or receipt of interest on, the Series 2024 Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Orrick expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2024 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Orrick expresses no opinion.

The opinion of Orrick is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Orrick's judgment as to the proper treatment of the Series 2024 Bonds for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Orrick cannot give and has not given any opinion or assurance about the future activities of DASNY or the University, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. DASNY and the University have covenanted, however, to comply with the requirements of the Code.

Orrick's engagement with respect to the Series 2024 Bonds ends with the issuance of the Series 2024 Bonds, and, unless separately engaged, Orrick is not obligated to defend DASNY, the University or the Beneficial Owners regarding the tax-exempt status of the Series 2024 Bonds in the event of an audit examination by the IRS. Under current procedures, the Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which DASNY or the University legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2024 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2024 Bonds, and may cause DASNY, the University or the Beneficial Owners to incur significant expense.

Payments on the Series 2024 Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of Series 2024 Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Series 2024 Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Series 2024 Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

PART 11 - STATE NOT LIABLE ON THE SERIES 2024 BONDS

The Act provides that notes and bonds of DASNY are not a debt of the State, that the State is not liable on them and that such notes and bonds are not payable out of any funds other than those of DASNY. The Resolution specifically provides that the Series 2024 Bonds are not a debt of the State and that the State is not liable on the Series 2024 Bonds.

PART 12 - COVENANT BY THE STATE

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

PART 13 - LEGAL MATTERS

Certain legal matters incidental to the authorization and issuance of the Series 2024 Bonds by DASNY are subject to the approval of Orrick, Herrington & Sutcliffe LLP, New York, New York, and Holley & Pearson-Farrer LLP, New York, New York, as Co-Bond Counsel to DASNY, whose approving opinion will be delivered with the Series 2024 Bonds. The proposed form of Co-Bond Counsel's opinion is set forth in Appendix E hereto.

Certain legal matters will be passed upon for the University by Ropes & Gray LLP, Boston, Massachusetts. Certain legal matters will be passed upon for the Underwriters by their counsel, Ballard Spahr LLP, Philadelphia, Pennsylvania.

PART 14 - UNDERWRITING

BofA Securities, Inc., as representative of the Underwriters, has agreed, subject to certain conditions, to purchase the Series 2024 Bonds from DASNY at an aggregate purchase price of $673,594,817.03 (which represents the par amount of Series 2024 Bonds less the Underwriters' discount of $1,039,182.97 plus original issue premium of $74,634,000.00), and to make a public offering of the Series 2024 Bonds at prices that are not in excess of the public offering price or prices stated on the inside front cover page of this Official Statement. The Underwriters will be obligated to purchase all such Series 2024 Bonds if any are purchased.

The Series 2024 Bonds may be offered and sold to certain dealers (including the Underwriters) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

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 financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the University and to persons and entities with relationships with the University, for which they received or will receive customary fees and expenses.

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

BofA Securities, Inc., an underwriter of the Series 2024 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 2024 Bonds.

Drexel Hamilton, LLC has entered into a distribution agreement with Essex Securities LLC. Under this distribution agreement, such firm may purchase the Series 2024 Bonds from Drexel Hamilton at the original issue price less a negotiated portion of the selling concession applicable to any Series 2024 Bonds that such firm sells.

J.P. Morgan Securities LLC ("JPMS"), an underwriter of the Series 2024 Bonds, has entered into negotiated dealer agreements (each, a "JPMS 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 JPMS Dealer Agreement, each of CS&Co. and LPL may purchase Series 2024 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2024 Bonds that such firm sells.

TD Securities (USA) LLC, an underwriter of the Series 2024 Bonds, has entered into a negotiated dealer agreement (the "TD Dealer Agreement") with InvestorLink Capital Markets, LLC ("ICM") for the retail distribution of certain securities offerings, including the Series 2024 Bonds at the original issue prices. Pursuant to the TD Dealer Agreement, ICM may purchase Series 2024 Bonds from TD Securities (USA) LLC at the original issues prices less a negotiated portion of the selling concession applicable to any of the Series 2024 Bonds that ICM sells.

US Bancorp is the marketing name of U.S. Bancorp and its subsidiaries, including U.S. Bancorp Investments, Inc., which is serving as an Underwriter of the Series 2024 Bonds.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group ("WFBNA"), one of the underwriters of the Series 2024 Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2024 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2024 Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Series 2024 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

PART 15 - 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

2024 Bonds with Digital Assurance Certification LLC, as disclosure dissemination agent and the Trustee. The proposed form of the Continuing Disclosure Agreement is attached as Appendix F hereto.

PART 16 - RATINGS

Moody's Investors Service ("Moody's") has assigned a rating of "Aa1" with a stable outlook to the Series 2024 Bonds. Standard & Poor's Global Ratings ("Standard & Poor's") has assigned a rating of "AA" with a stable outlook to the Series 2024 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: Standard & Poor's, 55 Water Street, New York, New York 10041 and Moody's, 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 2024 Bonds.

PART 17 - MISCELLANEOUS

References in this Official Statement to the Act, the Resolution, the Series 2024 Resolution and the Loan Agreement do not purport to be complete. Refer to the Act, the Resolution, the Series 2024 Resolution and the Loan Agreement for full and complete details of their provisions. Copies of the Resolution, the Series 2024 Resolution and the Loan Agreement are on file with DASNY and the Trustee.

The agreements of DASNY with Holders of the Series 2024 Bonds are fully set forth in the Resolution. Neither any advertisement of the Series 2024 Bonds nor this Official Statement is to be construed as a contract with purchasers of the Series 2024 Bonds.

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

The information set forth herein relating to DASNY under the heading "DASNY" has been obtained from DASNY. All other information herein has been obtained by the Underwriters from the University and other sources deemed to be reliable by the Underwriters, and is not to be construed as a representation by DASNY or the Underwriters. DASNY does not warrant the accuracy of the statements contained herein relating to the University, nor does DASNY directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the University, (2) the sufficiency of the security for the Series 2024 Bonds or (3) the value or the investment quality of the Series 2024 Bonds.

"Appendix A - Definitions," "Appendix C - Summary of Certain Provisions of the Loan Agreement," "Appendix D - Summary of Certain Provisions of the Resolution" and "Appendix E - Form of Approving Opinion of Co-Bond Counsel" have been prepared by Orrick, Herrington & Sutcliffe LLP, New York, New York, and Holley & Pearson-Farrer LLP, New York, New York, as Co-Bond Counsel.

The consolidated statements of financial position as of June 30, 2023 and 2022, the related consolidated statement of activities for the year ended June 30, 2023, and the related consolidated statements of cash flows for the years ended June 30, 2023 and 2022, included in Appendix B in this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report appearing therein.

The University has reviewed the parts of this Official Statement describing the University, the Plan of Finance, the Estimated Sources and Uses of Funds and Appendix B. The University shall certify as of the dates of sale and delivery of the Series 2024 Bonds that such parts do not contain any untrue statement of a material fact and do not omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which the statements are made, not misleading.

The University has agreed to indemnify DASNY, the 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 DASNY.

DORMITORY AUTHORITY OF
THE STATE OF NEW YORK

By: /s/ Charlie Williams
Authorized Officer

APPENDIX A

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 a Bond Series Certificate 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 semi-annual 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 of Article 8 of the Public Authorities Law, as amended).

"Annual Administrative Fee" means the fee payable during each Bond Year for the general administrative and supervisory expenses of the Authority in an amount more particularly described in the Loan Agreement.

"Appreciated Value" means with respect to any Deferred Income Bond (i) as of any Valuation Date, the amount set forth for such date in the Series Resolution authorizing such Deferred Income Bond or a Bond Series Certificate and (ii) as of any date other than a Valuation Date, the sum of (a) the Appreciated Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Appreciated Value accrues during any semi-annual 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 the fee payable to the Authority consisting of all of the Authority's internal costs and overhead expenses attributable to the issuance of the Bonds of a Series and the construction of the Projects, as more particularly described in the Loan Agreement.

"Authorized Newspaper" means The Bond Buyer or any other newspaper of general circulation printed in the English language and customarily published at least once a day for at least five 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 Chief Financial Officer, the General Counsel, the Deputy General Counsel, the Associate General Counsel, and an Assistant 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, any officer of the University, and when used with reference to any act or document, means the person or persons authorized by a resolution or the by-laws of the University, or designated in writing by an officer of the University to act on such officer's behalf, to perform such act or execute such document; and (iii) in the case of the Trustee, any officer of the Trustee with direct responsibility for the administration of the Resolution and also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the by-laws of the Trustee.

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

"Bond Counsel" means 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 obligations.

"Bondholder or Holder of Bonds or Holder" or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any Outstanding Bond.

"Bond Purchase Fund" means the fund so designated, created and established pursuant to the Resolution.

"Bond Series Certificate" means a 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, as supplemented or amended.

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

"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 legal holiday in the State or a day on which banking institutions chartered by the State or the United States of America or the Trustee, are legally authorized to close in The City of New York; provided that, with respect to Option Bonds and Variable Rate Bonds of a Series, such a term means any day which is not a Saturday, Sunday or a legal holiday in the State or a day on which the New York Stock Exchange, banking institutions chartered by the State or the United States of America, the Trustee or the issuer of the Credit Facility or Liquidity Facility for such Bonds 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 or any successor provisions of law, and the applicable regulations thereunder.

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

"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.

"Cost or Costs of Issuance" means the items of expense incurred in connection with the preparation, authorization, sale and issuance of Bonds and the preparation and execution of the Loan Agreement, 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, 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 or a Liquidity Facility, 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 the Authority Fee, in connection with the foregoing.

"Cost or Costs of a Project" means costs and expenses or the refinancing of costs and expenses determined by the Authority to be necessary in connection with a Project, including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) cost and expenses incurred for labor and materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of such 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 such 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 such Project, (v) costs and expenses required for the acquisition of equipment or machinery, (vi) all other costs which the University shall be required to pay for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of such 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 such Project (including interest on moneys borrowed from parties other than the University), (viii) interest on Bonds prior to, during and for a reasonable period after the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of such project, and (ix) fees, expenses and liabilities of the Authority incurred in connection with such Project or pursuant to the Loan Agreement, the Resolution, a Credit Facility, a Liquidity Facility or a Remarketing Agreement.

"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 or the Trustee is entitled to obtain moneys to pay the principal, purchase price or Redemption Price of Option Bonds due in accordance with their terms or tendered for purchase or redemption, plus accrued interest thereon to the date of payment, purchase or redemption thereof in accordance herewith and with the Series Resolution authorizing such Bonds or a Bond Series Certificate, whether or not the Authority is in default hereunder or the University is in default under the Loan Agreement.

"Debt" means indebtedness for borrowed money whether or not evidenced by notes, bonds, debentures or other similar evidences of indebtedness, or any guarantee of indebtedness for borrowed money, including indebtedness under purchase money mortgages, capital leases, installment sales contracts and similar security arrangements which appear as debt on the audited balance sheet of the University.

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

"Defeasance Security" means (a) a direct obligation of the United States of America, an obligation the principal of and interest on which are guaranteed by the United States of America (other than an obligation the payment of the principal of which is not fixed as to amount or time of payment), an obligation to which the full faith and credit of the United States of America are pledged (other than an obligation the payment of the principal of which is not fixed as to amount or time of payment) and a certificate or other instrument which evidences the ownership of, or the right to receive all or a portion of the payment of the principal of or interest on, direct obligations of the United States of America, which, in each case, is not subject to redemption prior to maturity other than at the option of the holder thereof or which has been irrevocably called for redemption on a stated future date or (b) an Exempt Obligation (i) which is not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such Exempt Obligation by the obligor thereof to give due notice of redemption and to call such Exempt Obligation for redemption on the date or dates specified in such instructions and such Exempt Obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof, (ii) which is secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or direct obligations of the United States of America which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Exempt Obligation on the maturity date thereof or the redemption date specified in the irrevocable instructions referred to in clause (i) above, (iii) as to which the principal of and interest on the direct obligations of the United States of America which have been deposited in such fund, along with any cash on deposit in such fund, are sufficient to pay the principal of and interest and redemption premium, if any, on such Exempt Obligation on the maturity date or dates thereof or on the redemption

date or dates specified in the irrevocable instructions referred to in clause (i) above, and (iv) which are rated by each Rating Service in the highest rating category of each Rating Service for such Exempt Obligation; provided, however, that such term shall not mean any interest in a unit investment trust or mutual fund.

"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 periodically 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 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 (i) excludable from gross income under Section 103 of the Code, (ii) not an item of tax preference 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, in the highest rating category by each Rating Agency, or, if such obligation is not rated by a Rating Agency, has been assigned a comparable rating by another nationally recognized rating service.

"Government Obligation" means a direct obligation of the United States of America, an obligation the principal of and interest on which are guaranteed by the United States of America, an obligation (other than an obligation the payment of the principal of which is not fixed as to amount or time or payment) to which the full faith and credit of the United States of America are pledged, an obligation of any federal agency approved by the Authority, and a certificate or other instrument which evidences the ownership of, or the right to receive all or a portion of the payment of the principal of or interest on, direct obligations of the United States of America or a share or interest in a mutual fund, partnership or other fund wholly comprised of such obligations.

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

"Insurance Consultant" means a person or firm who is not an employee or officer of the University or an employee or member of the Authority who is appointed by the University and is satisfactory to the Trustee, is qualified to survey risks and to recommend insurance coverage for hospital facilities and services and organizations engaged in like operations, has actuarial personnel experienced in the area of insurance for which the University is insuring and who has a favorable national reputation for skill and experience in such surveys and such recommendations.

"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 a Bond Series Certificate, after which interest accruing on such Bond shall be payable on the interest payment date immediately succeeding such Interest Commencement Date and semi-annually thereafter periodically during each Bond Year.

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

"Liens" means any mortgage, pledge, lien, charge, security interest or lease in the nature thereof (including any conditional sale agreement, equipment trust agreement or other title retention agreement) or other encumbrance of whatsoever nature.

"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 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 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 upon the terms and conditions contained therein for the purchase or redemption of Option Bonds tendered for purchase or redemption in accordance with the terms hereof and of the Series Resolution authorizing such Bonds or a Bond Series Certificate.

"Loan Agreement" means the Loan Agreement executed by and between the Authority and the University, in connection with the issuance of the Bonds, as the same shall have been heretofore or hereafter 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 and hospital operations, acceptable to the Authority.

"Moody's" means Moody's Investors Service Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns.

"Note or Notes" means any obligation or obligations described in the Resolution and issued by the Authority in accordance with the Act.

"Option Bond" means any Bond which by its terms may be tendered by and at the option of the Holder thereof for redemption by the Authority prior to the stated maturity thereof or for purchase thereof, or the maturity of which may be extended by and at the option of the Holder thereof.

"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 cancelled 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; (iv) any Option Bond tendered or deemed tendered in accordance with the provisions of the Series Resolution authorizing 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.

"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.

"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 and designated in the Resolution or any Series Resolution.

"Qualified Financial Institution" means (i) a securities dealer, the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation, (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 any state of the United States of America, (iii) a corporation affiliated with or which is a subsidiary of any entity described in (ii) above or which is affiliated with or a subsidiary of a corporation which controls or wholly owns any such entity or (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; provided, however, that in the case of any entity described in (ii) or (iii) above, the unsecured or uncollateralized long-term debt obligations of which, or obligations secured or supported by a letter of credit, contract, agreement or surety bond issued by any such organization, at the time an Investment Agreement is entered into by the Authority are rated, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, "A" or better by each Rating Service, or, if such obligations are not rated by a Rating Service, have been assigned a comparable rating by another nationally recognized rating service; provided, however, in no event shall such obligations be rated lower than the lowest rating assigned by a Rating Service to any Outstanding Bonds.

"Qualified Hedge" means, with respect to any Bonds, any financial arrangement (i) that is entered into by the Authority at the request of the University or the University with the approval of the Authority with an entity which is a Qualified Hedge Provider at the time the arrangement is entered into; (ii) which provides that the Authority or the University shall pay to such Qualified Hedge Provider for any period an amount based on the interest accruing at a fixed rate on an amount equal to the principal amount of such Bonds Outstanding, and that such entity shall pay to the Authority during such period an amount based on the interest accruing on a principal amount equal to the same principal amount of such Bonds, at a variable rate of interest computed according to a formula set forth in such arrangement, or that one shall pay to the other any net amount due under such arrangement; and (iii) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Hedge with respect to such Bonds.

"Qualified Hedge Provider" means, with respect to any Bonds, an entity whose senior long term debt obligations, other senior unsecured long term obligations or claims paying ability or whose payment obligations under a Qualified Hedge are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations or claims paying ability are rated (at the time the subject Qualified Hedge is entered into) at least as high as A3 and A- , or the equivalent thereof, by each Rating Service.

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

"Redemption Price" when used with respect to a Bond, means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption 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.

"Report Date" means June 30 and December 31 of each year.

"Resolution" means the "Cornell University Revenue Bond Resolution," adopted January 26, 2000, as amended or supplemented by Supplemental Resolutions or Series Resolutions in accordance with the terms and provisions thereof.

"Restricted Property" means any of the University's assets.

"Revenues" means all payments received or receivable by the Authority pursuant to the Loan Agreement, which are 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).

"S&P" means Standard & Poor's Corporation, a corporation organized and existing under the laws of the State of New York, and its successors and assigns.

"Securities" means (i) moneys, (ii) Government Obligations, (iii) Exempt Obligations, (iv) any bond, debenture, note, preferred stock or other similar obligation of any corporation incorporated in the United States, which security, at the time an investment therein is made or such security is deposited in any fund or account hereunder, is rated, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, not less than the second highest rating category by each Rating Agency or is rated with a comparable rating by any other nationally

recognized rating service acceptable to an Authorized Officer of the Authority and (v) common stock of any corporation incorporated in the United States of America whose senior debt, if any, at the time an investment in its stock is made or its stock is deposited in any fund or account established under the Resolution, is rated, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, not less than the second highest rating category by each Rating Agency or is rated with a comparable rating by any other nationally recognized rating service acceptable to an Authorized Officer of the Authority.

"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 hereto and to the Series Resolution authorization 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 Series Resolution.

"Short-Term Debt" means Debt of the University, other than Debt to the Authority, (i) which Debt is payable upon demand, (ii) twenty percent (20%) or more of the original principal amount of which Debt is payable in any Bond Year prior to the Bond Year during which Bonds are no longer Outstanding or (iii) the principal amount of which is payable prior to maturity at the option of the holder thereof (other than upon acceleration upon an event of default) prior to the Bond Year during which Bonds are no longer Outstanding, including any note, bond, debenture or other evidence of indebtedness of the University which may be tendered to the University at the option of the holder thereof for purchase, payment or redemption prior to maturity; provided that such term shall not include any Debt twenty percent (20%) or more of the original principal amount of which is payable during any Bond Year if (x) such Debt was incurred on the same date as other Debt of the University is incurred, (y) such Debt and such other Debt were incurred pursuant to a common plan of financing and (z) less than twenty percent (20%) of the aggregate original principal amount of such Debt and such other Debt is payable in each Bond Year prior to the Bond Year during which Bonds are no longer Outstanding; provided further that such term shall not include Debt less than twenty percent (20%) of the original principal amount of which is payable during each of the current and immediately succeeding two (2) Bond Years and Debt which is not payable at the option of the holder thereof during the current or either of the immediately succeeding two (2) Bond Years.

"Sinking Fund Installment" means, as of any date of calculation and with respect to any Bonds of a Series, so long as any Bonds thereof are Outstanding, the amount of money required by the Resolution or Series Resolution pursuant to which such Bonds were issued or by the applicable Bond Series Certificate, 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.

"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 and Agreement" means the Tax Certificate and Agreement executed by an Authorized Officer of the Authority in connection with the issuance of Bonds of a Series.

"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 herein, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant hereto.

"University" means the institution of higher education, duly incorporated and existing under the laws of the State, whose principal campus is located in Ithaca, New York, the corporate name of which is "Cornell University" and any successor thereto as permitted by the Loan Agreement.

"Valuation Date" means (i) with respect to any Capital Appreciation Bond, the date or dates set forth in the Series Resolution authorizing such Bond or a Bond Series Certificate on which specific Accreted Values are 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 set forth in the Series Resolution authorizing such Bond or a Bond Series Certificate on which specific Appreciated Values are assigned to such Deferred Income Bond.

"Variable Interest Rate" means a variable interest rate or rates to be borne by a Series of Bonds or any one or more maturities within a Series of Bonds, the method of computing such variable interest rate is specified in the Series Resolution authorizing such Bonds or a Bond Series Certificate and 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) or a function of such objectively determinable interest rate or rates which may be in effect from time to time or at a particular time or times; provided that such variable interest rate shall 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; and provided that such interest rate shall be subject to a Maximum Interest Rate; and provided, further, that such Series Resolution or Bond Series Certificate shall also specify either (a) the particular period or periods of time or manner of determining such period or periods of time for which each value of such variable interest rate shall remain in effect or (b) the time or times upon which any change in such variable interest rate shall become effective.

"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.

APPENDIX B

CONSOLIDATED FINANCIAL STATEMENTS OF CORNELL UNIVERSITY (WITH REPORT OF INDEPENDENT AUDITORS THEREON)

[This Page Intentionally Left Blank]

CORNELL UNIVERSITY

Consolidated Financial Statements

June 30, 2023 and 2022

Report of Independent Auditors

To The Board of Trustees of Cornell University

Opinion

We have audited the accompanying consolidated financial statements of Cornell University and its subsidiaries (the "University"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities for the year ended June 30, 2023 and of cash flows for the years ended June 30, 2023 and 2022, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2023 and 2022, and the changes in its net assets for the year ended June 30, 2023 and its cash flows for the years ended June 30, 2023 and 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

We previously audited the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities and of cash flows for the year then ended (the statement of activities is not presented herein), and in our report dated October 17, 2022, we expressed an unmodified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying summarized financial information for the year ended June 30, 2022 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with US GAAS, we:

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

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

PricewaterhouseCoopers LLP

Fairport, New York
October 20, 2023

CORNELL UNIVERSITY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2023 AND JUNE 30, 2022 (in thousands)

	2023	2022
Assets		
Cash and cash equivalents	$ 775,832	$ 826,880
Accounts receivable, net (note 3-A)	743,141	691,100
Contributions receivable, net (note 3-B)	747,786	803,204
Prepaid expenses and other assets	162,168	153,225
Investments (note 4)	10,723,382	10,516,716
Right of use assets-operating leases, net (note 10)	388,994	413,551
Right of use assets-finance leases, net (note 10)	49,202	52,194
Land, buildings, and equipment, net (note 5)	4,475,002	4,392,485
Funds held in trust by others (note 6)	155,554	111,944
Total assets	$ 18,221,061	$ 17,961,299
Liabilities		
Accounts payable and accrued expenses	$ 455,836	$ 463,843
Deferred revenue and other liabilities	464,330	426,884
Obligations under split interest agreements (note 6)	136,138	138,454
Deferred benefits (note 7)	563,830	577,217
Funds held for others (note 8)	122,356	118,982
Operating lease liabilities (note 10)	407,651	428,728
Finance lease liabilities (note 10)	54,033	56,169
Bonds and notes payable (note 9)	1,978,761	2,036,670
Total liabilities	$ 4,182,935	$ 4,246,947
Net assets (note 12)		
Without donor restrictions	4,181,622	4,109,936
With donor restrictions	9,856,504	9,604,416
Total net assets	14,038,126	13,714,352
Total liabilities and net assets	$ 18,221,061	$ 17,961,299

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

CORNELL UNIVERSITY

CONSOLIDATED STATEMENTS OF ACTIVITIES FOR THE YEAR-ENDED JUNE 30, 2023 (in thousands)

(WITH SUMMARIZED INFORMATION FOR THE YEAR-ENDED JUNE 30, 2022)

	Without Donor Restrictions	With Donor Restrictions	**2023** Total	**2022** Total
Operating revenues and other support				
Tuition and fees (scholarship allowance $536,472 and $513,429)	$ 904,425	$ -	$ 904,425	$ 876,328
State and federal appropriations	152,674	-	152,674	152,400
Grants, contracts and similar agreements				
Direct	855,341	-	855,341	873,143
Indirect cost recoveries	239,564	-	239,564	215,008
Contributions	5,424	392,950	398,374	302,977
Investment return, distributed	117,998	300,011	418,009	344,256
Medical Physician Organization	1,361,999	-	1,361,999	1,304,677
Auxiliary enterprises	201,531	-	201,531	173,611
Educational activities and other sales and services	902,089	-	902,089	868,212
Net assets released from restrictions	643,307	(643,307)	-	-
Total operating revenues and other support	5,384,352	49,654	5,434,006	5,110,612
Operating expenses (Note 11)				
Compensation and benefits	3,589,676	-	3,589,676	3,311,962
Supplies, services and other	1,288,146	-	1,288,146	1,181,429
Maintenance and facilities	158,179	-	158,179	156,002
Interest (note 9)	66,194	-	66,194	34,296
Depreciation	308,838	-	308,838	303,434
Total operating expenses	5,411,033	-	5,411,033	4,987,123
Change in net assets from operating activities	(26,681)	49,654	22,973	123,489
Non-operating revenues and (expenses)				
State appropriations for capital acquisitions	17,989	-	17,989	15,830
Grants, contracts and similar agreements for capital acquisitions	400	-	400	4,134
Contributions for capital acquisitions, trusts and endowments	-	246,542	246,542	403,762
Investment return, net of amount distributed	17,956	(25,720)	(7,764)	(471,625)
Change in value of split interest agreements	1,947	2,570	4,517	(17,770)
Pension and postretirement changes	13,833	-	13,833	124,855
Swap interest and change in value of interest rate swaps	42,074	-	42,074	99,562
Other	(15,905)	(885)	(16,790)	(17,760)
Net assets released for capital acquisitions and reclassifications	20,073	(20,073)	-	-
Change in net assets from non-operating activities	98,367	202,434	300,801	140,988
Change in net assets	71,686	252,088	323,774	264,477
Net assets, beginning of the year	4,109,936	9,604,416	13,714,352	13,449,875
Net assets, end of the year	$ 4,181,622	$ 9,856,504	$ 14,038,126	$ 13,714,352

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

CORNELL UNIVERSITY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS-ENDED JUNE 30, 2023 AND JUNE 30, 2022 (in thousands)

	2023	2022
Cash flows from operating activities		
Change in net assets	$ 323,774	$ 264,477
Adjustments to reconcile change in net assets		
to net cash provided/(used) by operating activities		
Proceeds from contributions for capital acquisitions, trusts and endowments	(237,970)	(324,340)
Depreciation and amortization	293,780	288,376
Net realized and unrealized (gain)/loss on investments	(271,938)	186,043
Pension and postretirement changes	(13,833)	(124,855)
Change in unrealized (gain)/loss interest rate swaps	(49,981)	(125,486)
Loss on disposals of land, building, and equipment	11,288	2,222
Non-cash lease expense	4,652	6,400
State appropriations for capital acquisitions	(17,989)	(15,830)
Other adjustments	(26,561)	(13,353)
Change in assets and liabilities		
Accounts receivable, net, other than student loans	(58,811)	(85,391)
Contributions receivable, net	48,275	(32,176)
Prepaid expenses and other assets	(9,212)	(9,352)
Accounts payable and accrued expenses	28,766	(19,556)
Deferred revenue and other liabilities	41,878	888
Funds held in trust by others	(45,674)	99
Obligations under split interest agreements	(2,316)	1,355
Deferred benefits	90	20,488
Net cash provided/(used) by operating activities	18,218	20,009
Cash flows from investing activities		
Proceeds from the sale and maturities of investments	5,589,655	7,024,596
Purchase of investments	(5,499,641)	(7,102,925)
Acquisition of land, buildings, and equipment (net)	(358,133)	(372,869)
Student loans granted	(4,365)	(5,248)
Student loans repaid	9,441	10,967
Change in funds held for others, net of unrealized (gain)/loss on investments	(11,805)	4,111
Net cash provided/(used) by investing activities	(274,848)	(441,368)
Cash flows from financing activities		
Proceeds from contributions for capital acquisitions, trusts and endowments	237,970	324,340
Proceeds from state appropriations for capital acquisitions	17,989	15,830
Principal payments of bonds, notes payable and finance leases	(46,070)	(175,216)
Proceeds from issuance of bonds and notes payable	-	347,000
Government advances for student loans	(4,307)	(8,642)
Net cash provided/(used) by financing activities	205,582	503,312
Net change in cash and cash equivalents	(51,048)	81,953
Cash and cash equivalents, beginning of year	826,880	744,927
Cash and cash equivalents, end of year	$ 775,832	$ 826,880
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 81,251	$ 49,353
Increase/(decrease) in construction payables, non-cash activity	$ 13,208	$ 2,234
Right-of-use assets acquired under finance leases	$ 958	$ 1,646
Right-of-use assets acquired under operating leases	$ 35,308	$ 25,704
Gifts-in-kind	$ 27,303	$ 4,626

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

1. SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Organization

Founded in 1865, Cornell University ("the University") is dedicated to a mission of learning, discovery, and engagement. Cornell is a private university, the federal land-grant institution of New York State, and a member of the Ivy League. Cornell administers four contract colleges, which the University operates on behalf of the State University of New York and the results of their operations are included in the consolidated financial statements. Described as the first truly American university because of its founders' revolutionary egalitarian and practical vision of higher education, the University is dedicated to its land-grant mission of outreach and public engagement. Cornell's community includes nearly 27,200 students, over 4,600 faculty, and approximately 311,200 alumni who live and work across the globe.

The University comprises nine undergraduate units and four graduate and professional colleges and schools in Ithaca, New York; two medical graduate and professional units, together with its physician organization, collectively referred to as "Weill Cornell Medicine" or "WCM", in New York City, and "Weill Cornell Medicine - Qatar" in Doha, Qatar. The Cornell Tech campus, also in New York City, offers graduate programs in applied sciences, including three programs offered jointly with the Technion - Israel Institute of Technology under the auspices of the Joan and Irwin Jacobs Technion-Cornell Institute.

The University is subject to the common administrative authority and control of the Cornell University Board of Trustees. The University is prohibited from using funds attributable to the contract colleges (i.e., those colleges operated by the University on behalf of New York State) for other units of the University. Except as specifically required by law, the contract and endowed colleges at Ithaca, Cornell Tech, and WCM are, to the extent practicable, governed by common management principles and policies determined at the private discretion of the University. In addition to the activities of the endowed and contract colleges, the activities of the University's subsidiaries and certain affiliated organizations are included in the consolidated financial statements. All significant intercompany transactions and balances are eliminated in the accompanying consolidated financial statements.

B. Basis of Presentation

The accompanying consolidated financial statements are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP"). The University classifies net assets into two categories based on the existence or absence of donor-imposed restrictions.

<u>Net assets without donor restrictions</u> are free of explicit donor-imposed restrictions. All revenues, gains, and losses that are not restricted by donors are included in this classification. All operating expenses are reported as decreases in net assets without donor restrictions.

<u>Net assets with donor restrictions</u> are subject to explicit donor-imposed restrictions that will be met either by actions of the University or the passage of time. These net assets include gifts and appropriations from the endowment that can be expended, but for which the donors' purpose restrictions have not yet been met, as well as net assets with explicit or implied time restrictions,

such as pledges and split-interest agreements. Expiration of donor restrictions is reported in the consolidated statements of activities as a reclassification from net assets with donor restrictions to net assets without donor restrictions on the net assets released from restriction lines.

Transfers from net assets without donor restrictions to net assets with donor restrictions are primarily the result of donor redesignations or matching funds that are added to donor gift funds which then take on the same restrictions as the donor gift.

The University's measure of operations as presented in the consolidated statements of activities includes revenue and expenses related primarily to educational and training programs, research activities, contributions for operating programs, allocation of endowment spending for operations, medical services, and other revenues.

The University's non-operating activity within the consolidated statements of activities includes grants, contracts and appropriations for capital acquisition; contributions to the endowment and for building construction and renovation; investment returns net of endowment spending for operations and other activities related to the endowment; swap interest and change in value of interest rate swaps; changes in benefit plan obligations, excluding benefits earned during the period; and certain nonrecurring items.

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting period. Management's assumptions are related primarily to the appropriate inputs and discount rate for fair-value calculations, the discount rate for pension and postretirement benefit obligations, allowances for doubtful accounts and implicit price concessions, self-insured risks, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

C. Income Taxes

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code. It is generally exempt from income taxes on related income under the appropriate sections of the Internal Revenue Code. In accordance with the accounting standards, the University evaluates its income tax position each fiscal year to determine whether the position is more likely than not to be sustained if examined by the applicable taxing authority. Based on this review, the University does not believe there would be any material impact on the consolidated financial statements for uncertain tax positions.

D. Fair-Value Hierarchy

The University values certain financial assets and liabilities, on a recurring basis, following a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Fair value is defined as the price associated with an orderly transaction between market participants at the measurement date. This fair-value hierarchy is categorized into three levels based on inputs that market participants would use in valuing the financial instruments, which is based on market data obtained from sources independent of the University. The hierarchy of inputs used to measure fair value, and the primary valuation methodologies used by the University for assets and liabilities measured at fair value, are disclosed below.

The fair value of Level 1 securities is based upon quoted prices in accessible active markets for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets. The University does not adjust the quoted price for such assets and liabilities.

The fair value of Level 2 securities is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data. Inputs are obtained from various sources, including market participants, dealers, and brokers. In determining the fair value of financial instruments, the University considers such factors as interest-rate yield curves, duration of the instrument, and counterparty credit risk. The fair value of Level 3 securities is based upon valuation techniques that use significant unobservable inputs.

Inputs used in applying the various valuation techniques refer to the assumptions that are used to make valuation decisions. Inputs may include price information, credit data, liquidity statistics, and other factors. A financial instrument's level within the fair-value hierarchy is based on the lowest level of any input that is significant to the fair-value measurement. The University considers observable data to be market data that is readily available, reliable, and provided by independent sources. The categorization of a financial instrument within the fair-value hierarchy is, therefore, based upon the pricing transparency of the instrument and does not correspond to the University's perceived risk of that instrument. The University uses net asset value (NAV) per share, or its equivalent, as provided by the fund manager as a practical expedient to estimate the fair values of certain investments, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy and are shown as a separate column in the fair value leveling table.

E. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in bank accounts, money market funds, and other temporary investments held for working capital purposes with an original maturity term of ninety days or less. The carrying amount of cash equivalents approximates fair value because of their short terms of maturity. Short-term highly liquid investments held within the University's investment portfolio are classified as short-term investments rather than cash equivalents and restricted cash, which is defined as legally restricted to withdrawal and usage.

F. Investments

The University's investments are recorded in the consolidated financial statements at fair value. The values of publicly traded securities are based on quoted market prices and exchange rates, if applicable. The fair value of non-marketable securities is generally based on valuations provided by external investment managers. These investments are generally less liquid than other investments. The values reported by the general partner or investment manager may differ from the values that would have been reported had a ready market for these securities existed. The University exercises due diligence in assessing the policies, procedures, and controls implemented by its external investment managers and believes the carrying amount of these assets is a reasonable estimate of fair value.

Investment income is recorded on an accrual basis. Purchases and sales of investment securities are reflected on a trade date basis. Realized gains and losses are calculated using average cost for securities sold.

Investment return, distributed included in operating revenues and other support consists of amounts appropriated by the Board of Trustees from the pooled endowment, as well as income and realized gains and losses on investments from working capital and non-pooled endowments and similar funds. Any difference between total return and amounts appropriated from the pooled endowment, and income and realized gains reinvested per donor restrictions is reported as non-operating activities.

G. Derivative Instruments

The University has approved the use of derivatives by outside investment managers, based on investment guidelines negotiated when a manager is appointed. The derivatives are used to adjust fixed-income durations and rates, create synthetic exposures to certain types of investments, hedge foreign currency fluctuations as well as adjust or hedge equity exposures. The value of these derivative positions is reflected in the net asset value of the respective fund. The change in the fair value of a derivative instrument held for investment is included in the non-operating investment return in the consolidated statements of activities.

In addition, the University holds other derivatives to manage its exposure to interest-rate risk related to its current or future long-term debt. These instruments are recorded at fair value as prepaid or accrued expenses in the consolidated statements of financial position. Swap interest and change in fair value are recorded as non-operating activities in the consolidated statements of activities.

Derivatives involve counterparty credit exposure. The University minimizes this exposure and manages counterparty risks by limiting swap exposure for each counterparty and monitoring the financial health of swap counterparties. The University has structured swap documents to limit maximum loss in the event of counterparty default.

H. Endowments

The responsibility for accepting, preserving, and managing those funds entrusted to the University rests, by law, with the Board of Trustees; however, the Trustees have delegated authority for investment decisions to the Investment Committee of the Board of Trustees. The Investment Committee determines investment policy, objectives, and guidelines, including allocation of assets between classes of investments.

The University's investment objective for its endowment assets is to maximize total return within reasonable risk parameters, specifically to achieve a total return, net of expenses, of at least five percent above inflation, as measured by the Consumer Price Index over a full market cycle (typically five to ten years) for all current assets and any future contributions. The achievement of favorable investment returns enables the University to distribute over time increasing amounts from the endowment, so that present and future needs can be treated equitably in inflation-adjusted terms. Diversification is a key component of the University's standard for managing and investing endowment funds, and asset allocation targets are subject to ongoing reviews by the Investment Committee.

The University applies the "prudent person" standard when deciding whether to appropriate or accumulate endowment funds and considers the following factors: the duration and preservation of the endowment fund; the purposes of the institution and the endowment fund; the general economic conditions, including the potential effect of inflation or deflation; the expected total return of the fund; other resources of the University; the needs of the University and the fund to make distributions and preserve capital; and the University's investment policy.

The Board authorizes a total annual payout distribution from endowment funds within a target range of 4.4 percent of a twenty-eight-quarter rolling average of the unit fair value, plus or minus 0.75 percent. The Trustees may occasionally make step adjustments, either incremental or decremental, based on prior investment performance, current market conditions, or any of the factors for prudent judgment described above. Total distributions, or spending, are presented as investment return, distributed, on the consolidated statements of activities, and includes endowment payout and an administrative fee, net of direct investment expenses, that supports the investment and stewardship costs of the University endowment.

The New York Prudent Management of Institutional Funds Act ("NYPMIFA") established a requirement related to appropriations from endowments for which the fair value falls below the historic dollar value ("underwater"). In compliance with NYPMIFA, the University notified available donors, who had established endowments before September 17, 2010, of the new law. It offered these donors the option of requiring the University to maintain historical dollar value for their endowment funds. A minority of donors requested this option; for those who did, the University has designed procedures to ensure that the University maintains historical dollar value by not expending the payout on any underwater fund.

I. Split-Interest Agreements and Funds Held in Trust by Others

The University's split-interest agreements with donors consist primarily of charitable gift annuities, pooled income funds, and charitable trusts for which the University serves as trustee. Assets held in trust are either separately invested or included in the University's investment pools in accordance with the agreements. Contributions of split-interest agreements, net of related liabilities, increase net assets with donor restrictions. Liabilities associated with charitable gift annuities and charitable trusts represent the present value of the expected payments to the beneficiaries based on the terms of the agreements. Pooled income funds are recognized at the net present value of the net assets expected at a future date. Gains or losses resulting from changes in fair value, changes in assumptions, and amortization of discount are recorded as changes in value of split-interest agreements in the appropriate restriction categories in the non-operating section of the consolidated statements of activities.

Funds held in trust by others represent resources that are not in the possession or under the control of the University. These funds are administered by outside trustees, with the University receiving income or residual interest. Funds held in trust by others are recognized when the irrevocable trust is established or the University is notified of its existence at the estimated fair value of assets or the present value of future cash flows due to the University. Gains or losses resulting from changes in fair value are recorded as non-operating activities in the consolidated statements of activities.

J. Land, Buildings, and Equipment, Net

Land, buildings, and equipment are stated in the consolidated statements of financial position at cost on the date of acquisition or at fair value on the date of donation, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is reflected as an operating expense. Useful lives range from three to fifteen years for equipment and fifteen to fifty years for buildings and improvements. Expenditures associated with the construction of new facilities are recorded as construction in progress until the projects are completed.

The University's collections of art, books, and other property have been acquired through purchases and contributions since the University's inception. They are recognized as capital assets and are reflected, net of accumulated depreciation, in the consolidated statements of financial position. A collection received as a gift is recorded at fair value as an increase in net assets in the year in which it is received.

K. Leases

The University determines if an arrangement is a lease or contains a lease at a contract's inception. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. The University determines these assets are leased because the University has the right to obtain substantially all of the economic benefits from and the right to direct the use of the identified asset. Assets in which the supplier or lessor has the practical ability, the right to substitute alternative assets for the identified asset and would benefit economically from the exercise of its right to substitute the asset are not considered to be or contain a lease, because the University determines it does not have the right to control and direct the use of the identified asset. The University's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating its contracts, the University separately identifies lease and non-lease components, such as common area and other maintenance costs, for its office buildings, apartments, and vehicles. The University has elected the practical expedient to not separate lease and non-lease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the non-lease component.

Leases result in recognition of right-of-use ("ROU") assets and lease liabilities on the consolidated statements of financial position. ROU assets represent the right to use an underlying asset for the lease term. Lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The University determines lease classification as operating or finance at the lease commencement date. ROU assets and lease liabilities for operating and finance leases are included in the consolidated statements of financial position and presented separately based on the classification of the underlying lease arrangement.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. For the initial and subsequent measurement of all lease liabilities, the discount rate is based on the rate implied within the lease or on the University's incremental borrowing rate using a period comparable with the lease term.

The lease term may include options to extend or terminate the lease that the University is reasonably certain to exercise. Operating lease expense is generally recognized on a straight-line basis over the lease term.

L. Revenue

Tuition and fees

Tuition and mandatory fees revenue is recognized within the fiscal year in which educational services are provided. Institutional financial aid reduces the published price of tuition for students receiving such aid. Payments received in advance for summer session courses for credit toward a degree are recorded as deferred revenue.

State and Federal Appropriations

Revenue primarily consists of annual New York State appropriations through the legislative process and federal funding to Land Grant institutions via the Hatch, Smith-Lever, and other Acts in support of the contract colleges, and it is recognized over the fiscal year. This funding is considered a nonreciprocal conditional transaction with donor imposed restrictions. Condition(s) and restrictions are met in the same year and revenue is recorded within net assets without donor restrictions.

Grants and Contracts

Revenue under grants, contracts, and similar agreements comprise federal and non-federal (e.g., state, private foundation) grants and contracts. The funding may represent a reciprocal transaction in exchange for a commensurate benefit in return, or it may be a nonreciprocal transaction in which the resources provided are for the benefit of the University, the funding organization's mission, or the public at large. All federal grants and non-federal grants with similar restrictions on spending are conditional, and revenue is recognized when expenditures are incurred. When the condition(s) and restrictions are met within the same year, revenue is recorded within net assets without donor restrictions. Unconditional non-exchange revenue is recognized in full when the contribution is received or a qualifying promise to give has been made, generally when the agreement is finalized. Revenues from exchange transactions are recognized as performance obligations are satisfied, whether milestones are achieved or related costs are incurred. Amounts received in advance for which revenue recognition criteria have not been met are recorded as deferred revenues.

Grants, contracts, and similar agreements typically provide for reimbursement of indirect costs based on predetermined rates negotiated with the University's cognizant federal agency or separately negotiated with a non-federal sponsor. Indirect cost recoveries on federally sponsored programs, such as the recovery of facilities and administrative (F&A) costs, are normally at reimbursement rates negotiated with the University's cognizant agency, the Department of

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

Health and Human Services. The University has entered into agreements with the federal government that define the rates at which the University can be reimbursed for F&A costs applicable to federal awards through June 30, 2026 (Ithaca campus) and June 30, 2021 (Weill Cornell Medicine). Although expired, in accordance with federal regulations the Weill Cornell Medicine agreement remains in effect, using provisional rates, until such time a new agreement is reached.

Additional information regarding grant and contract revenue is presented below.

GRANTS, CONTRACTS AND SIMILAR AGREEMENTS

2023	**Exchange**	**Non-Exchange**	**2023 Total**
Federal	$ 22,169	$ 714,173	$ 736,342
State & local	33,720	30,895	64,615
Private	226,853	67,095	293,948
Total Grants, contracts and similar agreements	$ 282,742	$ 812,163	$ 1,094,905

2022	**Exchange**	**Non-Exchange**	**2022 Total**
Federal	$ 18,967	$ 737,151	$ 756,118
State & local	47,297	12,228	59,525
Private	210,586	61,922	272,508
Total Grants, contracts and similar agreements	$ 276,850	$ 811,301	$ 1,088,151

Federal revenue is primarily nonreciprocal and conditional. A significant portion of private revenue is received in exchange for benefit to the Qatar Foundation related to the operation of Weill Cornell Medicine - Qatar. On June 30, 2023, the University has unrecorded conditional agreements of $1,976,462.

Contributions

Contributions, including unconditional promises to give (pledges), are recognized as revenues in the appropriate category of net assets in the period received. A pledge is recorded at the present value of estimated future cash flows, based on an appropriate discount rate determined by management at the time of the contribution. Amortization of this discount in subsequent years is included in contribution revenue. A contribution of assets other than cash is recorded at its estimated fair value on the contribution date. Contributions for capital projects, endowments, and similar funds are reported as non-operating revenues.

The presence of both a barrier and a right of return make a contribution conditional. Conditional promises to give to the University are not recognized until the conditions are satisfied. Net assets with donor restrictions include contributions to the University and to the Cornell University Foundation (the "Foundation"), an affiliated entity that is included in the consolidated financial statements. The Foundation maintains a donor-advised fund for which the donors can make recommendations to the fund's trustees regarding distributions to the University or other charitable organizations. Distributions from the Foundation to external charitable organizations are recorded as non-operating expenses.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

Medical Physician Organization

The Medical Physician Organization ("MPO") provides the management structure for the practice of medicine for all WCM physicians at the academic medical center and various clinical practice sites throughout New York City and surrounding areas. MPO revenue represents patient care and management service agreement fees. In addition to generating clinical practice revenue, MPO members may provide instruction and conduct research activities.

MPO patient care revenue is consideration received in exchange for clinical health care services provided to patients. The patient is the customer, regardless of the payor. The contract with the patient exists when the parties have approved the contract for clinical health care services either in writing, verbally or implicitly, based on the MPO's customary business practice. Outpatient revenues are recognized as the service is provided.

For Medicare, Medicaid, and commercial payors, the transaction price is the amount the MPO expects to be entitled to under the contract, including explicit price concessions. For self-pay, deductibles, and co-payments, the transaction price is reduced by implicit price concessions, including estimates of uncollectible amounts. These estimates are based on policies and customary business practices of providing service regardless of the ability to pay, combined with historical collection rates.

The MPO uses a portfolio approach to account for categories of patient contracts rather than recognizing revenue on an individual contract basis. The contracts are categorized and grouped based on the service provided, the payor, and the service location. Based on historical collection trends and other analyses, the MPO believes that revenue recognized using the portfolio approach approximates the revenue that would have been recognized had an individual contract approach been used.

Revenue from management service agreement fees is consideration received in exchange for services provided to external healthcare providers. Under terms of these contractual arrangements, WCM physicians provide services such as patient care or supervision and teaching of medical staff. The agreements are typically for a one-year term, and consideration is a fixed amount. Revenue is recognized throughout the fiscal year as services are rendered.

Additional information regarding MPO revenue is presented below.

MEDICAL PHYSICIAN ORGANIZATION REVENUE

	2023	2022
Outpatient Services		
Commercial	$ 755,469	$ 746,859
Government	103,694	106,553
Patient and other	216,510	198,177
	1,075,673	1,051,589
Management Service Agreements	286,326	253,088
Total	$1,361,999	$1,304,677

Auxiliary enterprises

Auxiliary enterprises support the educational experience of students, and include housing, dining, conference services, and the campus store. Housing and dining revenues are recognized over the course of the academic year and campus store and conference services revenue is recognized at the time of the transaction.

Educational Activities and Other Sales and Services

Educational activities and other sales and services represent revenue from operations related to the University's mission. These activities are managed like commercial entities. The largest component of this category is consideration received by WCM from New York-Presbyterian Hospital ("NYPH") in exchange for providing personnel, space, and other services. The revenue is billed based upon an approved annual joint budget and actual costs incurred. WCM recognizes revenue throughout the fiscal year as services are rendered to NYPH and accrues for any unbilled services as of June 30.

Educational activities and other sales and services also include activities such as royalties, transportation, parking, testing labs, teaching hotel, non-degree/non-credit course revenue, and athletics. These activities comprise exchange transactions with customers, which may be recognized at a specific point in time or over the period of the contract, depending on when the customer derives the benefit. Amounts received in advance are recorded as deferred revenues.

M. Comparative Financial Information

The consolidated statements of activities includes prior-year information in summary form rather than by restriction class. Such information does not include sufficient detail to constitute a presentation of prior-year data in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the University's consolidated financial statements for the prior fiscal year from which the summarized information was derived.

N. Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The new credit losses standard changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying ASC 606, loans and certain other instruments, entities will be required to use a new forward looking "expected loss" model that generally will result in earlier recognition of credit losses than under today's incurred loss model. ASU 2016-13 is effective for annual periods beginning after December 15, 2022. Management is currently assessing the impact of ASU 2016-13 on its consolidated financial statements.

O. Reclassifications

Certain June 30, 2022, balances and amounts previously reported have been reclassified to conform to the June 30, 2023, presentation.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure within one year of June 30 are as follows:

LIQUIDITY AND AVAILABILITY

	2023	2022
Cash and cash equivalents	$ 775,832	$ 826,880
Accounts receivable, net, due within one year	540,732	522,024
Contributions receivable available for operations, net, due within one year	119,754	122,454
Liquid operating investments	147,668	158,888
Endowment payout for subsequent year	333,203	314,278
Financial assets available within one year	$ 1,917,189	$ 1,944,524

In addition, the University had $1,698,435 and $1,669,735 in funds functioning as endowment (FFE) as of June 30, 2023, and 2022, respectively. These represent unrestricted operating funds that the University has internally designated. These could be liquidated over time, if necessary, to support operations.

The University manages its financial assets to be available as its operating expenditures, liabilities, and other obligations come due. The University's cash flows have seasonal variations during the year primarily attributable to tuition billing and a concentration of contributions received at the calendar and fiscal year-end.

As of June 30, 2023, the University maintained four lines of credit totaling $450 million with $25 million expiring January 2024, $125 million expiring February 2024, $200 million expiring May 2024, and $100 million expiring July 2025. There were no outstanding borrowings under these agreements.

As of June 30, 2022, the University maintained four lines of credit totaling $450 million with $25 million expiring January 2023, $125 million expiring March 2023, $200 million expiring May 2024, and $100 million expiring July 2025. There were no outstanding borrowings under these agreements.

In addition, the University has a taxable commercial paper program with an undrawn available balance of $225.8 million as of June 30, 2023, and $220.8 million as of June 30, 2022.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

3. RECEIVABLES

A. Accounts Receivable

Accounts receivable from the following sources were outstanding as of June 30:

SUMMARY OF ACCOUNTS RECEIVABLE

	2023	2022
Grants and contracts	$ 197,380	$ 190,145
NewYork-Presbyterian Hospital and other affiliates	103,494	102,334
Patients and payors	123,289	91,211
Reinsurance receivable	159,880	119,777
Federal revolving student loans	9,835	14,093
Institutional student loans	32,694	35,206
Student accounts	16,178	37,691
Other	100,391	100,643
Net accounts receivable	$ 743,141	$ 691,100

The University's receivables are reviewed and monitored for aging and other factors that affect collectability. Receivables are reduced by an allowance for doubtful accounts of $38,913 and $41,950 at June 30, 2023, and 2022, respectively.

The patient accounts receivable for medical services comprises the following on June 30, 2023, and 2022, respectively: commercial third parties 81.6 percent and 78.7 percent; federal and state government 14.9 percent and 16.2 percent; and patients 3.5 percent and 5.1 percent. Note 13 provides additional information related to the reinsurance receivable.

Other accounts receivable include receivables from other government agencies, matured bequests, and other operating activities.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

B. Contributions Receivable

Unconditional promises to give, or pledges, are recorded in the consolidated financial statements at the present value using discount rates ranging from 0.8 percent to 6.0 percent. The methodology for estimating uncollectible amounts is based on an analysis of the historical collectability of contributions receivable. Contributions are expected to be realized as follows:

SUMMARY OF CONTRIBUTIONS RECEIVABLE

	2023	2022
Less than one year	$ 327,489	$ 347,799
Between one and five years	412,972	444,197
More than five years	103,713	111,707
Gross contributions receivable	$ 844,174	$ 903,703
Less: unamortized discount	(65,230)	(67,032)
Less: allowance for uncollectible amounts	(31,158)	(33,467)
Net contributions receivable	$ 747,786	$ 803,204

Contributions receivable as of June 30 are intended for the following purposes:

EXPECTED PURPOSE OF CONTRIBUTIONS RECEIVABLE

	2023	2022
Program support	$ 259,452	$ 296,138
Capital purposes	130,158	121,032
Long-term support	358,176	386,034
Net contributions receivable	$ 747,786	$ 803,204

On June 30, 2023, conditional promises not reflected in the consolidated financial statements, which consist primarily of bequest intentions and conditional promises with significant requirements, were $1,179,423. When conditional promises to give or bequests become unconditional, they are recorded and generally will be restricted for long-term support, program support, and capital projects as stipulated by the donors.

4. INVESTMENTS

A. General Information

The University's investments are overseen by the Investment Committee of the Board of Trustees. The University's investment strategy incorporates a diversified asset allocation approach and maintains, within defined limits, exposure to the movements of the world equity, fixed income, commodities, real estate, and private equity markets. Based on guidelines established by the Investment Committee, the University's Investment Office directs the investment of endowment and trust assets, and temporarily invested expendable funds.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

The University maintains a number of investment pools or categories for specific purposes as follows:

INVESTMENT POOLS/CATEGORIES AT FAIR VALUE

	2023	2022
Long-term investments (LTI)		
Long-term investment pool (LTIP)	$ 9,357,061	$ 9,213,239
Other LTI	669,921	624,959
Total LTI	$ 10,026,982	$ 9,838,198
Separately invested and other assets	696,400	678,518
Total investments	$ 10,723,382	$ 10,516,716

Total earnings on the University's investment portfolio for the fiscal years ended June 30 is presented in the following table:

SUMMARY OF INVESTMENT RETURN

	2023	2022
Interest and dividends, net of investment fees	$ 138,307	$ 58,674
Net realized gain/(loss)	248,882	777,697
Net unrealized gain/(loss)	23,056	(963,740)
Total investment return	$ 410,245	$ (127,369)

Total investment return equals investment return, distributed plus investment return, net of amount distributed.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

B. Fair Value

The University's investment holdings as of June 30, categorized in accordance with the fair-value hierarchy, are summarized in the following tables:

INVESTMENTS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	Net asset value	**2023** Total
Short-term investments	$ 471,293	$ 3,312	$ -	$ -	$ 474,605
Derivatives	-	10,384	-	-	10,384
Equity					
Domestic equity	440,211	333,831	209	-	774,251
Foreign equity	553,224	287,453	1,177	351,294	1,193,148
Hedged equity	-	-	515	-	515
Private equity	-	-	102,926	2,957,298	3,060,224
Fixed income					
Asset backed fixed income	-	10,211	-	-	10,211
Corporate bonds	-	116,024	-	-	116,024
Equity partnership	-	-	-	809,569	809,569
International	-	5,230	-	-	5,230
Municipals	-	1,830	-	-	1,830
Mutual funds (non-equity)	8,283	4,526	-	-	12,809
Preferred/convertible	7,600	-	1,164	-	8,764
Other fixed income	-	185	-	-	185
US government	389,978	65,981	-	-	455,959
Marketable alternatives	-	85,954	-	1,933,553	2,019,507
Diversifying assets	-	-	-	50,773	50,773
Real assets	38,228	28,849	18,042	1,490,648	1,575,767
Receivable for investments sold	40,527	-	-	-	40,527
Payable for investments purchased	(13,171)	-	-	-	(13,171)
Other	-	-	22,270	6,540	28,810
Total	$1,936,173	$ 953,770	$ 146,303	$ 7,599,675	$10,635,921
				Equity method	87,461
				Total investments	$10,723,382

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

INVESTMENTS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	Net asset value	**2022** Total
Short-term investments	$ 443,791	$ 3,543	$ -	$ -	$ 447,334
Derivatives	-	(35,534)	-	-	(35,534)
Equity					
Domestic equity	459,915	321,385	209	-	781,509
Foreign equity	374,550	247,019	5,044	354,749	981,362
Hedged equity	-	-	785	-	785
Private equity	-	-	85,874	3,053,705	3,139,579
Fixed income					
Asset backed fixed income	-	10,881	-	-	10,881
Corporate bonds	-	147,441	-	-	147,441
Equity partnership	-	-	-	760,798	760,798
International	-	7,590	1,064	-	8,654
Municipals	24	1,675	-	-	1,699
Mutual funds (non-equity)	8,688	6,645	-	-	15,333
Preferred/convertible	9,089	-	1,137	-	10,226
Other fixed income	-	185	-	-	185
US government	603,847	32,069	-	-	635,916
Marketable alternatives	-	68,204	-	1,752,801	1,821,005
Diversifying assets	-	-	-	41,477	41,477
Real assets	39,999	12,884	18,832	1,568,854	1,640,569
Receivable for investments sold	16,730	-	-	-	16,730
Payable for investments purchased	(10,223)	-	-	-	(10,223)
Other	-	-	24,360	3,889	28,249
Total	$1,946,410	$ 823,987	$ 137,305	$ 7,536,273	$10,443,975
				Equity method	72,741
				Total investments	$10,516,716

Level 1 investments consist of short-term investments, equity, and fixed-income securities with observable market prices. Fair value is readily determinable based on quoted prices in active markets. Unsettled trade receivable and payable valuations reflect cash settlements after the fiscal year-end and are also categorized as Level 1. The University does not adjust the quoted price for such instruments, even when it holds a significant position and a sale of all its holdings could reasonably impact the quoted price.

Investments classified as Level 2 include short-term investments, domestic and foreign equities, and fixed income securities that trade in markets that are not considered to be active. Fair value is based on observable inputs for similar instruments in the market and obtained by various sources, including market participants, dealers, and brokers. The University's custodian secures pricing for these assets. The fair value of derivative investments is based on market prices from the financial institution that is the counterparty to the derivative.

Level 3 investments have significant unobservable inputs because they trade infrequently or not at all. The inputs into determining fair value are based upon the best information in the circumstance and may require significant management judgment. Investments included in Level

3 consist primarily of the University's ownership in real estate, oil and mineral rights, limited partnerships, and equity positions in private companies.

Equity method investments include certain other investments that are accounted for using the equity method. These investments are structured as joint ventures where the University holds a percent ownership.

C. Investments Using Net Asset Value

The net asset value ("NAV") column above represents the University's ownership interest in certain alternative investments. As a practical expedient, the University uses its ownership interest in the NAV to determine the fair value of all alternative investments that do not have a readily determinable fair value and that have financial statements consistent with the measurement principles of an investment company or the attributes of an investment company. The NAV of these investments is determined by the general partner. It is based on appraisals or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the general partner will take into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate. The University has performed significant due diligence around these investments to ensure that the NAV is an appropriate measure of fair value as of June 30.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

The following tables provide additional information about alternative investments measured at NAV as of June 30, 2023, and 2022, respectively:

SUMMARY OF ALTERNATIVE INVESTMENTS MEASURED USING NET ASSET VALUE

2023

Asset class	NAV in funds	Unfunded commitments	Timing to draw commitments	Redemption terms*
Private equity	$ 2,957,298	$ 726,560	1 to 10 years	Unknown - These funds are in private structures, with no ability to be redeemed
Real assets	1,490,648	504,149	1 to 10 years	Unknown - These funds are in private structures, with no ability to be redeemed
Fixed income	809,569	230,601	1 to 10 years	No redemptions available for funds in a private equity structure; balance includes 3% available daily, 9% within 7 to 15 days, 5% monthly with 30-days notice, 10% 1-year redemptions with 90-days notice, less than 1% with rolling 2-year redemptions with 90-days notice, and less than 1% within 5 years
Foreign equity	351,294	None	N.A.	Ranges between thrice-monthly redemption with 2-days notice, to rolling 3-year redemption with 90-days notice
Marketable alternatives	1,933,553	5,941	1 to 10 years	Ranges between quarterly redemption with 30 days notice to annual redemptions with 60-90 days notice
Diversifying assets	50,773	78,488	1 to 10 years	No redemptions available for funds in a private equity structure; balance includes 86% available within 7 days
Other	6,540	None	N.A.	Unknown - These funds are in private structures, with no ability to be redeemed
Total	$ 7,599,675	$ 1,545,739		

* Represents initial investment lock up restriction. No other material redemption restrictions, such as redemption gates, were in place at year end.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SUMMARY OF ALTERNATIVE INVESTMENTS MEASURED USING NET ASSET VALUE

2022

Asset class	NAV in funds	Unfunded commitments	Timing to draw commitments	Redemption terms*
Private equity	$ 3,053,705	$ 664,150	1 to 10 years	Unknown - These funds are in private structures, with no ability to be redeemed
Real assets	1,568,854	476,866	1 to 10 years	Unknown - These funds are in private structures, with no ability to be redeemed
Fixed income	760,798	127,247	1 to 10 years	No redemptions available for funds in a private equity structure; balance includes 3% available daily, 9% within 7 to 15 days, 5% monthly with 30-days notice, 9% 1-year redemptions with 90-days notice, 1% with rolling 2-year redemptions with 90-days notice, and less than 1% within 5 years
Foreign equity	354,749	None	N.A.	Ranges between thrice-monthly redemption with 2-days notice, to rolling 3-year redemption with 90-days notice
Marketable alternatives	1,752,801	7,567	1 to 10 years	Ranges between quarterly redemption with 30 days notice to annual redemptions with 60-90 days notice
Diversifying assets	41,477	35,000	1 to 10 years	Available within 7 days
Other	3,889	None	N.A.	Unknown - These funds are in private structures, with no ability to be redeemed
Total	$ 7,536,273	$ 1,310,830		

* Represents initial investment lock up restriction. No other material redemption restrictions, such as redemption gates, were in place at year end.

D. Level 3 Investments

The tables below present a summary of Level 3 investment activity. All net realized and unrealized gains/(losses) in the tables are reflected in the accompanying consolidated statements of activities. Net unrealized gains/(losses) relate to those financial instruments held by the University on June 30, 2023, and 2022, respectively. During the fiscal year ended June 30, 2023, transfers out of Level 3 and into Level 1 include $2,807 of foreign equity. The transfers were a result of a change in observable inputs used in the pricing methodology. During the fiscal year ended June 30, 2022, transfers out of Level 3 and into Level 1 include $14,759 of foreign equity. Transfers out of Level 2 and into Level 3 include $1,758 of corporate bonds and $1,365 of international fixed income securities. The transfers were a result of a change in observable inputs used in the pricing methodology.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SUMMARY OF LEVEL 3 INVESTMENT ACTIVITY

	Fair value at June 30, **2022**	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value at June 30, **2023**
Equity							
Domestic equity	$ 209	$ -	$ -	$ -	$ -	$ -	$ 209
Foreign equity	5,044	115	(177)	504	(1,502)	(2,807)	1,177
Hedged equity	785	(250)	110	-	(130)	-	515
Private equity	85,874	-	(2,275)	19,334	(7)	-	102,926
Fixed income							
Corporate bonds	-	-	-	-	-	-	-
International	1,064	(273)	73	350	(1,214)	-	-
Preferred/convertible	1,137	1	(8)	39	(5)	-	1,164
Real assets	18,832	37	(840)	888	(875)	-	18,042
Other	24,360	(985)	(1,582)	4,091	(3,614)	-	22,270
Total level 3 investments	$ 137,305	$ (1,355)	$ (4,699)	$ 25,206	$ (7,347)	$ (2,807)	$ 146,303

SUMMARY OF LEVEL 3 INVESTMENT ACTIVITY

	Fair value at June 30, **2021**	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value at June 30, **2022**
Equity							
Domestic equity	$ 172	$ -	$ 37	$ -	$ -	$ -	$ 209
Foreign equity	2,260	200	3,271	14,849	(777)	(14,759)	5,044
Hedged equity	1,508	(173)	(311)	-	(239)	-	785
Private equity	61,115	932	17,391	8,375	(1,939)	-	85,874
Fixed income							
Corporate bonds	4,005	3,160	(303)	-	(8,620)	1,758	-
International	992	1,272	(1,591)	322	(1,296)	1,365	1,064
Preferred/convertible	1,264	(1)	(126)	-	-	-	1,137
Real assets	17,643	(1,108)	4,188	-	(1,891)	-	18,832
Other	19,682	(101)	(162)	4,946	(5)	-	24,360
Total level 3 investments	$ 108,641	$ 4,181	$ 22,394	$ 28,492	$ (14,767)	$ (11,636)	$ 137,305

Level 3 equities not priced by qualified third parties (e.g., brokers, pricing services) are valued using discounted cash flows, considering various factors including nonperformance risk, counterparty risk, and marketability. Investment value is also derived using a market approach through comparison to recent and relevant market multiples of comparable companies. Start-up assets, held by the University's student-run venture fund or other similar programs, are maintained at or near initial investment amounts due to the nature of the activity.

Level 3 asset-backed fixed-income investments are valued using discounted cash flows. Preferred or convertible fixed-income investments are valued using discounted cash flows or a market approach using a dividend multiplier.

Level 3 real assets represent directly owned real estate and oil or mineral rights. To the extent feasible, third-party appraisals are used to value real estate directly owned by the University. If current appraisals are not available, fair value is based on the capitalization rate valuation model or discounted cash flow, corroborated by local market data, if available. Oil and mineral rights are valued based on industry-standard revenue multiplier methodologies or discounted cash flows.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

The following table provides additional information related to the valuation of the investments classified by the University as Level 3.

QUANTITATIVE INFORMATION ABOUT LEVEL 3 FAIR VALUE MEASUREMENT

	Level 3 fair value [a]	Valuation technique(s)	Unobservable inputs	Range (weighted average)[b]
Equity	$ 34,347	Discounted cash flow	Discount rate	4.3% - 7.1% (6.7%)
			Discount for lack of marketability	0%-20% (7.5%)
Fixed income	1,036	Market comparable	Dividend multiple	16.3x - 17.0x (16.5x)
Real assets	4,286	Discounted cash flow	Discount rate	4.6% - 15% (7.7%)
	513	Sales comparison	Recent transactions	
	10,024	Cap rate valuation model	Capitalization rate	5.8%
Other	8,952	Discounted cash flow	Discount rate	4.1% - 5.6% (4.7%)
			Years to maturity	2 - 14 (3.5)
Total	$ 59,158			

(a) Certain Level 3 assets totaling $87,145 as of June 30, 2023, have been valued at cost or using unadjusted third party quotations and thus have been excluded from this table.

(b) Unobservable inputs were weighted by the relative fair value of the instruments

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

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

E. Derivative Holdings

The use of certain financial derivative instruments is governed by either the University's written investment policy, specific manager guidelines, or partnership or fund agreement documents. Specifically, financial derivative instruments may be used to manage foreign currency exposure, obtain commodity exposure, create synthetic exposure, or obtain protection against increases in interest rates. These derivatives, based on definitions in GAAP, are not designated as hedging instruments.

The following table provides detailed information on the derivatives included in the investment portfolio as of June 30.

FAIR VALUE OF DERIVATIVE HOLDINGS IN STATEMENT OF FINANCIAL POSITION

		2023			2022		
Location	Derivative type	Notional amount	# of Contracts	Fair value	Notional amount	# of Contracts	Fair value
Investments							
	Foreign currency	$ -	29	$ 40	$ -	15	$ 16
	Commodity	189,554	59	(6,408)	320,789	86	(15,338)
	Synthetic	1,016,981	10	16,752	1,203,624	10	(20,212)
Total fair value		$ 1,206,535	98	$ 10,384	$ 1,524,413	111	$ (35,534)

5. LAND, BUILDINGS, AND EQUIPMENT, NET

A. General Information

Land, buildings, and equipment are detailed as follows:

LAND, BUILDINGS, AND EQUIPMENT

	Book value at June 30, **2023**	Book value at June 30, **2022**
Land, buildings, and equipment	$ 7,380,752	$ 7,144,059
Furniture, equipment, books, and collections	1,628,600	1,561,962
Construction in progress	423,321	374,665
Total before accumulated depreciation	$ 9,432,673	$ 9,080,686
Accumulated depreciation	(4,957,671)	(4,688,201)
Net land, buildings, and equipment	$ 4,475,002	$ 4,392,485

Certain properties, for which the University has possession and beneficial use for an indefinite period and which other entities may also record as assets, are included in the consolidated statements of financial position, as follows: (1) land, buildings, and equipment of the contract colleges aggregating $721,830 and $723,002 on June 30, 2023, and 2022, respectively, the acquisition cost of which was borne primarily by New York State, and (2) land, buildings, and equipment for which titles rest with government and corporate agencies aggregating $1,236 and $568 on June 30, 2023, and 2022, respectively.

The future commitments on capital projects in progress, excluding projects funded by New York State, are approximately $414,731 on June 30, 2023.

B. Cornell Tech Campus

In December 2011, in partnership with Technion-Israel Institute of Technology, the University won the Applied Sciences NYC competition to build and operate a new applied sciences and engineering campus in New York City. The city committed, through the New York City Economic Development Corporation ("NYCEDC"), a location and seed funding for the initial construction of the new campus. Under the terms of the agreement with the NYCEDC and the ninety-nine-year ground lease for Roosevelt Island, the University committed to creating the new applied sciences campus in three phases, with milestones in 2017, 2027, and 2037. In addition, the University has enrollment, faculty, and other operational commitments as part of the agreement.

Cornell Tech met its first milestone when faculty, staff, and researchers moved into the first academic building (Bloomberg Center) on Roosevelt Island during the summer of 2017. Students, faculty, and researchers moved into The House at Cornell Tech in advance of the fall semester. In addition, programs and operations in the Bloomberg Center and The Tata Innovation Center began during the 2017-2018 academic year, rounding out the University's operational commitments for the first phase. The Tata Innovation Center, originally under a finance lease, was purchased May 5, 2022.

6. OBLIGATIONS UNDER SPLIT-INTEREST AGREEMENTS AND FUNDS HELD IN TRUST BY OTHERS

The University reports its obligations under split-interest agreements at fair value. The fair value of the obligations are calculated annually and considered Level 3 in the fair-value hierarchy. The discount rate is based on average return of investment-grade corporate bonds, weighted using a schedule of actuarial estimates of the lives of the income beneficiaries and the relative value of the agreements.

The University's interest in funds held in trust by others is considered Level 3 in the fair-value hierarchy. Trusts in which the University has an income interest are valued annually using estimated cash flows based on average actual income over three years. Remainder interests are determined using present value calculations based on annual valuation reports received from the funds' trustees. The discount rates used to estimate present value are based on the average return of investment-grade corporate bonds, weighted according to a schedule of actuarial estimates.

The following tables summarize the fair values and activity of funds held in trust by others and obligations under split interest agreements.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SPLIT-INTEREST AGREEMENTS AT FAIR VALUE AND LEVEL 3 QUANTITATIVE INFORMATION

	2023 Total	Valuation methodologies	Unobservable inputs	Range (weighted average)
Funds held in trust by others				
Remainder	$ 89,455	Present value calculation	Discount rate	5.00%
			Years to maturity	0-50 (10)
Lead and perpetual	66,099	Discounted cash flow	Discount rate	5.01%
Total funds held in trust by others	$ 155,554			
Obligations under split-interest agreements	$ 136,138	Discounted cash flow	Discount rate	5.78%
			Years to maturity	0-61 (16)

	2022 Total	Valuation methodologies	Unobservable inputs	Range (weighted average)
Funds held in trust by others				
Remainder	$ 45,642	Present value calculation	Discount rate	4.69%
			Years to maturity	0-51 (12)
Lead and perpetual	66,302	Discounted cash flow	Discount rate	4.96%
Total funds held in trust by others	$ 111,944			
Obligations under split-interest agreements	$ 138,454	Discounted cash flow	Discount rate	4.83%
			Years to maturity	0-62 (15)

SUMMARY OF LEVEL 3 SPLIT-INTEREST AGREEMENT ACTIVITY

	Fair value at June 30, **2022**	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value at June 30, **2023**
Funds held in trust by others							
Remainder	$ 45,642	$ 1,592	$ (1,950)	$ 45,121	$ (950)	$ -	$ 89,455
Lead and perpetual	66,302	(88)	(115)	-	-	-	66,099
Total funds held in trust by others	$ 111,944	$ 1,504	$ (2,065)	$ 45,121	$ (950)	$ -	$ 155,554
Obligations under split-interest agreements	$ 138,454	$ -	$ (2,316)	$ -	$ -	$ -	$ 136,138

	Fair value at June 30, **2021**	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value at June 30, **2022**
Funds held in trust by others							
Remainder	$ 64,365	$ 1,659	$ (18,766)	$ 950	$ (2,566)	$ -	$ 45,642
Lead and perpetual	88,386	(143)	(21,941)	-	-	-	66,302
Total funds held in trust by others	$ 152,751	$ 1,516	$ (40,707)	$ 950	$ (2,566)	$ -	$ 111,944
Obligations under split-interest agreements	$ 137,099	$ -	$ 1,355	$ -	$ -	$ -	$ 138,454

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

7. DEFERRED BENEFITS

A. General Information

Accrued employee benefit obligations as of June 30 include the following:

SUMMARY OF DEFERRED BENEFITS

	2023	2022
Postemployment benefits	$ 31,683	$ 37,349
Pension and other postretirement benefits	307,386	319,745
Other deferred benefits	224,761	220,123
Total deferred benefits	$ 563,830	$ 577,217

Accrued postemployment benefits include workers' compensation and medical continuation benefits for those on long-term disability. Other deferred benefits include primarily vacation accruals, deferred compensation, and medical benefit claims incurred-but-not-reported ("IBNR"). Additionally, the University provides various benefits to former or inactive employees after employment, but before retirement, that are recognized when they are earned.

B. Pension and Postretirement Plans

The University's employee retirement plan coverage is provided by two basic types of plans: one based on a predetermined level of funding (defined contribution), and the other based on a years-of-service calculation to determine the level of benefit to be provided (defined benefit).

The defined contribution plans for endowed colleges and exempt employees (those not subject to the overtime provisions of the Fair Labor Standards Act) at WCM are funded either by employer contributions based on a percentage of salary or by voluntary employee contributions. The contributions to the defined contribution plans are held on investment platforms with record keeping services performed by the Teachers Insurance and Annuity Association and Fidelity Investments (endowed colleges only). Total contributions of the endowed colleges and WCM plans for the fiscal years ended June 30, 2023, and 2022 amounted to $143,015 and $135,791, respectively.

WCM maintains the University's only defined benefit pension plan. The participants include non-exempt employees at WCM who meet the eligibility requirements for participation. The plan was frozen in 1976 for exempt employees at WCM, and the accrued benefits were merged with the active non-exempt retirement plan in 1989. In accordance with the funding requirements applicable to defined benefit plans under the Employee Retirement Income Security Act of 1974 ("ERISA"), the University must contribute to the plan's trust an actuarially determined amount that represents current year benefits plus an amount to fund any shortfall in trust assets needed to satisfy plan benefit obligations.

Additionally, the University provides health and life insurance benefits for eligible retired employees and their dependents, based on the attainment of a set of defined service and age requirements. The cost of providing these benefits is accrued during the service lives of employees.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

C. Obligations and Funded Status

The following table sets forth the defined benefit pension and postretirement plans' obligations and funded status as of June 30:

SUMMARY OF OBLIGATIONS AND FUNDED STATUS

	Pension benefits		Other postretirement	
	2023	**2022**	**2023**	**2022**
Change in plan assets				
Fair value of plan assets at beginning of year	$ 156,990	$ 179,602	$ 369,042	$ 422,131
Actual return on plan assets	13,731	(19,105)	39,873	(53,089)
Employer contribution	6,500	6,500	33,837	31,182
Benefits paid	(8,599)	(10,007)	(33,837)	(31,182)
Fair value of plan assets at end of year	$ 168,622	$ 156,990	$ 408,915	$ 369,042
Change in benefit obligation				
Benefit obligation at beginning of year	$ 208,790	$ 273,264	$ 636,987	$ 754,364
Service cost (benefits earned during the period)	12,966	19,250	23,943	32,786
Interest cost	11,138	9,933	32,581	24,676
Actuarial (gain)/loss	(16,759)	(83,650)	12,811	(148,009)
Benefits paid net of participant contributions	(8,599)	(10,007)	(29,816)	(27,781)
Less: federal subsidy on benefits paid	-	-	881	951
Projected benefit obligation at end of year	$ 207,536	$ 208,790	$ 677,387	$ 636,987
Funded status	$ (38,914)	$ (51,800)	$ (268,472)	$ (267,945)
Amounts recognized in the consolidated statements of financial position	$ (38,914)	$ (51,800)	$ (268,472)	$ (267,945)
Amounts recorded in net assets without donor restrictions not yet amortized as components of net periodic benefit cost				
Prior service cost	$ -	$ -	$ (19,248)	$ (31,875)
Net actuarial (gain)/loss	(29,449)	(10,338)	14,861	14,983
Amount recognized as reduction in net assets without donor restrictions	$ (29,449)	$ (10,338)	$ (4,387)	$ (16,892)
Amounts recorded in non-operating pension and postretirement changes				
Change in amounts not yet amortized as components of net periodic benefit cost	$ 19,111	$ 53,550	$ (12,505)	$ 53,033
Other components of net periodic benefit cost	241	1,062	6,986	17,210
Total non-operating pension and postretirement changes	$ 19,352	$ 54,612	$ (5,519)	$ 70,243

The accumulated benefit obligation for the pension plans was $184,302 and $184,611 on June 30, 2023, and 2022, respectively. The accumulated benefit obligation differs from the projected benefit obligation in the table above in that it includes no assumptions about future compensation levels. It represents the actuarial present value of future payments to plan participants using current and past compensation levels. For postretirement plans other than pensions, the accumulated benefit obligation is the same as the projected benefit obligations because the liabilities are not compensation related.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

During the fiscal year ended June 30, 2023, the actuarial gain for the pension plan was primarily driven by the increase in the discount rate. The actuarial loss for the postretirement plan was primarily driven by updated trend rates and claims data which was partially offset by other gains due to the increase in the discount rate.

During the fiscal year ended June 30, 2022, the decrease in the benefit obligation for the pension and postretirement plans was primarily driven by an actuarial gain due to increase in the discount rates and partially offset by other actuarial losses mainly due to updated census and claims data and updates to mortality tables.

D. Net Periodic Benefit Cost

Net benefit expense related to the pension and postretirement plans for the fiscal years ended June 30 includes the following components:

NET PERIODIC BENEFIT COST

	Pension benefits		Other postretirement	
	2023	**2022**	**2023**	**2022**
Service cost (benefits earned during the period)	$ 12,966	$ 19,250	$ 23,943	$ 32,786
Interest cost	11,138	9,933	32,581	24,676
Expected return on plan assets	(11,379)	(13,099)	(26,940)	(30,815)
Amortization of prior service cost	-	(49)	(12,627)	(12,627)
Amortization of net (gain)/loss	-	2,153	-	1,556
Net periodic benefit cost	$ 12,725	$ 18,188	$ 16,957	$ 15,576

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

E. Actuarial Assumptions

Assumptions used in determining the pension and postretirement plans' benefit obligations and net periodic costs are as follows:

SUMMARY OF ACTUARIAL ASSUMPTIONS

	Pension benefits		Other postretirement	
	2023	**2022**	**2023**	**2022**
Used to calculate benefit obligations at June 30				
Discount rate	5.61%	5.13%	5.52% / 5.46%	5.04% / 4.92%
Rate of compensation increase	3.00%	3.00%	n/a	n/a
Used to calculate net periodic cost at July 1				
Discount rate	5.13%	3.39%	5.04% / 4.92%	3.21% / 2.89%
Expected return on plan assets	7.30%	7.30%	7.30%	7.30%
Rate of compensation increase	3.00%	3.00%	n/a	n/a
Assumed health care cost trend rates				
Health care cost trend rate assumed for next year	n/a	n/a	6.50%	4.50% / 6.50%
Ultimate trend rate	n/a	n/a	4.50%	4.50%
Years to reach ultimate trend rate	n/a	n/a	6	7

F. Plan Assets

The University's Retirement Plan Oversight Committee ("RPOC") is chaired by the Vice President and Chief Human Resources Officer, with committee members selected from across multiple disciplines at the University. Its primary purpose is to assist the University in fulfilling its fiduciary responsibilities by providing guidance and oversight for the University's retirement plans, including oversight of the custodial bank. The RPOC, in accordance with an Investment Policy Statement and in conjunction with its outside consultant, regularly reviews the investment strategies, along with evolving institutional objectives, and will make recommendations regarding possible changes to asset allocation and investment managers accordingly.

The University's overall investment objectives for pension and postretirement healthcare plan assets are broadly defined to include an inflation-adjusted rate of return that seeks growth commensurate with a prudent level of risk. To achieve this objective, the University has established fully discretionary trusts with a custodial bank as trustee and an investment manager for WCM's defined benefit pension plan as well as the postretirement medical benefit plan for the University's endowed employees on the Ithaca campus. Under those trust agreements, the custodial bank implements investment allocations through various investment funds to carry out the investment objectives established by the RPOC.

Risk mitigation is achieved by diversifying investments across multiple asset classes, investing in high-quality securities, and permitting flexibility in the balance of investments in the recommended asset classes. Market risk is inherent in any portfolio, but the investment policies and strategies are designed to avoid concentration of risk in any one entity, industry, country, or commodity. The funds in which the plan assets are invested are well-diversified and managed to avoid concentration of risk. The expected rate of return assumptions are based on the expertise provided by investment managers at the custodial bank. The factors impacting the expected rates of return for various asset types include assumptions about inflation, historically based real returns, anticipated value added by investment managers, and expected average asset allocations.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

The fair values of the pension plan assets and postretirement medical benefit plan assets are categorized according to the fair-value hierarchy. Both the pension plan and postretirement medical benefit plans invest in funds to meet their investment objectives. The asset allocation is based on the underlying assets of the various funds. The fair-value level is based upon each fund as the unit of measure. The fair value of the plans' assets as of June 30 and the roll-forward for Level 3 assets are disclosed in the tables below.

SUMMARY OF PLAN ASSETS

	Target allocation	Pension benefits 2023	Pension benefits 2022	Other postretirement 2023	Other postretirement 2022
Percentage of plan assets					
Equity securities	39-85%	59%	61%	62%	72%
Fixed income securities	15-55%	34%	30%	38%	28%
Real estate	0-10%	7%	9%	0%	0%
Total		100%	100%	100%	100%

PENSION PLAN ASSETS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	2023 Total
Cash and cash equivalents				
Money market	$ 503	$ -	$ -	$ 503
Equity securities				
U.S. small cap	-	5,645	-	5,645
U.S. large cap	-	33,658	-	33,658
U.S. multi cap	-	6,108	-	6,108
U.S. REITS	-	3,878	-	3,878
Emerging markets	-	10,065	-	10,065
International equity	-	40,801	-	40,801
Fixed income securities				
U.S. high yield bonds	-	6,591	-	6,591
Corporate bonds	-	46,185	-	46,185
International fixed income	-	3,382	-	3,382
Other types of investments				
Real estate	-	-	11,804	11,804
Receivable for investments sold	2	-	-	2
Total assets	$ 505	$ 156,313	$ 11,804	$ 168,622

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

PENSION PLAN ASSETS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	**2022** Total
Cash and cash equivalents				
Money market	$ 144	$ -	$ -	$ 144
Equity securities				
U.S. small cap	-	5,509	-	5,509
U.S. large cap	-	42,845	-	42,845
U.S. multi cap	-	4,996	-	4,996
U.S. REITS	-	3,935	-	3,935
Emerging markets	-	9,483	-	9,483
International equity	-	28,344	-	28,344
Fixed income securities				
U.S. high yield bonds	-	6,270	-	6,270
Corporate bonds	-	38,305	-	38,305
International fixed income	-	3,067	-	3,067
Other types of investments				
Real estate	-	-	14,092	14,092
Receivable for investments sold	-	-	-	-
Total assets	$ 144	$ 142,754	$ 14,092	$ 156,990

SUMMARY OF LEVEL 3 PENSION PLAN ACTIVITY

	Fair value, June 30, 2022	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value, June 30, 2023
Real estate	$ 14,092	$ 383	$ (1,787)	$ -	$(884)	$ -	$ 11,804
Total Level 3 assets	$ 14,092	$ 383	$ (1,787)	$ -	$(884)	$ -	$ 11,804

SUMMARY OF LEVEL 3 PENSION PLAN ACTIVITY

	Fair value, June 30, 2021	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value, June 30, 2022
Real estate	$ 7,351	$ -	$ 3,241	$ 3,500	$ -	$ -	$ 14,092
Total Level 3 assets	$ 7,351	$ -	$ 3,241	$ 3,500	$ -	$ -	$ 14,092

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

POSTRETIREMENT PLAN ASSETS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	**2023** Total
Cash and cash equivalents				
Money market	$ 12,004	$ -	$ -	$ 12,004
Equity securities				
U.S. small cap	-	39,203	-	39,203
U.S. large cap	-	137,348	-	137,348
U.S. multi cap	-	14,287	-	14,287
Emerging markets	-	18,017	-	18,017
International equity	-	45,273	-	45,273
U.S. REITS	-	-	-	-
Fixed income securities				
U.S. high yield bonds	-	53,101	-	53,101
Corporate bonds	-	74,293	-	74,293
Emerging markets debt	-	15,389	-	15,389
Receivable for investments sold	-	-	-	-
Payable for investments purchased	-	-	-	-
Total assets	$ 12,004	$ 396,911	$ -	$ 408,915

POSTRETIREMENT PLAN ASSETS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	**2022** Total
Cash and cash equivalents				
Money market	$ 63,529	$ -	$ -	$ 63,529
Equity securities				
U.S. small cap	-	2,957	-	2,957
U.S. large cap	-	157,550	-	157,550
U.S. multi cap	-	-	-	-
Emerging markets	-	(4,220)	-	(4,220)
International equity	-	108,902	-	108,902
U.S. REITS	-	5	-	5
Fixed income securities				
U.S. high yield bonds	-	530	-	530
Corporate bonds	-	39,953	-	39,953
Emerging markets debt	-	-	-	-
Receivable for investments sold	5,364	-	-	5,364
Payable for investments purchased	(5,528)	-	-	(5,528)
Total assets	$ 63,365	$ 305,677	$ -	$ 369,042

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

G. Expected Contributions and Benefit Payments

The expected annual contributions and benefit payments that reflect anticipated service are as follows:

EXPECTED CONTRIBUTIONS AND BENEFIT PAYMENTS

	Pension benefits	Other postretirement: Employer paid	Other postretirement: Government subsidy
University contributions			
2024	$ 6,500	$ 30,688	n/a
Future benefit payments			
2024	8,657	32,214	1,526
2025	9,753	34,483	1,649
2026	10,190	36,649	1,788
2027	10,752	38,990	1,933
2028	11,005	41,207	2,084
2029-2033	68,232	242,452	12,493

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established a prescription drug benefit known as “Medicare Part D” that also established a federal subsidy to sponsors of retiree healthcare benefit plans. The estimated future government subsidy amounts are reflected in the table above.

H. Contract College Employees

Employees of the contract colleges are covered under the New York State pension plans. Contributions to the state retirement system and other fringe benefit costs are paid directly by the state. The amount of the direct payments applicable to the University as revenue and expenditures is not currently determinable and is not included in the consolidated financial statements. The University reimburses the state for fringe benefit costs on certain salaries, principally those associated with externally sponsored programs. The amounts reimbursed to the state during the fiscal years ended June 30, 2023, and 2022 were $20,121 and $18,072, respectively, and are included in operating expenses.

8. RELATED PARTIES AND FUNDS HELD FOR OTHERS

Transactions between the University and any of its trustees, officers or employees are subject to the University’s conflict of interest policies, which require disclosure of conflicting interests and abstention by the conflicted persons from associated University decision making. The University assesses related party transactions, including those with external organizations.

The University, in limited instances, invests funds on behalf of related parties. Independent trustees are responsible for the designation of income distribution. The value of the funds held for others included in investments in the consolidated statements of financial position was $278,236 and $275,089 for the fiscal years ended June 30, 2023, and 2022, respectively. The University recognizes an offsetting liability for funds held for others, with one adjustment described below.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

The New York Hospital-Cornell Medical Center Fund, Inc. (“Center Fund”), which benefits WCM and the New York-Presbyterian Hospital, is the major external organization invested in the University’s long-term investment portfolio with assets of $236,792 and $236,754 for the fiscal years ended June 30, 2023, and 2022, respectively. WCM holds a significant beneficial interest in the assets of the Center Fund of $155,880 and $156,107, for the fiscal years ended June 30, 2023, and 2022, respectively. The liability related to New York-Presbyterian’s interest is $80,912 and $80,647 for the fiscal years ended June 30, 2023, and 2022, respectively.

9. BONDS AND NOTES PAYABLE

A. General Information

Bonds and notes payable are reported at carrying value, which is the par amount net of unamortized issuance costs, premiums, and discounts. Bonds and notes payable as of June 30 are summarized as follows:

SUMMARY OF BONDS AND NOTES PAYABLE

	2023	2022	Interest rates (%)	Final maturity (fiscal year)
Dormitory Authority of the State of New York (DASNY)				
Revenue Bond Series				
2000A-variable rate/monthly	$ 21,160	$ 24,225	1.94 to 4.79	2029
2000B-variable rate/monthly	31,585	35,405	1.94 to 4.79	2030
2004A&B-variable rate/weekly	45,875	49,550	0.54 to 4.36	2033
2016A-fixed rate	90,430	96,225	4.00 to 5.00	2035
2019A-fixed rate	75,520	86,095	5.00	2029
2019B-variable rate/daily	92,210	92,210	0.31 to 4.20	2039
2019C-variable rate/monthly	79,370	79,370	1.90 to 4.72	2034
2019D-fixed rate	109,880	115,790	5.00	2036
2020A-fixed rate	233,000	233,000	4.00 to 5.00	2050
2020A2-fixed rate	77,840	77,840	5.00	2031
Empire State Development	750	875	-	2029
2018A-fixed rate	150,000	150,000	3.85	2049
2007A Taxable commercial paper	74,200	79,200	2.05 to 5.45	-
2020B-variable rate/monthly	138,000	138,000	2.39 to 5.94	2030
2020C-variable rate/monthly	23,000	23,000	2.39 to 5.94	2031
2020D-variable rate/monthly	107,653	110,965	2.34 to 5.96	2032
2020E-fixed rate	75,000	75,000	2.85	2053
2022A-fixed rate	345,000	345,000	3.41	2042
Hudson Cornell Residential JV LLC	97,550	97,550	3.29 to 6.76	2024
Other	5,280	6,855	2.75 to 8.00	2053
Outstanding bonds and notes payable	$ 1,873,303	$ 1,916,155		
Unamortized premium and issuance costs	105,458	120,515		
Total bonds and notes payable	$ 1,978,761	$ 2,036,670		

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

Debt and related debt service for borrowings by New York State for the construction and renovation of facilities of the contract colleges are not included in the consolidated financial statements because they are not liabilities of the University.

In fiscal year 2023, the University amended Series 2000A, 2000B, Series 2019C, Series 2020B, Series 2020C, and Series 2020D taxable loans with various private lenders to make changes in interest rates that benefited the University. The University also removed the revenue pledge on the DASNY tax-exempt commercial paper program.

In fiscal year 2022, the University issued a $345 million taxable fixed-rate 20-year loan for general corporate purposes, to fund capital projects and to redeem debt. In addition, the University redeemed $22 million of Tompkins County Industrial Development Agency (TCIDA) Series 2002A bonds, $75 million of taxable commercial paper, and $39 million of Series 2020D term loan. The University also amended its Series 2020B, Series 2020C, Series 2020D and Series 2020E taxable loans with various private lenders to make changes in interest rates, terms, and/or maturity dates of the loans that benefited the University.

The University maintains tax-exempt and taxable commercial paper programs. Tax-exempt commercial paper is used to finance qualified capital projects and equipment purchases. Taxable commercial paper is also used for these purposes and can also finance short-term working capital needs. During the fiscal year ended June 30, 2023, the maximum authorized amount for the taxable commercial paper program is $300 million. The maximum authorized amount for the tax-exempt commercial paper program is $200 million. On June 30, 2023, and 2022, the University had no outstanding balance on the tax-exempt commercial paper.

Scheduled principal and interest payments on bonds and notes for the next five fiscal years and thereafter are shown below:

ANNUAL DEBT SERVICE REQUIREMENTS

Year	Principal	Interest	Total
2024	$ 140,857	$ 70,587	$ 211,444
2025	45,061	57,649	102,710
2026	97,660	51,832	149,492
2027	48,356	49,823	98,179
2028	50,363	46,377	96,740
Thereafter	1,491,006	480,965	1,971,971
Total	$ 1,873,303	$ 757,233	$ 2,630,536

The University estimates future interest payments on variable-rate debt based on the Securities Industry and Financial Markets Association (SIFMA) rate for tax-exempt debt and the Secured Overnight Financing Rate (SOFR) rate for taxable debt.

B. Interest-Rate Swaps

The University's Board of Trustees approved the use of interest-rate swaps to mitigate interest-rate risk in the debt portfolio. Interest-rate swaps are derivative instruments; however, their use by the University is not considered hedging activity, based on definitions in generally accepted accounting principles.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

Using interest-rate swap agreements, the University is exposed to the risk that counterparties will fail to meet their contractual obligations. The University limits swap exposure for each counterparty to mitigate counterparty risk. Master agreements with counterparties include netting arrangements that permit the University to net amounts due to the counterparty with amounts due from the counterparty. Utilizing netting arrangements reduces the maximum loss in the event of counterparty default.

The University's swap agreements contain a credit-rating-contingent feature in which the counterparties can request collateral on agreements in net liability positions. On June 30, 2023, and 2022, the University did not have collateral on deposit with any counterparty.

The University's interest-rate swaps are reported at fair value and classified as Level 2 in the fair-value hierarchy. The University's interest-rate swaps are valued as of June 30 by an independent third party that uses the mid-market levels, as of the close of business, to value each agreement. The valuations provided are derived from proprietary models based upon well-recognized financial principles and estimates about relevant future market conditions and the University's creditworthiness.

On June 30, 2023, the University had five interest-rate swap agreements to exchange variable-rate cash flows for fixed-rate cash flows without exchanging the underlying principal amount. Net payments or receipts of the swap agreements are recorded as adjustments to the swap interest and change in value of interest-rate swaps line in the consolidated statements of activities. In all agreements in effect on June 30, 2023, the counterparty pays a variable interest rate equal to a percentage of the one-month LIBOR. In March 2023, the University adhered to the International Swaps and Derivatives Association, Inc (ISDA) 2020 Interbank Offered Rates (IBOR) fallbacks protocol which will change the swap basis index to SOFR beginning July 1, 2023.

The following table provides detailed information on the interest-rate swaps on June 30, 2023, and June 30, 2022.

FAIR VALUE OF INTEREST-RATE SWAPS IN STATEMENT OF FINANCIAL POSITION

Location	Notional amount	Interest rate	Termination date	Basis	2023 Level 2 fair value	2022 Level 2 fair value
Swap interest and change in value of interest-rate swaps						
	$ 21,965	4.52	July 1, 2030	SOFR	$ (1,262)	$ (2,538)
	74,011	3.92	July 1, 2038	SOFR	(6,727)	(11,460)
	275,000	3.88	July 1, 2040	SOFR	(46,362)	(68,278)
	165,060	3.48	July 1, 2041	SOFR	(12,360)	(22,558)
	171,254	3.77	July 1, 2044	SOFR	(19,473)	(31,331)
Total fair value					$ (86,184)	$ (136,165)

C. Variable Rate Debt Subject to Remarketing or Tender

At June 30, 2023, the University had $212 million of variable rate demand bonds and commercial paper notes outstanding. DASNY Series 2004A&B are variable rate demand bonds remarketed on a weekly basis, DASNY Series 2019B bonds are variable rate demand bonds remarketed daily and the tax-exempt and taxable commercial paper notes are sold with maturities of 270 days or less. The variable rate demand bondholders have the option to tender their bonds on a remarketing date. Commercial paper noteholders are not required to repurchase the notes as they mature. For the variable rate demand bonds, the University has a standby bond purchase agreement for Series 2019B, expiring April 2024, and a standby purchase agreement for Series 2004 bonds, expiring January 2025. If the bonds cannot be remarketed, the standby purchase agreements will purchase the bonds. If the bonds cannot be remarketed for a length of time and the University does not redeem or refinance the bonds in a different interest rate mode, the University will have a current obligation to purchase the bonds tendered. If maturing taxable commercial paper notes are not resold, the University maintains sufficient liquidity to provide for the full and timely purchase of any notes.

D. Lines of Credit

The University maintains four lines of credit totaling $450 million: $25 million expiring January 2024, $125 million expiring February 2024, $200 million expiring May 2024 and $100 million expiring July 2025. The lines are used to support University liquidity. The University records the short-term working capital lines of credit activity and outstanding balances as Deferred Revenue and Other Liabilities and the long-term line of credit activity in Bonds and Notes Payable in the consolidated statements of financial position. As of June 30, 2023, and 2022 the University had no outstanding balances.

10. LEASES

A. Nature of Leases

The University has entered into the following lease arrangements:

Finance Leases

These leases mainly consist of various equipment leases and, a building lease for the Breazzano Family Center for Business Education at Ithaca. Termination of the leases generally is prohibited unless there is a violation under the lease agreement.

Operating Leases

The University has various real estate leases for office and instructional space, housing, land and storage space that expire in various years through 2069. These leases generally contain renewal options for periods ranging from two to ten years and require the University to pay all executory costs (i.e., property taxes, maintenance, and insurance). Some leases have an escalating fee schedule, which ranges up to a 5 percent increase each year. A portion of the leased space is subleased under leases expiring over the next 14 years.

The University entered into two new 30 year lease agreements for clinical and research space in New York City on behalf of WCM. One lease was signed in May 2023 with contingencies that were satisfied as of September 27, 2023. The second lease was signed on September 20, 2023. The right-of-use assets and lease liabilities approximating $100 million per lease will be recorded in fiscal year 2024 at the time the leased premises are turned over to WCM. In conjunction with the commencement of the new leases, approximately $35 million of existing leases will be terminated in fiscal year 2024. Additionally, approximately $125 million is expected to be recorded as a right-of-use asset and lease liability during fiscal year 2028 when additional research space is made available for use.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

Short-Term Leases

The University has certain leases for a period of 12 months or less or that contain renewals for periods of 12 months or less. The University does not include short-term leases within the consolidated statements of financial position because it has elected the practical expedient to exclude these leases from operating right-of-use asset and lease liabilities.

B. Quantitative Disclosures

The lease cost and other required information as of June 30, are as follows:

QUANTITATIVE DISCLOSURES

	2023	2022
Lease cost		
Finance lease cost		
Amortization of right-of-use asset	$ 3,373	$ 3,203
Interest on lease liabilities	2,178	2,092
Operating lease cost	73,612	73,711
Short-term lease cost	1,642	1,054
Variable lease cost	58	95
Sublease income	(248)	(335)
Total lease cost	$ 80,615	$ 79,820

	2023	2022
Other information		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	$ 2,178	$ 2,092
Financing cash flows from finance leases	3,093	3,214
Operating cash flows from operating leases	70,412	69,874
Right-of-use assets obtained in exchange for new finance lease liabilities	958	1,646
Right-of-use assets obtained in exchange for new operating lease liabilities	35,308	25,704
Weighted-average remaining lease term		
Finance leases	23.5 years	24.0 years
Operating leases	12.7 years	13.4 years
Weighted-average discount rate		
Finance leases	3.7%	3.6%
Operating leases	3.5%	3.3%

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

C. Future Minimum Lease Payments

Future minimum lease payments and reconciliation to the consolidated statements of financial position on June 30, 2023, are as follows:

ANNUAL MINIMUM LEASE PAYMENTS

	Finance	Operating
2024	$ 4,570	$ 65,757
2025	4,111	57,752
2026	3,570	49,667
2027	3,403	47,635
2028	3,187	41,710
Thereafter	63,270	245,841
Total minimum lease payments	$ 82,111	$ 508,362
Less: Amount representing interest	(28,078)	(100,711)
Present value of net minimum lease payments	$ 54,033	$ 407,651

11. FUNCTIONAL EXPENSES AND STUDENT AID

Total expenses by functional categories for the fiscal years ended June 30 are as follows:

FUNCTIONAL EXPENSES

	Instruction, student services and academic support	Research	Public service	Healthcare services	Institutional support	Enterprises and subsidiaries	**2023** Total
Compensation and benefits	$ 1,234,426	$ 439,293	$ 99,789	$ 1,206,410	$ 475,750	$ 134,008	$ 3,589,676
Other operating expenses	447,791	265,777	41,939	271,639	127,117	133,883	1,288,146
Maintenance and facilities costs	20,972	12,959	8,758	49,831	32,356	33,303	158,179
Interest expense	26,174	5,145	358	607	19,732	14,178	66,194
Depreciation expense	149,474	55,391	5,671	15,641	24,023	58,638	308,838
Total operating expenses	$ 1,878,837	$ 778,565	$ 156,515	$ 1,544,128	$ 678,978	$ 374,010	$ 5,411,033
Net periodic benefit cost	(2,151)	(266)	(30)	(3,542)	(1,013)	(225)	(7,227)
Non-operating foundation distributions	-	-	-	-	-	14,182	14,182
Non-capitalized plant expenses	2,754	498	63	-	730	1,692	5,737
Total	$ 1,879,440	$ 778,797	$ 156,548	$ 1,540,586	$ 678,695	$ 389,659	$ 5,423,725

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

FUNCTIONAL EXPENSES

	Instruction, student services and academic support	Research	Public service	Healthcare services	Institutional support	Enterprises and subsidiaries	**2022** Total
Compensation and benefits	$ 1,135,754	$ 409,017	$ 92,108	$ 1,113,300	$ 443,977	$ 117,806	$ 3,311,962
Other operating expenses	396,324	236,593	39,121	277,275	110,632	121,484	1,181,429
Maintenance and facilities costs	24,677	14,847	8,494	48,539	28,651	30,794	156,002
Interest expense	16,661	3,958	199	573	7,168	5,737	34,296
Depreciation expense	149,210	56,994	5,643	14,759	23,571	53,257	303,434
Total operating expenses	$ 1,722,626	$ 721,409	$ 145,565	$ 1,454,446	$ 613,999	$ 329,078	$ 4,987,123
Net periodic benefit cost	(8,292)	(1,484)	(163)	(4,605)	(2,860)	(868)	(18,272)
Non-operating foundation distributions	-	-	-	-	-	9,382	9,382
Non-capitalized plant expenses	4,259	1,268	422	-	862	1,527	8,338
Total	$ 1,718,593	$ 721,193	$ 145,824	$ 1,449,841	$ 612,001	$ 339,119	$ 4,986,571

The expenses for operations and maintenance of facilities, depreciation, and interest related to capital projects are allocated to functional categories based on square footage. The amounts allocated for operations and maintenance were approximately $211,749 and $195,676 for the fiscal years ended June 30, 2023, and 2022, respectively.

Student financial assistance is shown as a component of instruction expense unless the assistance is for tuition and mandatory fees. If the assistance is for tuition and mandatory fees, the amounts are recorded as scholarship allowance, which reduces tuition revenue. Total financial assistance amounts classified as instruction expense were $71,369 and $70,717 for the fiscal years ended June 30, 2023, and 2022, respectively.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

12. NET ASSETS

A. General Information

The University's net assets as of June 30 are as follows:

SUMMARY OF NET ASSETS

	Without donor restrictions	With donor restrictions	**2023** Total
Endowment			
True endowment	$ -	$ 7,148,935	$ 7,148,935
Funds functioning as endowment (FFE)	1,698,435	475,272	2,173,707
Total true endowment and FFE	$ 1,698,435	$ 7,624,207	$ 9,322,642
Perpetual beneficial interests	-	230,637	230,637
Total University endowment	$ 1,698,435	$ 7,854,844	$ 9,553,279
Other net assets			
Operations	$ 422,400	$ 670,153	$ 1,092,553
Student loans	10,846	60,193	71,039
Facilities and equipment	2,615,370	306,772	2,922,142
Annuity and other split-interest agreements	-	216,756	216,756
Contributions receivable, net	-	747,786	747,786
Long-term accruals	(565,429)	-	(565,429)
Total net assets	$ 4,181,622	$ 9,856,504	$ 14,038,126

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SUMMARY OF NET ASSETS

	Without donor restrictions	With donor restrictions	**2022** Total
Endowment			
True endowment	$ -	$ 6,999,589	$ 6,999,589
Funds functioning as endowment (FFE)	1,669,735	459,195	2,128,930
Total true endowment and FFE	$ 1,669,735	$ 7,458,784	$ 9,128,519
Perpetual beneficial interests	-	220,728	220,728
Total University endowment	$ 1,669,735	$ 7,679,512	$ 9,349,247
Other net assets			
Operations	$ 518,051	$ 656,066	$ 1,174,117
Student loans	10,541	56,230	66,771
Facilities and equipment	2,538,405	237,540	2,775,945
Annuity and other split-interest agreements	-	171,864	171,864
Contributions receivable, net	-	803,204	803,204
Long-term accruals	(626,796)	-	(626,796)
Total net assets	$ 4,109,936	$ 9,604,416	$ 13,714,352

Net asset balances for operations (without donor restrictions) are affected primarily by operating activities and strategic decisions to invest expendable balances in funds functioning as endowment and capital projects. Long-term accruals represent longer-term liabilities including the unfunded amounts of pension and postretirement benefits, vacation accruals, conditional asset retirement obligations for asbestos remediation, and fair-value adjustment of interest-rate swaps.

The balance of net assets permanently restricted for the fiscal years ended June 30, 2023, and 2022 were $4,906,947 and $4,731,164, respectively, and included in with donor restrictions.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

B. Endowment

The University endowment net assets on June 30 were held in support of the following purposes:

SUMMARY OF ENDOWMENT PURPOSE

	2023	2022
Academic programs and research	$ 2,709,863	$ 2,662,782
Financial aid	2,621,279	2,549,896
General purpose and facilities support	1,921,617	1,882,713
Professorships	1,893,196	1,866,722
CU Foundation	176,687	166,406
Total true endowment and FFE, end of year	$ 9,322,642	$ 9,128,519

Of the endowment assets held at the University, 98 percent were invested in the LTIP at June 30, 2023, and 2022. The LTIP is a mutual-fund-like vehicle used for investing the University's true endowments, funds functioning as endowments, and other funds that are not expected to be expended for at least five years. The University employs a unit method of accounting for the LTIP. Each participating fund enters into and withdraws from the pooled investment account based on monthly unit fair values. Participation in the LTIP using unrestricted funds requires a minimum investment of one hundred thousand dollars and a commitment of at least five years.

On June 30, 2023, 297 of 8,053 true endowment funds invested in the LTIP had a total historic dollar value of $233,853 and a fair value of $223,529, resulting in these endowments being underwater by a total of $10,324. On June 30, 2022, 239 of 7,944 true endowment funds invested in the LTIP had a total historic dollar value of $167,166 and a fair value of $158,004, resulting in these endowments being underwater by a total of $9,162.

Changes in the endowment net assets, exclusive of funds held in trust by others, for the fiscal years ended June 30 are presented below:

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SUMMARY OF ENDOWMENT ACTIVITY

	Without donor restrictions	With donor restrictions	**2023** Total
True endowment and FFE, beginning of year	$1,669,735	$7,458,784	$ 9,128,519
Investment return			
Net investment income	12,528	58,141	70,669
Net realized and unrealized gain/(loss)	43,567	204,551	248,118
Total investment return	$ 56,095	$ 262,692	$ 318,787
New gifts	43,796	198,210	242,006
Amounts appropriated for expenditure/reinvestment	(63,617)	(297,634)	(361,251)
Other changes and reclassifications	(7,574)	2,155	(5,419)
Total true endowment and FFE, end of year	$1,698,435	$7,624,207	$ 9,322,642

SUMMARY OF ENDOWMENT ACTIVITY

	Without donor restrictions	With donor restrictions	**2022** Total
True endowment and FFE, beginning of year	$1,726,967	$7,514,849	$ 9,241,816
Investment return			
Net investment income	6,052	27,130	33,182
Net realized and unrealized gain/(loss)	(21,085)	(107,459)	(128,544)
Total investment return	$ (15,033)	$ (80,329)	$ (95,362)
New gifts	1,586	264,072	265,658
Amounts appropriated for expenditure/reinvestment	(58,628)	(269,225)	(327,853)
Other changes and reclassifications	14,843	29,417	44,260
Total true endowment and FFE, end of year	$1,669,735	$7,458,784	$ 9,128,519

13. SELF-INSURANCE

The University retains some general liability and property risk through self-insured, deductible limits but purchases annual policies from third parties to provide coverage for the majority of those risks. In addition, the University has a self-funded student health plan and has an equity interest in a multi-provider captive insurance company for medical malpractice.

A. Medical Malpractice

The University obtains medical malpractice insurance through MCIC Vermont ("MCIC"). MCIC is a reciprocal risk retention group that provides medical malpractice insurance coverage and risk management services to its subscribers.

MCIC is owned by the University, New York-Presbyterian Hospital, and four other higher education institutions and their respective teaching hospitals. All of WCM's faculty physicians are enrolled in MCIC. The medical malpractice incurred but not reported liability is calculated annually on an actuarial basis.

WCM has recorded medical malpractice liabilities of $212,556 and $172,640 on June 30, 2023, and 2022, respectively, as deferred revenue and other liabilities in the consolidated statements of financial position. In addition, WCM maintains a reinsurance program with MCIC with anticipated recoveries of $159,880 and $119,777, respectively, recorded as accounts receivable (Note 3A).

B. Student Health Plan

The University has established a self-funded student health plan under Section 1124 of the New York State Insurance Law ("NYSIL"). The Student Health Plan ("SHP") provides health insurance coverage to students at the University's Ithaca-based campuses. As of July 1, 2020, with the approval of New York State Department of Financial Services ("NYS DFS"), SHP coverage was expanded to include the students at Weill Cornell Medical. Payment to the health center changed from a capitated amount per member to fee-for-service for claims adjudicated by Aetna Student Health as of August 1, 2021. This amount is included in the medical expenses for the SHP Plan year 2022-23. The table below summarizes of SHP operations occurring during the University's fiscal years ended June 30.

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SUMMARY OF STUDENT HEALTH PLAN OPERATIONS

	2023		2022		
	July 1 - June 30 (current plan year)	**2023** Fiscal year total	July 1 - July 31 (prior plan year)	August 1 - June 30 (current plan year)	**2022** Fiscal year total
Total revenue	$ 56,269	$ 56,269	$ 3,588	$ 50,695	$ 54,283
Expenses					
Medical and prescription drug expense	49,794	49,794	3,392	40,277	43,669
Health center capitation	-	-	198	-	198
Administrative fees	5,807	5,807	951	5,248	6,199
Total expenses	$ 55,601	$ 55,601	$ 4,541	$ 45,525	$ 50,066
Net income from health plan operations	$ 668	$ 668	$ (953)	$ 5,170	$ 4,217

The University has established reserves with the amounts necessary to satisfy obligations of the plan. Based on an analysis and recommendation of a qualified actuary, and with the approval of NYS DFS, the reserve for IBNR medical claims and claims reported-but-not-paid (“RBNP”) is maintained at an amount not less than 14.5 percent of expected medical claims and 5 percent of expected pharmacy drug claims. In addition, a separate contingency reserve has been established to satisfy unexpected obligations in the event of termination of the plan. The contingency reserve is maintained at an amount not less than 5 percent of the total current plan year premiums. NYS requires that the assets of the contingency reserve consist of certain investments of the types specified in Section 1404 of NYSIL. Prior to April 2022, the contingent reserve funds were invested in the University’s long-term investment pool (LTIP). The contingent reserve funds were withdrawn from the LTIP and the cash value of $3,627 was deposited in a cash and cash equivalents account in April 2022. The cash value of the contingent reserve funds was $3,767 and $3,631 as of June 30, 2023, and 2022 respectively. Premium revenue is billed in advance of the plan year (unearned) and recognized as revenue monthly as coverage is provided. Starting in fiscal year 2021, SHP changed from annual premium billing to semester billing. With semester billing, only six months’ premium was billed in advance rather than the full annual premium. The changes in the unearned premiums and SHP reserves during the fiscal years ended June 30 are presented below.

SUMMARY OF STUDENT HEALTH PLAN UNEARNED PREMIUMS

	2023		2022	
	Unearned premiums		Unearned premiums	
	2021-2022 plan year	2022-2023 plan year	2020-2021 plan year	2021-2022 plan year
Balance as of July 1	$ -	$ -	$ 2,458	$ -
Balance as of June 30	-	249	-	-
Net change	$ -	$ 249	$ (2,458)	$ -

Notes to Consolidated Financial Statements (dollars in thousands) June 30, 2023 and 2022

SUMMARY OF STUDENT HEALTH PLAN RESERVES

	IBNR/RBNP reserve		Contingency reserve	
	2023	2022	2023	2022
Balance as of July 1	$ 4,260	$ 3,531	$ 3,631	$ 3,214
Balance as of June 30	5,437	4,260	3,767	3,631
Net change	$ 1,177	$ 729	$ 136	$ 417

14. CONTINGENT LIABILITIES

The University is a defendant in various legal actions, some for substantial monetary amounts that arise out of the normal course of its operations. Of note, the University and other defendants have been named in multiple lawsuits related to alleged sexual misconduct by a former physician. Although the final outcome of the actions cannot be foreseen as of the date the consolidated financial statements were issued, the University's administration is of the opinion, after taking into account insurance coverage, that eventual liability, if any, will not have a material effect on the University's financial position.

15. SUBSEQUENT EVENTS

Based on the University's evaluation of subsequent events through October 20, 2023, the date on which the consolidated financial statements were issued, there were no other events with material impact on the University's consolidated financial statements.

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The following is a brief summary, prepared by Bond Counsel, of certain provisions of the Loan Agreement pertaining to the Series 2024 Bonds. Such summary does not purport to be complete and reference is made to the Loan Agreement for full and complete statements of such and all provisions. Defined terms used herein shall have the meanings ascribed to them in Appendix A.

Duration of Agreement

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

(Section 43)

Project Financing

The Authority agrees to use its best efforts to authorize, issue, sell and deliver the Bonds in the aggregate principal amount sufficient, together with other money available therefor, (i) to pay for the refunding of all or a portion of outstanding notes or bonds issued for the benefit of the University, (ii) pay for the Costs of the Project, and (iii) to pay Costs of Issuance. The proceeds of a Series of Bonds shall be applied as specified in the Series Resolutions or the Series Certificate(s) relating to such Series of Bonds.

(Section 4(1))

Construction of Projects

1. 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 thereof, 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.

2. (a) To the extent that moneys are available therefor, moneys in a Construction Fund shall be disbursed as the construction of the Project for which such fund was established progresses, but not more frequently than once a month, unless otherwise agreed to in writing by an Authorized Officer of the Authority, in amounts as shall be requested by the University pursuant to a request for disbursement as provided in the Loan Agreement, but not in excess of that reasonably determined by the Authority to be needed to reimburse the University for, or to pay, any costs and expenses constituting Costs of the Project previously paid or then due which were incurred by the University in connection with the Project.

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

3. The University will receive the disbursements of moneys in each Construction Fund to be made under the Loan Agreement, and will hold the right to receive the same, as a trust fund for the purpose of paying the Costs of the Project for which each disbursement was made, and will apply the same first to such payment before using any part thereof for any other purposes.

4. The University shall permit the Authority and its authorized representatives, at any time during normal business hours, to enter upon the property of the University, the Projects to inspect the Projects and all materials, fixtures and articles used or to be used in construction of the Projects, and to examine all Contract Documents. The University shall furnish to the Authority and its authorized representatives, when requested, copies of such Contract Documents. The University agrees to retain all original documentation related to expenditures for items which constitute Costs of the Project for at least three (3) years after the last of the Bonds or any refunding bonds are retired for inspection at any time by the Authority or its auditors.

5. An Authorized Officer of the Authority, in his sole and absolute discretion, may waive, from time to time, any of the conditions set forth in Section 5 of the Loan Agreement. Any such waiver shall not be deemed a waiver by the Authority of its right to thereafter require compliance with any such condition. The University acknowledges and agrees that disbursements from a Construction Fund are to be made by the Trustee and shall be made in accordance with the Resolution only upon receipt by the Trustee of the documents required by the Resolution to be executed and delivered in connection with such disbursements. The Authority agrees to provide the University with a copy of each certificate made by the Authority and delivered to the Trustee in connection with payments from a Construction Fund for the payment of Costs of Issuance.

6. A Project shall be deemed to be complete upon delivery to the Authority and the Trustee of a certificate signed by an Authorized Officer of the University which certificate shall be delivered as soon as practicable after the completion of such Project, or upon delivery to the Trustee and the University of a certificate signed by an Authorized Officer of the Authority and delivered at any time after completion of such Project. Any such certificate shall comply with the requirements of the Resolution. The Authority agrees that it will not execute and deliver any such certificate unless the Authority has notified the University in writing that, in the Authority's judgment, such Project has been completed substantially in accordance with the plans and specifications therefor and the University has failed to execute and deliver the certificate provided for in this paragraph within thirty (30) days after such notice is given. The moneys, if any, remaining in the Construction Fund after such Project has been deemed to be complete shall be paid as provided in the Resolution.

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

(Section 5)

Amendment of a Project; Cost Increases; Additional Bonds

1. A Project (to the extent financed by proceeds of Bonds) 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.

2. The University shall provide such moneys as in the reasonable judgment of an Authorized Officer of the Authority may be required for the cost of completing a Project in excess of the moneys in the Construction Fund established for such Project, whether such moneys are required as a result of an increase in the scope of the project or otherwise. Such moneys shall be paid to the Trustee for deposit in the applicable Construction Fund within fifteen (15) days of receipt of notice from the Authority that such moneys are required.

3. No Contract Documents shall be entered into after the date of execution of the Loan Agreement and no material modification, addition or amendment to the Contract Documents shall be made after the date of execution thereof, including without limitation change orders materially affecting the scope or nature of a Project or where the cost of implementing the change exceeds $50,000, without the prior written approval of an Authorized Officer of the Authority, which approval shall not be unreasonably withheld. The University agrees to furnish or cause to be furnished to the Authority copies of all change orders regardless of amount, upon the request of an Authorized Officer of the Authority therefor.

4. The Authority, upon the request of the University, may, but shall not be required to, issue Bonds to provide moneys required for the cost of completing a Project in excess of the moneys in the applicable Construction Fund or issue Refunding Bonds. Nothing contained in the Loan Agreement or in the Resolution shall be construed as creating any obligation upon the Authority to issue Bonds for such purpose, it being the intent thereof to reserve to the Authority full and complete discretion to decline to issue Bonds for such purpose. The proceeds of any additional Bonds shall be deposited and applied as specified in the Series Resolution authorizing such Bonds or the Bond Series Certificate relating to such Series of Bonds.

(Section 6)

Compliance with Governmental Requirements.

The Contract Documents shall conform to all Governmental Requirements in effect on their respective dates of execution. The University shall comply with (i) all Governmental Requirements which, if not complied with, could adversely affect the University, its operation or financial condition or title to its properties in any material respect, and (ii) any requirement of an insurance company writing insurance thereon irrespective of the nature of the work required to be done. Anything contained in this Section to the contrary notwithstanding, the University shall have the right to contest the validity of any Governmental Requirement or the application thereof at the University's sole cost and expense. During such contest, compliance with any such contested Governmental Requirement may be deferred by the University, provided that prior to commencing any action or proceeding, administrative or judicial, contesting such Governmental Requirement the University shall notify the Authority of the University's intention to contest such Governmental Requirement and, if the Authority requests, shall furnish to the Authority a surety bond, moneys or other security, satisfactory to the Authority, securing compliance with the contested Governmental Requirement and payment of all interest, penalties, fines, fees and expenses resulting from or in connection with such contest or the failure of the University to comply with the contested Governmental Requirement. Any such action or proceeding instituted by the University shall be commenced as soon as is reasonably possible after the assertion of the applicability to the Project or any part thereof of the contested Governmental Requirement by a governmental authority, and shall be prosecuted to final adjudication or other final disposition with reasonable dispatch. Notwithstanding the furnishing of any bond, deposit or other security, the University promptly shall comply with any such Governmental Requirement and compliance shall not be deferred if at any time the Project or any part thereof to which such contested Governmental Requirement relates would, in the reasonable judgment of the Authority, be in substantial danger by reason of the University's noncompliance with such Governmental Requirement of being sold, attached, forfeited, foreclosed, transferred, conveyed, assigned or otherwise subjected to any proceeding, equitable remedy, lien, charge, fee or penalty that would impair (i) the interests or security of the Authority hereunder or under the Resolution or the Series Resolutions, (ii) the ability of the Authority to enforce its rights thereunder, (iii) the ability of the Authority to fulfill the terms of any covenants or perform any of its obligations hereunder or under the Resolution or Series Resolutions or (iv) the ability of the University to fulfill the terms of any covenants or perform any of its obligations hereunder.

(Section 7)

Information Concerning the University

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

(Section 8)

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

1. Except to the extent that moneys are available therefor under the Resolution or under the Loan Agreement, including moneys in the Debt Service Fund, but excluding interest accrued but unpaid on investments held in the Debt Service Fund, the University 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 a Series of Bonds, the Authority Fee agreed to by the Authority and the Institution in connection with issuance of such Series of Bonds;

(b) On or before the date of delivery of Bonds of a Series, such amount, if any, as is specified in the Series Resolution authorizing the issuance of such Bonds or in the Bond Series Certificate relating to such Bonds, to pay the Costs of Issuance of such Bonds, and other costs in connection with the issuance of such Bonds;

(c) On the 20th day of the month preceding each interest payment date, the interest coming due on the Bonds on such interest payment date, provided that (i) for Variable Interest Rate Bonds for which the rate of interest may change during the period prior to such interest payment date, the interest rate for such period shall be assumed to be equal to the rate on the date of payment plus one percent and (ii) with respect to Variable Interest Rate Bonds bearing interest at a flexible rate, such payment shall be made on the Business Day preceding each interest payment date;

(d) On the 20th day of the month preceding the month in which the principal or a Sinking Fund Installment of Bonds becomes due, an amount equal to the principal and Sinking Fund Installments of such Bonds coming due;

(e) Except as otherwise provided in a Series Resolution or Bond Series Certificate, at least forty-five (45) (fifteen (15) in the case of Variable Interest Rate Bonds) days prior to any date on which the Redemption Price or purchase price in lieu of redemption 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 in lieu of redemption of such Bonds;

(f) [RESERVED].

(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 payable shall become effective, with respect to the Bonds on the date set forth in the Loan Agreement; and, provided, further, that the Annual Administrative Fee with respect to any 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 pursuant to subdivision 5 of Section 9 of the Loan Agreement and any expenses or liabilities incurred by the Authority pursuant to the Loan Agreement, (iii) for the costs and expenses incurred to compel full and punctual performance of all the provisions of the Loan Agreement, and the Resolution in accordance with the terms of the Loan Agreement and the Resolution, (iv) for the fees and expenses of the Trustee and any Paying Agent in connection with performance of their duties under the Resolution, and (v) for any external costs or expenses 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;

(i) On the date a Series of Bonds is issued, an amount equal to the Authority Fee in connection with issuance of such Series of Bonds;

(j) 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;

(k) On the date of issuance of a Series of Bonds issued to pay or provide for the payment of outstanding notes of the Authority issued to finance a Project or to renew or refund notes issued for such purpose, an amount to be determined by an Authorized Officer of the Authority in accordance with instructions from the University, which determination shall be binding on the University, equal to either (i) the principal of the notes originally issued to finance such Project that would have been paid during the period since the delivery of the notes to be paid or for which provision for payment is to be made, to the July 1 immediately succeeding the date such Bonds are issued, assuming that the principal of the notes originally to finance such Project were being amortized through annual payments of principal and interest payable on each July 1 succeeding the date on which such notes were issued to and including the July 1 next succeeding the twentieth (20th) anniversary of the date on which such notes were issued and that the amount of principal of and interest on such notes payable on any July 1 is as nearly equal as practicable to the amount of principal and interest payable on each other July 1 or (ii) such lesser amount determined by the Authority, which amount shall be specified in a Series Resolution;

(l) Immediately upon notice to the University by an Authorized Officer of the Authority, an amount equal to the purchase price of Option Bonds tendered for purchase which Bonds have not been remarketed pursuant to a Remarketing Agreement or purchased pursuant to a Credit Facility or Liquidity Facility;

(m) Immediately upon notice to the University by an Authorized Officer of the Authority, the amount, in immediately available funds, of the discount at which Option Bonds tendered or deemed tendered have been remarketed pursuant to a Remarketing Agreement;

(n) 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 of rebates, yield reduction payments, interest and penalty if any, required to be paid 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;

(o) On the Business Day immediately preceding an interest payment date, if the amount on deposit in the Debt Service Fund is less than the amounts, respectively, required for payment of interest on the Outstanding Bonds, for the payment of principal on the Outstanding Bonds or for the payment of Sinking Fund Installments on the Outstanding Bonds due and payable on such interest payment date, the amount of any such deficiency;

(p) With respect to any Bonds held by a Liquidity Facility Issuer, promptly upon demand of an Authorized Officer of the Authority, any amounts due on such Bonds; and

(q) Promptly upon demand by an Authorized Officer of the Authority, all amounts required to be paid by the Authority to a Qualified Hedge Provider in accordance with a Qualified Hedge or to reimburse the Authority for any amounts paid to a Qualified Hedge Provider in accordance with a Qualified Hedge.

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 (d) of subdivision 1 of Section 9 of the Loan Agreement 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 payable on the next succeeding principal payment date, the University delivers to the Trustee for cancellation one or more Bonds of the Series and maturity to be so redeemed on such date. The amount of the credit shall be equal to the principal amount of the Bonds so delivered and cancelled prior to the date notice of redemption thereof is given.

The Authority directs the University, and the University agrees, to make the payments required by paragraphs (c), (d), (e), (j) and (o) of subdivision 1 of Section 9 of the Loan Agreement directly to the Trustee for deposit in the Debt Service Fund and application in accordance with the Resolution, the payments required by paragraph (b) of subdivision 1 of Section 9 of the Loan Agreement 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 paragraph (n) of subdivision 1 of Section 9 of the Loan Agreement directly to the Trustee for deposit in the Arbitrage Rebate Fund, the payments required by paragraph (k) of subdivision 1 of Section 9 of the Loan Agreement as directed by an Authorized Officer of the Authority, the payments required by paragraphs (a), (g), (h), (i), (1), (m), (p) and (q) of subdivision 1 of Section 9 of the Loan Agreement directly to or upon the order of the Authority.

2. Notwithstanding any provisions in the Loan Agreement or in the Resolution to the contrary (except as otherwise specifically provided for in subdivision 2 of Section 9 of the Loan Agreement), 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 under the Loan Agreement, first, with respect to interest and, then, with respect to the principal amount of such indebtedness, but only to the extent that, with respect to interest on such indebtedness, such moneys are applied by the Trustee for the payment of interest on Outstanding Bonds, and, with respect to the principal of such indebtedness, such moneys have been applied to, or are held for, payments in reduction of the principal amount of Outstanding Bonds and as a result thereof Bonds have been paid or deemed to have been paid in accordance with the Resolution. Notwithstanding any provision in the Loan Agreement or in the Resolution or the Series Resolution to the contrary (except as otherwise specifically provided for in subdivision 2 of Section 9 of the Loan Agreement), (i) all moneys paid by the University to the Trustee pursuant to paragraphs (c), (d), (e), (j) and (o) of subdivision 1 of Section 9 of the Loan Agreement (other than moneys received by the Trustee pursuant to the Resolution which shall be retained and applied by the Trustee for its own account) shall be received by the Trustee as agent for the Authority in satisfaction of the University's indebtedness to the Authority with respect to the interest on and principal or Redemption Price of the Bonds to the extent of such payment and (ii) the transfer by the Trustee of any moneys (other than moneys described in clause (i) of subdivision 2 of Section 9 of the Loan Agreement) held by it in the Construction Fund to the Debt Service Fund in accordance with the applicable provisions of the Loan Agreement or of the Resolution shall be deemed, upon such transfer, receipt by the Authority from the University of a payment in satisfaction of the University's indebtedness to the Authority with respect to the Redemption Price of the Bonds to the extent of the amount of moneys transferred. 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.

3. The obligations of the University to make payments or cause the same to be made under the Loan Agreement shall be complete 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 are, or the Resolution is, invalid or unenforceable or any other failure or default by the Authority or the Trustee; provided, however, that nothing in the Loan Agreement shall be construed to release the Authority from the performance of any agreements on its part in the Loan Agreement contained or any of its other duties or obligations, and in the event the Authority shall fail to perform any such agreement, duty or obligation, the 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 relating to 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.

4. 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 nonpayment of the amounts payable at the time and in the manner provided in the Loan Agreement. The University shall notify the Authority as to the amount and date of each payment made to the Trustee or the Tender Agent by the University.

5. The Authority shall have the right in its sole discretion to make on behalf of the University any payment required pursuant to Section 9 of 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 pursuant to the Loan Agreement 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.

6. 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 accordance with the directions of an Authorized Officer of the Authority in the Debt Service Fund or held by the Trustee for the payment of Bonds in accordance with the Resolution. Upon any voluntary payment by the University, the Authority agrees to direct the Trustee to purchase or redeem Bonds in accordance with the Resolution or to give the Trustee irrevocable instructions in accordance with the Resolution with respect to such Series of Bonds; provided, however, that in the event such voluntary payment is in the sole judgment of the Authority sufficient to pay all amounts then due under the Loan Agreement and under the Resolution, including the purchase or redemption of all Bonds Outstanding, or to pay or provide for the payment of all Bonds Outstanding in accordance with the Resolution, the Authority agrees, in accordance with the instructions of the University, to direct the Trustee to purchase or redeem all Bonds Outstanding, or to cause all Bonds Outstanding to be paid or to be deemed paid in accordance with the Resolution.

(Section 9)

Consent to Pledge and Assignment by the Authority

The University consents to and authorizes the assignment, transfer or pledge by the Authority to the Trustee of the Authority's rights to receive the payments required to be made pursuant to the Loan Agreement to secure any payment or the performance of any obligation of the University pursuant to the Loan Agreement or arising out of the transactions contemplated by 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 the Loan Agreement, the Trustee shall be fully vested with all of the rights of the Authority so assigned and pledged and may thereafter exercise or enforce, by any remedy provided 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 securing the University's obligation to make all payments required under the Loan Agreement and to performing all other obligations required to be performed by the University under the Loan Agreement.

The University covenants, warrants and represents that it is or, with response to actions to be taken after the date of execution of the Loan Agreement, would be duly authorized by all applicable laws, its charter and by-laws or Resolution adopted pursuant thereto to enter into the Loan Agreement, any Remarketing Agreement and any Liquidity Facility, to incur the indebtedness contemplated thereby. The University further covenants that the provisions thereof are and shall be valid and legally enforceable obligations of the University in accordance with their terms. The University further covenants, warrants and represents that the execution and delivery thereof, and the consummation of the transaction contemplated and compliance with the provisions thereof, do not violate, conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the charter or by-laws of the University or any indenture or mortgage, or any trusts, endowments or other commitments or agreements to which the University is party or by which it or any of its properties are bound, or any existing law, rule, regulation, judgment, order, writ, injunction or decree of any governmental authority, body, agency or other instrumentality or court having jurisdiction over the University or any of its properties.

(Section 10)

Maintenance of Corporate Existence

The University covenants that it will maintain its corporate existence, will continue to operate as an institution for higher education, will obtain, maintain and keep in full force and effect such governmental approvals, consents, licenses, permits and accreditations as may be necessary for the continued operation of the University as an institution for higher education providing such programs of instruction as it may from time to time determine, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more corporations to consolidate with or merge into it; provided, however, that if no Event of Default shall have occurred and be continuing and prior written notice shall have been given to the Authority and the Trustee, the University may (i) sell or otherwise transfer all or substantially all of its assets to, or consolidate with or merge into, another organization or corporation which qualifies under Section 501(c)(3) of the Code, or any successor provision of federal income tax law, or (ii) permit one or more corporations or any other organization to consolidate with or merge into it, or (iii) acquire all or substantially all of the assets of one or more corporations or any other organization; provided, however, (a) that any such sale, transfer, consolidation, merger or acquisition does not in the opinion of counsel satisfactory to the Authority adversely affect the exemption from federal income tax of the interest paid or payable on the Bonds, (b) that the surviving, resulting or transferee corporation, as the case may be, is incorporated under the laws of the State, and qualified under Section 501(c)(3) of the Code or any successor provision of federal income tax law, and (c) that the surviving, resulting or transferee corporation, as the case may be, assumes in writing all of the obligations of and restrictions on the University under the Loan Agreement and under any Remarketing Agreement, any Liquidity Facility, any Credit Facility and furnishes to the Authority a certificate to the effect that upon such sale, transfer, consolidation, merger or acquisition such corporation shall be in compliance with each of the provisions of the Loan Agreement and shall meet the requirements of the Act. Furthermore, such sale, transfer, consolidation, merger, acquisition or other disposition shall occur only if, after giving effect to such sale, transfer, consolidation, merger, acquisition or other disposition, (x) no Event of Default would exist under the Loan Agreement or under the Resolution and, (y) the surviving, resulting or transferee corporation is in compliance with the covenants contained in Sections 11, 12 and 13 the Loan Agreement on the date of such sale, transfer, consolidation, merger, acquisition or other disposition.

(Section 18)

Tax-Exempt Status

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

(Section 16)

Arbitrage; Rebate Calculations

1. (a) The University and the Authority covenant that they shall take no action, nor approve the Trustee's taking any action or making any investment or use of the proceeds of Bonds, which would cause the Bonds or any Series of Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and any proposed or final regulations thereunder as are applicable to the Bonds at the time of such action, investment or use. (b) The University, or any related person, as defined in Section 147(a)(2) of the Code, shall not, pursuant to an arrangement, formal or informal, purchase Bonds in an amount related to the amount of any obligation to be acquired from the University by the Authority. The University will, on a timely basis, provide the Authority with all necessary information and funds not in the Authority's possession, to enable the Authority to comply with the arbitrage and rebate requirements of the Code.

The Authority shall retain in its possession, so long as required by the Code, copies of all documents, reports and computations made by it in connection with the calculation of rebate, yield reduction payments and interest and penalties and the payment of all or a portion thereof to the Department of the Treasury of the United States of America, which shall be subject at all reasonable times to the inspection of the University and its agents and representatives, any of whom may make copies thereof. Upon written request therefor from the University the Authority shall as soon as practicable provide the University with a copy of any such document, report or computation. The Authority shall also provide the University with a copy of all documents or reports filed with the Department of Treasury of the United States of America relating to the foregoing.

(Section 36)

Use of Projects

The University agrees that at least ninety-five percent (95%) of the Projects shall be occupied or used only by or for students or members of the faculty or staff of the University, or, on a temporary basis, persons connected with educational, research or other activities incidental to the operations of the University, subject to and consistent with the requirements of the Loan Agreement. Subject to the rights, duties and remedies of the Authority under the Loan Agreement, the University shall have sole and exclusive control of, 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 Project.

(Section 20)

Covenant as to Insurance

(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 paragraph (a) of 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 30th preceding the Authority's receipt of such request shall be furnished to the University by the Authority.

(Section 23)

Damage or Condemnation

In the event of a taking of any Project or any portion thereof by eminent domain or of condemnation, damage or destruction affecting all or part of such property or any Project which substantially impairs the use of such property or Project or part thereof for its intended purpose, then and in such event the entire proceeds of any insurance, condemnation or eminent domain award shall be paid to the University, and

> (a) within one hundred twenty (120) days after such taking, condemnation, damage or destruction or such longer period as may be agreed to by the Authority and the University, the University shall proceed to repair, replace or restore such property, such Project or the affected portion thereof, including all fixtures, furniture, equipment and effects, to its original condition insofar as possible with such changes and additions as shall be appropriate to the needs of the University; or
>
> (b) if the University shall not have commenced the restoration or replacement of such property, such Project or the affected portion thereof within one hundred twenty (120) days after such taking, condemnation, damage or destruction or such longer period as may be agreed to by the Authority and the University, all respective proceeds (other than the proceeds of builders' risk insurance) shall be delivered to the Trustee for deposit to the Debt Service Fund.

Notwithstanding this Section 24, condemnation and insurance proceeds with respect to a Project financed with proceeds of an issue of bonds (other than Bonds) a portion of which remains outstanding under the resolution pursuant to which such bonds were issued which are required by such resolution or the loan agreement or other agreement relating to such bonds to be applied in a particular manner shall be so applied. If there is no such requirement, then the Authority shall determine the portion of such proceeds attributable to the Refunded Bonds and such portion shall be applied pursuant to this Section 24.

(Section 24)

Defaults and Remedies

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

(a) the University shall default in the timely payment of any amount payable pursuant to the Loan Agreement or the payment of any other amounts required to be delivered or paid in accordance with the Loan Agreement or the Resolution, and such default continues for a period in excess of ten (10) days;

(b) the University defaults in the due and punctual performance of any other covenant in the Loan Agreement contained and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given by the Authority or the Trustee, provided that, if in the determination of the Authority such default cannot be corrected within such thirty (30) day period, 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 or Holders of the Bonds shall be seeking the enforcement of any remedy under the Resolution as a result thereof;

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

(e) 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;

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

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

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

(i) 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;

(j) 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 an aggregate of thirty (30) days; or

(k) 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 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.

2. 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 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; and

(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, (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 paragraph (e) of subdivision 2 of Section 29 of the Loan Agreement, (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 paragraph (e) of subdivision 2 of Section 29 of the Loan Agreement 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 subparagraph 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.

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

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 subdivision 2 of Section 29 of the Loan Agreement and its consequences if such Events of Default shall be cured. No such annulment shall extend or affect any subsequent default or impair any right consequent thereto.

(Section 29)

Compliance with Resolution

The University approves of and agrees to the provisions of the Resolution. The Authority agrees not to amend or modify the Resolution or the Series Resolutions without the prior written consent of the University. The University agrees to do all things within its power in order to enable the Authority to comply with all requirements and to fulfill all covenants of the Resolution which require the University to comply with requests or obligations so that the Authority will not be in default in the performance of any covenant, condition, agreement or provision of the Resolution.

(Section 30)

Tax Covenants

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

(Section 35)

Effective Date

The Loan Agreement as amended through March 9, 2016 has been and shall continue to be effective as of the date hereof. The additional amendments contained therein shall be effective as of the date on which the requisite consent of Outstanding Holders is obtained.

(Section 47)

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

The following is a brief summary, prepared by Bond Counsel, of certain provisions of the Resolution. 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.

Resolution Constitutes a Contract

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 the Resolution or permitted thereby.

(Section 1.03)

Pledge of Revenues

The proceeds from the sale of any Bonds, the Revenues, the rights of the Authority to receive all payments to be made under the Loan Agreement that are to be deposited with the Trustee, and all funds and accounts, excluding the Arbitrage Rebate Fund, established under the Resolution and by any Series Resolution are pledged and assigned to the Trustee as security for the payment of the principal, Sinking Fund Installments, if any, 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 under any Series Resolution, all in accordance with the provisions thereof. The pledge made under the Resolution is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of any Bonds, the Revenues, the right of the Authority to receive payments to be made under the Loan Agreement that are to be deposited with the Trustee, and all funds and accounts, excluding the Arbitrage Rebate Fund, established under the Resolution and by any Series Resolution shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds shall be special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of any Bonds, the Revenues, the right of the Authority to receive payments to be made under the Loan Agreement that are to be deposited with the Trustee, and all funds and accounts, excluding the Arbitrage Rebate Fund, established under the Resolution and by any Series Resolution, which pledge shall constitute a first lien thereon.

Notwithstanding anything to the contrary contained in the Resolution, the Authority may incur Credit/Liquidity Facility Obligations which are payable from the Revenues on a parity with the Bonds and which are secured by a lien upon or pledge of the Revenues which is of equal priority with the lien created and the pledge made under the Resolution.

(Section 5.01)

Establishment of Funds and Accounts

The following funds and separate accounts within funds are established and shall be held and maintained by the Trustee, except that a separate Construction Fund shall be established for each Project pursuant to a Series Resolution or other resolution authorizing the issuance of Notes, and each such Construction Fund shall be held and maintained by the Trustee:

(a) Debt Service Fund; and

(b) Arbitrage Rebate Fund.

If prior to the adoption of a Series Resolution authorizing the issuance of Bonds to finance the Costs of a Project and a Construction Fund for such Project has been established, such Series Resolution may make reference to such Construction Fund and need not create a further such fund.

All moneys at any time deposited in any fund created under the Resolution, other than the Arbitrage Rebate Fund, or by a Series Resolution or required under the Resolution or under the Series Resolution 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.

(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, the Trustee shall deposit in the Construction Fund or Funds established for the Project or Projects in connection with which such Series of Bonds was issued 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 of Bonds and the Costs of the Project for which such fund was established. For purposes of internal accounting, a Construction Fund may contain one or more subaccounts, as the Authority or the Trustee may deem proper.

Payments for Costs of Issuance shall be made by the Trustee upon receipt of, and in accordance with, a certificate or certificates signed by an Authorized Officer of the Authority stating the names of the payees, the purpose of each payment and the respective amount of each such payment. Payments for Costs of a Project shall be made by the Trustee upon receipt of, and in accordance with, a certificate or certificates signed by an Authorized Officer of the Authority, substantiated by a certificate filed with the Authority signed by an Authorized Officer of the University, describing in reasonable detail the purpose for which moneys were used and the amount thereof, and further stating that such purpose constitutes a necessary part of the Costs of the Project to which such certificate relates, except that payments to pay interest on Bonds shall be made by the Trustee upon receipt of, and in accordance with, the direction of an Authorized Officer of the Authority directing the Trustee to transfer such amount from the Construction Fund to the Debt Service Fund.

Any proceeds of condemnation or eminent domain awards received by the Trustee, the Authority or the University with respect to a Project shall be applied in accordance with the Loan Agreement and, if necessary, the Construction Fund established for such Project may be re-established for such purpose.

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

Upon receipt of a certificate delivered pursuant to this subdivision, the moneys, if any, then remaining in the Construction Fund established for the Project to which such certificate relates, 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 by the Trustee as follows and in the following order of priority:

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

To the Debt Service Fund or, upon the direction of an Authorized Officer of the Authority, to one or more of the Construction Funds, or to both, in the respective amounts set forth in such direction, 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 thereof be deposited or paid by the Trustee as follows and in the following order of priority:

First: To the Debt Service Fund (i) in the case of Revenues received during the period from the beginning of each Bond Year until December 31 thereof, the amount, if any, necessary to make the amount in the Debt Service Fund equal to (a) the interest on Outstanding Bonds payable on or prior to the next succeeding January 1, including the interest estimated by the Authority to be payable on Variable Interest Rate Bonds on and prior to the next succeeding January 1, (b) the Sinking Fund Installments of Outstanding Bonds becoming due and 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 Section 5.06 of 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 becoming due and payable on or prior to the next succeeding July 1, including the interest estimated by the Authority to be payable on Variable Interest Rate Bonds on and prior to such July 1 and (b) the purchase price or Redemption Price of Outstanding Bonds theretofore contracted to be purchased or called for redemption pursuant to Section 5.06 of the Resolution on or prior to the next succeeding July 1, plus accrued interest thereon to the date of purchase or redemption; and

Second: 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 Second.

The Trustee shall notify the Authority and the University promptly after making the payments required by Section 5.05 the Resolution, of any balance of Revenues then remaining. After making the payments required by Section 5.05 the Resolution, 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 Agent 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 Section 5.06 of the Resolution shall be irrevocably pledged to and applied to such payments.

Notwithstanding certain provisions of Section 5.06 of the Resolution, 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 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 that such Term Bond is canceled by the Trustee prior to the date on which notice of redemption is given.

Notwithstanding certain provisions of Section 5.06 of the Resolution, the University pursuant to the Loan Agreement may deliver, at any time subsequent to July 1 of any Bond Year, but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, to the Trustee for cancellation one or more Term Bonds of the Series and maturity to be so redeemed on such date from such Sinking Fund Installment. Any Term Bond so delivered to the Trustee 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 of Outstanding Bonds payable on or prior to the next succeeding July 1, the interest on Outstanding Bonds payable on the next succeeding interest payment date 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 retained therein or applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority to: (i) 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 and in such manner as an Authorized Officer of the Authority shall direct; (ii) to the redemption of Bonds as provided in the Resolution, at the Redemption Prices specified in the Series Resolution authorizing the issuance of such Bonds or the Bond Series Certificate relating to such Bonds; or (iii) to the defeasance of the Bonds in accordance with Section 12.01 of the Resolution.

(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 certain 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 paid (as rebate, yield, reduction payments, interest, penalties or otherwise) 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 paid shall be deposited to the Debt Service Fund in accordance with the directions of such Authorized Officer.

If and to the extent required by the Code, the Authority shall periodically, at such times as may be required to comply with the Code, determine the amount of earnings on the investment of proceeds of Bonds and direct the Trustee to (i) transfer from any other of the funds and accounts held by the Trustee under the Resolution and deposit to the Arbitrage Rebate Fund all or a portion of the amount that the Authority has determined may be required by the Code to be paid (as rebate, yield reduction payments, interest, penalties or otherwise) to the Department of the Treasury of the United States of America, and (ii) pay out of the Arbitrage Rebate Fund to the Department of the Treasury of the United States of America the amount, if any, required by the Code to be paid thereto (as rebate, yield reduction payments, interest, penalties or otherwise).

Excess moneys in the Arbitrage Rebate Fund pursuant to Section 5.08 of the Resolution shall be deposited to the Revenue Fund 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 thereof, 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 subdivision 2 of Section 12.01 of 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 under the Resolution and by each Series Resolution, or (ii) give the Trustee irrevocable instructions in accordance with subdivision 2 of Section 12.01 of 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 Held by the Trustee

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 or Exempt Obligations; provided 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 thereof.

In lieu of the investments of moneys in obligations authorized in Section 6.02 of the Resolution, the Trustee shall, to the extent permitted by law, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority, invest moneys in the Construction Fund in (i) interest-bearing time deposits, certificates of deposit or other similar investment arrangements including, but not limited to, written repurchase agreements relating to Government Obligations, with banks, trust companies, savings banks, savings and loan associations, or securities dealers approved by the Authority the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation; (ii) Exempt Obligations or (iii) Investment Agreements; provided that (w) each such investment shall permit the moneys so deposited or invested to be available for use at the times at, and in the amounts in, which the Authority reasonably believes such moneys will be required for the purposes thereof, (x) all moneys in each such interest-bearing time deposit, certificate of deposit or other similar investment arrangement shall be continuously and fully secured by ownership of or a security interest in Government Obligations of a market value determined by the Trustee or its agent on a daily valuation equal to the amount deposited or invested including interest accrued thereon, (y) the obligations securing such interest-bearing time deposit or certificate of deposit or which are the subject of such other similar investment arrangement 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 Government Obligations securing such time deposit or certificate of deposit or which are the subject of such other similar investment arrangement shall be free and clear of claims of any other person.

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

In computing the amount in any fund or account held by the Trustee under the provisions of the Resolution, obligations purchased as an investment of moneys therein or held therein 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 upon receipt of such direction 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 Section 6.02 of the Resolution. Except as otherwise provided in the Resolution, the Trustee shall sell at the best price obtainable, or present for redemption or exchange, any investment held by it pursuant to the Resolution whenever it shall be necessary in order to provide 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 in writing, on or before the fifteenth (15th) day of each calendar month, of the amounts required to be on deposit in each fund and account under the Resolution and of the details of all investments held for the credit of each fund and account in its custody under the provisions thereof as of the end of the preceding month and as to whether such investments comply with the provisions of Section 6.02 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)

Security for Deposits

All moneys held under the Resolution by the Trustee shall be continuously and fully secured, for the benefit of the Authority and the Holders of the Bonds, by direct obligations of the United States of America or obligations the principal of and interest on which are guaranteed by the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; provided, however, (a) that if the securing of such moneys is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it shall not be necessary for the Trustee or any Paying Agent to give security for the deposit of any moneys with them pursuant to Section 5.06 or Section 12.01 of the Resolution and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any moneys which shall be represented by obligations purchased or other investments made under the provisions of the Resolution as an investment of such moneys.

(Section 6.01)

Place and Medium of Payment

Except as otherwise provided in a Series Resolution, interest on Bonds shall be paid by wire transfer to the registered owner thereof at the wire transfer address (which shall be in the continental United States) to which such registered owner has, not less than five (5) days prior to the fifteenth (15^{th}) day (whether or not a Business Day and unless otherwise specified in a Series Resolution or Bond Series Certificate) of the calendar month next preceding an interest payment date, directed the Trustee to wire such interest payment.

All Bonds of each Series shall mature on such date as is specified in a Series Resolution or a Bond Series Certificate. Interest on all Bonds of each Series, except the first installment of interest due on such Bonds of a Series and interest on Variable Interest Rate Bonds the rate at which such Bonds bear interest is adjusted more frequently than semi-annually, shall be payable semi-annually on such dates as are specified in a Series Resolution or a Bond Series Certificate.

(Section 3.01)

Redemption of Bonds and Notice of Redemption

In the case of any redemption of Bonds at the election or direction of the Authority or the University, the University shall give written notice to the Trustee of its election or direction so to redeem or, if the University shall fail to give such notice, the Authority shall give such notice, of the redemption date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed. The Series, maturities and principal amounts thereof to be redeemed shall be determined by the Authority in accordance with instructions from the University, subject to any limitations with respect thereto contained herein. Such notice shall be given to the Trustee (i) with respect to Bonds, other than Variable Interest Rate Bonds, at least forty-five (45) days prior to the date on which such Bonds are to be redeemed and (ii) with respect to Variable Interest Rate Bonds, at least fifteen (15) Business Days prior to the date on which such Variable Interest Rate Bonds are to be redeemed, or (iii) such lesser number of days prior to such redemption date as shall be acceptable to the Trustee. Except if otherwise provided in a Series Resolution or a Bond Series Certificate, the notice of redemption required by Section 4.05 hereof to be given shall not be given with respect to Bonds to be redeemed pursuant to this Section unless prior to the date such notice is to be given the Authority shall have paid or caused to be paid to the Trustee an amount of moneys which, in addition to other moneys available therefor held by the Trustee, is sufficient to redeem, on the redemption dates at the Redemption Price thereof, together with interest accrued to the redemption date, all of the Bonds to be so redeemed.

Whenever Bonds are to be redeemed, the Trustee shall give notice of the redemption of the Bonds in the name of the Authority which notice shall specify: (i) the Bonds to be redeemed and the date such Bonds were issued, their maturity date and interest rate (ii) the numbers and other distinguishing marks of the Bonds to be redeemed, including CUSIP numbers; (iii) the redemption date; (iv) the Redemption Price; (v) of each such Bond, the principal amount thereof to be redeemed; (vi) the date of publication, if any of the notice of redemption; (vii) that such Bonds will be redeemed at the principal corporate trust office of the Trustee giving the address thereof and the name and telephone number of a representative of the Trustee to whom inquiries may be directed; (viii) that no representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in such notice and that an error in a CUSIP number as printed on a Bond or as contained in such notice shall not affect the validity of the proceedings for redemption; and (ix) if a Series Resolution or a Bond Series Certificate provides that the Authority's obligation to redeem the Bonds of the applicable Series is subject to conditions, a statement that describes the condition to such redemption. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued and unpaid to the redemption date, and that, from and after such date, payment having been made or provided for, interest thereon shall cease to accrue. Such notice shall be given by mailing a copy of such notice, first-class mail, postage prepaid, not less than thirty (30) days prior to the redemption date for Bonds, other than Variable Interest Rate Bonds, and not less than fifteen (15) days prior to the redemption date for Variable Interest Rate Bonds, to the owners of any registered Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books.

(Section 4.02 and Section 4.05)

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 Section 2.04 the Resolution and of the Series Resolution authorizing such Series of Refunding Bonds or the Bond Series Certificate relating to such Series of Refunding Bonds.

The Refunding Bonds of such Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by the Resolution) of:

If the Bonds to be refunded are to be redeemed, irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on a redemption date specified in such instructions;

Irrevocable instructions to the Trustee, satisfactory to it, to give the notice provided for in Section 12.01 of the Resolution to the Holders of the Bonds being refunded;

Either (i) moneys in an amount sufficient to effect payment at maturity or at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the maturity or redemption date, which money shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Holders of the Bonds to be refunded or (ii) Defeasance Securities in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of said Section 12.01 of the Resolution, which Defeasance Securities and moneys shall be held in trust and used only as provided in said Section; and

A certificate of an Authorized Officer of the Authority containing such additional statements as may be reasonably necessary to show compliance with the requirements of Section 2.04 of the Resolution.

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, entitled to a charge or 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 provided by the Resolution or with respect to the moneys pledged under the Resolution unless expressly permitted by Section 7.06 of the Resolution.

(Sections 2.04 and 2.06)

Accounts and Audits

The Authority shall keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Authority, shall be subject to the inspection of the University, the Trustee or of any Holder of a Bond or his representative duly authorized in writing. The Trustee shall annually prepare a report which shall be furnished to the Authority, to each Facility Provider and to the University. Such report shall include at least: a statement of all funds (including investments thereof) held by such Trustee and the Authority pursuant to the provisions hereof and of each Series Resolution; a statement of the Revenues collected in connection herewith and with each Series Resolution; and complete and correct entries of the Authority's transactions relating to each Series of Bonds.

A copy of such report, shall, upon receipt of a written request therefor, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond or any beneficial owner of a Book-Entry Bond requesting the same.

(Section 7.05)

Creation of Liens

Except as permitted by the Resolution, the Authority shall not create or cause to be created any lien or charge prior or equal to the Bonds on the proceeds from the sale of any 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 and by any Series Resolution which are pledged by the Resolution; provided, however, that the Authority may (i) issue bonds, notes or other obligations or otherwise incur indebtedness under another and separate resolution or agreement so long as the charge or lien created thereby is not prior or equal to the charge or lien created by the Resolution, (ii) incur Credit/Liquidity Facility Obligations which are secured by a lien upon and pledge of the Revenues which lien and pledge is of equal priority with the lien created and pledge made by the Resolution.

(Section 7.06)

Tax Exemption; Rebate

In order to maintain the exclusion from gross income for Federal income tax purposes, the Authority shall comply with the provisions of the Code applicable to the Bonds of a Series, including without limitation the provisions of the Code relating to the computation of the yield on investments of the Gross Proceeds of a Series of Bonds, reporting of earnings on the Gross Proceeds of a Series of Bonds, and rebates of Excess Earnings to the Department of the Treasury of the United States of America (all as defined in the Code). In furtherance of the foregoing, the Authority shall comply with the provisions of the Tax Certificate.

The Authority shall not take any action or fail to take any action which would cause the Bonds of a Series to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

Notwithstanding any other provision thereof to the contrary, the Authority's failure to comply with the provisions of the Code applicable to the Bonds of a Series shall not entitle the Holder of Bonds of any other Series, or the Trustee acting on their behalf, to exercise any right or remedy provided to Bondholders under the Resolution based upon the Authority's failure to comply with the provisions of Section 7.14 of the Resolution or of the Code.

(Section 7.14)

Events of Default

An event of default shall exist under the Resolution and under each Series Resolution (called "event of default") if:

Payment of the principal, Sinking Fund Installment, if any, or Redemption Price of 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

Payment of an installment of interest on any Bond shall not be made when the same shall become due and payable; or

The Authority shall default in the due and punctual performance of the covenants contained in the Resolution 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

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 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 per centum (25%) in principal amount of the Outstanding Bonds; unless, if such default is not capable of being cured within thirty (30) days, the Authority has commenced to cure such default within said thirty (30) days and diligently prosecutes the cure thereof; or

An "Event of Default," as defined in the Loan Agreement, arising out of or resulting from the failure of the University to comply with the requirements of 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.

(Section 11.02)

Acceleration of Maturity

Upon the happening and continuance of any event of default specified in Section 11.02 of the Resolution, other than paragraph (c) thereof, then and in every such case the Trustee may, and upon the written request of the Holders of not less than twenty-five per cent (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 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 per centum (25%) in principal amount of the Bonds not then due by their terms and then Outstanding and 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 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 (other than a default in the payment of the principal of such Bonds then due only because of a declaration under Section 11.02 of the Resolution) or in the Bonds or any Series Resolution 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 specified in Section 11.02 of the Resolution, then and in every such case, the Trustee may proceed, and upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, or, in the case of the happening and continuance of an event of default specified in paragraph (c) of Section 11.02 of the Resolution, upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, shall, proceed (subject to the provisions in the Resolution), 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 and under any Series Resolution or in aid or execution of any power granted in the Resolution, 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 thereof 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 such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the money adjudged or decreed to be payable.

(Section 11.04)

Consent of Facility Provider

Whenever by the terms of the Resolution, the consent of any of the Holders of the Bonds to a modification or amendment of the Resolution made by a Series Resolution or Supplemental Resolution is required, such modification or amendment shall not become effective until the written consent of each Facility Provider has been obtained; provided, however, that the consent of a Facility Provider which has provided a Credit Facility or a Liquidity Facility shall not be required unless the modification or amendment requires the consent of the Holders of any percentage in principal amount of Outstanding Bonds or of the Holders of any percentage in principal amount of the Bonds of the Series in connection with which such Credit Facility or Liquidity Facility was provided; provided further that, if and to the extent provided in a Series Resolution or Bond Series Certificate, (i) a Facility Provider which has provided a Credit Facility for all or a portion of such Series of Bonds and (ii) a Facility Provider which has provided a Liquidity Facility for all or a portion of a Series of Bonds that is subject to tender at the option of the holders thereof at least as frequently as weekly and such holders are given at least 30 days' notice of any proposed modification or amendment hereto, in each case shall be deemed to be the Owner of all the Bonds of such Series supported by such Credit Facility or Liquidity Facility for all purposes of the provisions of the Resolution relating to amendment of the Loan Agreement; Series Resolutions and Supplemental Resolutions; amendment of the Resolution; and defaults and remedies, to the exclusion of the persons in whose names such Bonds are registered on the registration books maintained by the Trustee.

Notice of the adoption of any such Series Resolution or Supplemental Resolution and of the effectiveness of the modification or amendment made thereby shall be given to each Facility Provider by mail at the times and in the manner provided in the Resolution with respect to notices thereof required to be given to the Holders of the Bonds. Notice thereof shall also be given to each Rating Agency as soon as practical after adoption of such supplemental Resolution and of the effectiveness thereof.

(Section 10.04)

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 specified in paragraph (i) of Section 11.02 of the Resolution, 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 cent (25%) in principal amount of the Outstanding Bonds, or in the case of an event of default under paragraph (c) of Section 11.02 of the Resolution, 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 or for any other remedy under the Resolution. 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, 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)

Modification and Amendment Without Consent

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

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;

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;

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;

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;

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 provisions thereof, of the Revenues or of any other moneys, securities or funds;

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

With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision of 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 modifications 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 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 provided in the Resolution, (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 the Holders of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given, or (iii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under the Resolution. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment. A Series shall be deemed to be affected by a modification or amendment of the Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not in accordance with the foregoing provisions 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 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 of Bonds for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Authority to the Holders of Bonds (but failure to mail such copy and request to any particular Bondholder shall not affect the validity of the Supplemental Resolution when consented to as provided in the Resolution). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of the Holders of the percentages of Outstanding Bonds specified in the Resolution and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been mailed as provided in the Resolution. Each such consent shall be effective only if accompanied by proof of the holding 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 of the Bonds described in such certificate or certificates of the Trustee. Any such 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 is filed, such revocation in the manner permitted by the Resolution. 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 University 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 the Resolution, shall be given to the Bondholders by the Authority by mailing such notice to the Bondholders (but failure to mail such notice to any particular Bondholder shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section provided). The Authority shall file with the Trustee proof of the mailing of such notice, and, if the same shall have been published, of the publication thereof. A transcript, consisting of the papers required or permitted by the Resolution to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Trustee, each Paying Agent and the Holders of all Bonds upon the mailing of such last mentioned notice.

The purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase and the remarketing agent for Option Bonds of a Series, upon a mandatory tender date for such Option Bonds, may consent to an amendment, change, modification or waiver of the Resolution with the same effect as a consent given by the Holders of such Bonds.

(Section 10.02)

Amendment of Loan Agreement

The Loan Agreement may not be amended, changed, modified, altered or terminated so as to adversely affect the interest of the Holders of 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 Section 7.11 of the Resolution; 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 under the Loan Agreement or extend the time of payment thereof. The Loan Agreement may be amended, changed, modified or altered with the consent of the Trustee but without the consent of the Holders of Outstanding Bonds to provide necessary changes in connection with the issuance of Bonds, in connection with the acquisition, construction, reconstruction, rehabilitation and improvement of, or otherwise providing, furnishing and equipping any facility constituting a part of a Project or which may be added to a Project, to cure any ambiguity, to correct or supplement any provisions contained in the Loan Agreement which may be defective or inconsistent with any other provisions contained in the Loan Agreement or to provide other changes which will not adversely affect the interests of such Holders. 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 Section 7.11 the Resolution, 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. The Trustee may in its discretion determine whether or not in accordance with the foregoing provisions, Bonds of any particular Series would be adversely affected by any amendment, change, modification or alteration, and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds.

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

For the purposes of Section 7.11 of the Resolution, 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 Section 7.11 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 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 Section 7.11 of the Resolution if (i) the Trustee has mailed notice of such proposed amendment to the Holder of such Bonds in the same manner required by Article X of the Resolution for an amendment to the Resolution, (ii) on the Auction Date for such Bond occurring at least twenty (20) days after the date on which the aforementioned notice is given by the Trustee the interest rate determined on such date is the Winning Bid Rate and (iii) there is delivered to the Authority and the Trustee an opinion of Bond Counsel to the effect that such amendment shall not adversely affect the validity of such Auction Rate Bond or any exemption from federal income tax to which the interest on such Auction Rate Bond would otherwise be entitled. As used in this paragraph the following terms shall have the respective meanings: *"Auction Rate Bond"* means a Variable Interest Rate Bond that is not an Option Bond, and that bears interest at rates determined by periodic auctions in accordance with procedures therefore established by the Series Resolution authorizing such Bond or the Bond Series Certificate related thereto; *"Auction Date"* means, with respect to particular any Auction Rate Bond, the date on which an auction is held or required to be held for such Bond in accordance with the procedures established therefore; and *"Winning Bid Rate"* when used with respect to an auction held for any particular Auction Rate Bond, shall have the meaning given to such term in the Series Resolution authorizing such Auction Rate Bond or the Bond Series Certificate related thereto, or, if not otherwise defined, means the lowest rate specified in any purchase bid submitted in such auction, which, if selected, would cause the aggregate principal amount of Auction Bonds offered to be sold in such auction to be subject to purchase bids at rates no greater than the rate specified in such purchase bid.

(Section 7.11)

Defeasance

1. 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 Series of Bonds and all other rights granted by the Resolution to such Series of Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Authority, and all moneys or other Securities held by it pursuant to the Resolution and to the applicable Series Resolution which are not required for the payment or redemption of Bonds of such Series not theretofore surrendered for such payment or redemption 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 the Authority; second, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Loan Agreement in payment of any fees and expenses or pursuant to any indemnity; and, then, the balance thereof to the University. The moneys and 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.

2. 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 subdivision 1 of Section 12.01 of the Resolution. 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 subdivision 1 of Section 12.01 of the Resolution 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 such 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 Facility 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 Facility 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 such Bonds at their last known addresses appearing on the bond 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 Section 12.01 of the Resolution and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds. The Authority shall give written notice to the Trustee of its selection of the maturity payment of which shall be made in accordance with Section 12.01 of the Resolution. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in accordance with Section 12.01 of the Resolution in the manner provided in the Resolution. Neither the Defeasance Securities nor moneys deposited with the Trustee pursuant to Section 12.01 of the Resolution nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds; provided 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 and subject to any applicable tax covenant, 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; and provided further, however, 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 thereinabove 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 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.

3. For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or Defeasance Securities and moneys, if any, in accordance with the second sentence of subdivision 2 of Section 12.01 of the Resolution, 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 subdivision 2 of Section 12.01 of the Resolution, the Trustee shall, if requested by the Authority, first, pay the amount of such excess to the Arbitrage Rebate Fund in accordance with the directions of an Authorized Officer of the Authority; second, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Loan Agreement in payment of any fees and expenses or pursuant to any indemnity; and then the balance thereof, if any, to the University free and clear of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

4. Option Bonds shall be deemed to have been paid in accordance with the second sentence of subdivision 2 of Section 12.01 of the Resolution only if, in addition to satisfying the requirements of clauses (a) and (c) of such

sentence, there shall have been deposited with the Trustee moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; provided, however, that if, at the time a deposit is made with the Trustee pursuant to subdivision 2 of Section 12.01 of the Resolution, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of subdivision 4 of Section 12.01 of the Resolution. 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, first, pay the amount of such excess to the Arbitrage Rebate Fund in accordance with the directions of an Authorized Officer of the Authority; second, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Loan Agreement in payment of any fees and expenses or pursuant to any indemnity; and then balance thereof, if any, to the University free and clear of any trust, pledge, lien, encumbrance or security interest created by the Resolution or by the Loan Agreement.

5. Anything in the Resolution to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bonds or the interest thereon which remain unclaimed for three (3) years after the date when such moneys become due and payable, upon such Bonds, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or Paying Agent at such date or for one (1) year after the date of deposit of such moneys if deposited with the Trustee or the Paying Agent after such date when all of the Bonds of such Series become due and payable , shall at the written request of the Authority, be repaid by the Trustee or Paying Agent to the Authority as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Holders of such Bonds, shall look only to the Authority for the payment of such Bonds; provided, however, that, before being required to make any such payment to the Authority, the Trustee or Paying Agent may, at the expense of the Authority cause to be published in an Authorized Newspaper a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after the date of publication of such notice, the balance of such moneys then unclaimed shall be returned to the Authority.

(Section 12.01)

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

FORM OF APPROVING OPINION OF CO-BOND COUNSEL

_________, 2024

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

Re: $600,000,000 Dormitory Authority of the State of New York
Cornell University Revenue Bonds, Series 2024A

Ladies and Gentlemen:

We have acted as bond counsel to the Dormitory Authority of the State of New York (the "Authority") in connection with the issuance of $600,000,000 aggregate principal amount of its Cornell University Revenue Bonds, Series 2024A (the "Bonds"), issued pursuant to the provisions of the Dormitory Authority Act, as amended, constituting Chapter 524 of the Laws of 1944 of New York, as amended (constituting Title 4 of Article 8 of the New York Public Authorities Law), and the Authority's Cornell University Revenue Bond Resolution, adopted January 26, 2000, as supplemented and amended (the "Resolution"), including as supplemented and amended by the Series 2024A Resolution Authorizing Cornell University Revenue Bonds, Series 2024A In An Amount Not Exceeding $800,000,000, adopted January 10, 2024 (the "Resolution"). The Authority has entered into a Loan Agreement with Cornell University (the "Institution"), dated as of January 26, 2000, as supplemented and amended to date (the "Loan Agreement"), providing, among other things, for a loan to the Institution for the purposes permitted thereby and by the Resolution. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

In such connection, we have reviewed the Resolution, the Loan Agreement, the Tax Certificate and Agreement dated as of the date hereof (the "Tax Certificate") between the Authority and the Institution, opinions of counsel to the Authority, the Trustee and the Institution, certificates of the Authority, the Trustee, the Institution and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

We have relied on the opinion of Ropes & Gray LLP, counsel to the Institution, regarding, among other matters, the current qualification of the Institution as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"). We note that such opinion is subject to a number of qualifications and limitations. We have also relied on representations of the Institution concerning the Institution's "unrelated trade or business" activities as defined in Section 513 of the Code. We note that the opinion of counsel to the Institution does not address Section 513 of the Code. Failure of the Institution to be organized and operated in accordance with the Internal Revenue Service's requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code, or use by the Institution of the bond-financed or refinanced facilities in activities that are considered unrelated trade or business activities of the Institution within the meaning of Section 513 of the Code, may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of issuance of the Bonds.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Authority. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to above. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution, the Loan Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Resolution, the Loan Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated April 10, 2024 (the "Official Statement"), or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Authority has been duly created and is validly existing as a body corporate and politic constituting a public benefit corporation of the State of New York.

2. The Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Resolution, will be payable solely from the sources provided therefor in the Resolution and will be entitled to the benefit of the Resolution and the Act.

3. The Resolution is in full force and effect, has been duly adopted by, and constitutes the valid and binding obligation of, the Authority. The Resolution creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Revenues and any other amounts (including the proceeds of the sale of the Bonds) held by the Trustee in any fund or account established pursuant to the Resolution, except the Arbitrage Rebate Fund and the Bond Purchase Fund, subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

4. The Loan Agreement has been duly executed and delivered by the Authority and, assuming due execution and delivery thereof by the Institution, constitutes a valid and binding agreement of the Authority in accordance with its terms.

5. The Bonds are not a lien or charge upon the funds or property of the Authority except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of New York or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of New York, and the State of New York is not liable for the payment thereof.

6. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. We observe that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Interest on the Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.*

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP
HOLLEY& PEARSON-FARRER LLP

* To be provided by Orrick only.

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
CORNELL UNIVERSITY REVENUE BONDS, SERIES 2024A

This **AGREEMENT TO PROVIDE CONTINUING DISCLOSURE** (the "Disclosure Agreement"), dated as of April __, 2024, is executed and delivered by Cornell University (the "Obligated Person"), The Bank of New York Mellon, as Trustee (the "Trustee") and Digital Assurance Certification, L.L.C. ("DAC"), as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) issued by the Dormitory Authority of the State of New York (the "Issuer" or "DASNY") and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the parties hereto through use of the DAC system and are not intended to constitute "advice" within the meaning of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC is not obligated hereunder to 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.

PART 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 Section 2 of this Disclosure Agreement, by which the Annual Report is to be filed with the MSRB.

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

"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 of this Disclosure Agreement.

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

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

"Resolution" means DASNY's bond resolution(s) pursuant to which the Bonds were issued.

"Trustee" means The Bank of New York Mellon and its successors and assigns.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (a) through (k) of Section 2.6 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7 of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (a) through (i) of Section 2.6 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7 of this Disclosure Agreement.

PART 2 – PROVISION OF ANNUAL REPORTS.

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 150 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 2), commencing with the fiscal year ending June 30, 2024, 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.

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 this Section 2. Upon such reminder, the Obligated Person 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 this Section 2 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.

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.

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 of this Disclosure Statement 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.

The Disclosure Dissemination Agent shall:

2.1 verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

2.2 upon receipt, promptly file each Annual Report received under this Section 2 with the MSRB;

2.3 upon receipt, promptly file each Audited Financial Statement received under this Section 2 with the MSRB;

2.4 upon receipt, promptly file the text of each Notice Event received under Section 4 of this Disclosure Agreement with the MSRB, identifying the Notice Event as instructed pursuant to Section 4 (being any of the categories set forth below) when filing pursuant to Section 4 of this Disclosure Agreement:

(a) Principal and interest payment delinquencies;

(b) Non-Payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) Modifications to rights of securities holders, if material;

(h) Bond calls, if material, and tender offers;

(i) Defeasances;

(j) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(k) Ratings changes;

(l) Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

(m) 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;

(n) Appointment of a successor or additional trustee, or the change of name of a trustee, if material;

(o) The 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, any of which affect security holders, if material; and

(p) Default, event of acceleration, termination event, modification of terms or other similar events under a Financial Obligation of the Obligated Person, if any such event reflects financial difficulties;

2.5 upon receipt (or irrevocable direction pursuant to this Section 2, 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 this Section 2;

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

(a) "amendment to continuing disclosure undertaking;"

(b) "change in obligated person;"

(c) "notice to investors pursuant to bond documents;"

(d) "certain communications from the Internal Revenue Service;"

(e) "secondary market purchases;"

(f) "bid for auction rate or other securities;"

(g) "capital or other financing plan;"

(h) "litigation/enforcement action;"

(i) "change of tender agent, remarketing agent, or other on-going party;"

(j) "derivative or other similar transaction;" and

(k) "other event-based disclosures;"

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

(a) "quarterly/monthly financial information;"

(b) "change in fiscal year/timing of annual disclosure;"

(c) "change in accounting standard;"

(d) "interim/additional financial information/operating data;"

(e) "budget;"

(f) "investment/debt/financial policy;"

(g) "information provided to rating agency, credit/liquidity provider or other third party;"

(h) "consultant reports;" and

(i) "other financial/operating data;" and

2.8 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.

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.

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.

PART 3 - CONTENT OF ANNUAL REPORTS.

Each Annual Report shall contain:

Annual Financial Information with respect to the Obligated Person which shall include operating data and financial information of the type included in the Official Statement for the Bonds as described in "PART 6 -THE UNIVERSITY" relating to: (1) *student admissions*, similar to that set forth under the table heading, "First Year Admission Statistics;" (2) *student enrollment*, similar to that set forth under the table heading "Enrollment Summary;" (3) *tuition and other student charges*, similar to that set forth under the table heading, "Tuition Rates;" (4) *financial aid*, similar to that set forth under the table heading, "Sources of Undergraduate Aid;" (5) *University finances*, unless such information is included in the Audited Financial Statements; (6) *gifts and investments*, unless such information is included in the Audited Financial Statements; and (7) *outstanding indebtedness*, unless such information is included in the Audited Financial Statements, together with a narrative explanation as may be necessary to avoid misunderstanding regarding the presentation of such Annual Financial Information concerning the Obligated Person; and

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 of this Disclosure Agreement.

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

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

PART 4 – REPORTING OF NOTICE EVENTS.

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 and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

    Note to subsection (12) of this Section 4: For the purposes of the event described in subsection (12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation or acquisition involving the Obligated Person, or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

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

15. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

The Obligated Person shall, in a timely manner not in excess of ten business days after its occurrence, notify the Trustee and the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Upon actual knowledge of the occurrence of a Notice Event, the Trustee shall promptly notify the Obligated Person and also shall notify the Disclosure Dissemination Agent in writing of the occurrence of such Notice Event. Each such notice shall instruct Disclosure Dissemination Agent to report the occurrence pursuant to this Section 4 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 2.4 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).

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 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 2.4 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).

If the Disclosure Dissemination Agent has been instructed as prescribed in 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 2.4 of this Disclosure Agreement. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

PART 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.

PART 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.

PART 7 – VOLUNTARY FILING.

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 2.6 of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this Section 7 to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2.6 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.

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 2.7 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 to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2.7 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.

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 this Section 7 or to file any Voluntary Financial Disclosure pursuant to this Section 7.

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.

PART 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.

PART 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.

PART 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.

PART 11 – DUTIES, IMMUNITIES AND LIABILITIES OF DISCLOSURE DISSEMINATION AGENT.

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 11 shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

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.

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.

PART 12 – NO ISSUER OR TRUSTEE RESPONSIBILITY.

The Obligated Person and the Disclosure Dissemination Agent acknowledge that neither the Issuer nor the Trustee have undertaken any responsibility, and shall not be required to undertake any responsibility, with respect to any reports, notices or disclosures required by or provided pursuant to this Disclosure Agreement other than those notices required under Section 4 of this Disclosure Agreement, and shall have no liability to any person, including any Holder of the Bonds, with respect to any such reports, notices or disclosures other than those notices required under Section 4 of this Disclosure Agreement. 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.

PART 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:

13.1 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;

13.2 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;

13.3 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;

13.4 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;

13.5 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.

PART 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.

PART 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).

PART 16 – COUNTERPARTS

This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

The Disclosure Dissemination Agent, the Trustee and the Obligated Person have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: ____
Authorized Officer

CORNELL UNIVERSITY,
Obligated Person

By: ____
Authorized Officer

THE BANK OF NEW YORK MELLON,
as Trustee

By: ____
Authorized Officer

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer:	Dormitory Authority of the State of New York
Obligated Person(s):	Cornell University
Name of Bond Issue:	Cornell University Revenue Bonds, Series 2024A
Date of Issuance:	_______, 2024
Date of Official Statement:	_______, 2024

Maturity	CUSIP No.

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):	Cornell University
Name of Bond Issue:	Cornell University Revenue Bonds, Series 2024A
Date of Issuance:	_______, 2024

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 _______, 2024, by and among the Obligated Person, The Bank of New York Mellon, as Trustee and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Obligated Person has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by ______________.

Dated: ______________________________

Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent, on behalf of the Obligated Person

____

cc: Obligated Person

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and Obligated Person's Names:

____

Six-Digit CUSIP Number:

____

____

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

____

Number of pages attached: _____

Description of Notice Events (Check One):

1. _______ "Principal and interest payment delinquencies;"
2. _______ "Non-Payment related defaults, if material;"
3. _______ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _______ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _______ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _______ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. _______ "Modifications to rights of securities holders, if material;"
8. _______ "Bond calls, if material;"
9. _______ "Defeasances;"
10. _______ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _______ "Rating changes;"
12. _______ "Tender offers;"
13. _______ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. _______ "Merger, consolidation, or acquisition of the obligated person, if material;"
15. _______ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
16. _______ "Incurrence of a Financial Obligation of the obligated person, if material;" 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 reflecting 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 notice" will be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of _______, 2024 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 event 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 Continuing Disclosure Agreement dated as of _______, 2024 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 event 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:

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

DORMITORY AUTHORITY OF THE STATE OF NEW YORK • CORNELL UNIVERSITY REVENUE BONDS, SERIES 2024A

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

Printed by: ImageMaster, LLC
www.imagemaster.com