NEW ISSUE–Book-Entry-Only **Moody's: "A1"**
(See "RATING" herein.)

In the opinion of Barclay Damon LLP, Bond Counsel to the Issuer, under existing law, and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by the Issuer, the College and others, interest on the Series 2024A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Barclay Damon LLP is further of the opinion that interest on the Series 2024A Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code; however, interest on the Series 2024A Bonds that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. In the opinion of Barclay Damon LLP, interest on the Series 2024B Bonds is not excluded from gross income for federal income tax purposes. Barclay Damon LLP is also of the opinion that, under existing law, interest on the Series 2024 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "TAX MATTERS" herein regarding certain other tax considerations.

$22,055,000
SCHENECTADY COUNTY CAPITAL RESOURCE CORPORATION
Tax-Exempt Revenue Bonds (Union College Project), Series 2024A

$24,880,000
SCHENECTADY COUNTY CAPITAL RESOURCE CORPORATION
Taxable Revenue Bonds (Union College Project), Series 2024B

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

The Schenectady County Capital Resource Corporation Tax-Exempt Revenue Bonds (Union College Project), Series 2024A in the aggregate principal amount of $22,055,000 (the "Series 2024A Bonds") and the Schenectady County Capital Resource Corporation Taxable Revenue Bonds (Union College Project), Series 2024B in the aggregate principal amount of $24,880,000 (the "Series 2024B Bonds," and together with the Series 2024A Bonds, the "Series 2024 Bonds"), are being issued pursuant to a Trust Indenture, dated as of June 1, 2024 (the "Indenture"), by and between the Schenectady County Capital Resource Corporation (the "Issuer") and Manufacturers and Traders Trust Company, as trustee (the "Trustee") and are payable solely out of the revenues or other receipts, funds or moneys of the Issuer pledged therefor or otherwise available to the Trustee for the payment thereof, including those derived under a Loan Agreement, dated as of June 1, 2024 (the "Loan Agreement"), between the Issuer and The Trustees of Union College in the Town of Schenectady in the State of New York (the "College").

The Series 2024 Bonds will bear interest at the rates shown on the inside cover to this Official Statement. The Series 2024 Bonds will be subject to optional redemption, purchase in lieu of optional redemption, mandatory redemption and acceleration prior to maturity. See "THE SERIES 2024 BONDS – Redemption Prior to Maturity".

Interest on the Series 2024 Bonds will be payable on each January 1 and July 1, commencing January 1, 2025. The Series 2024 Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as Securities Depository for the Series 2024 Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or any multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Series 2024 Bonds. Principal and interest will be paid at the direction of the Issuer by the College to the Trustee, which will remit such principal and interest to DTC, which will in turn remit such principal and interest to its Participants (as defined herein) for subsequent distribution to the Beneficial Owners (as defined herein) of the Series 2024 Bonds. See "THE SERIES 2024 BONDS – Book-Entry Only System".

THE SERIES 2024 BONDS WILL BE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM PAYMENTS MADE BY THE COLLEGE UNDER THE LOAN AGREEMENT AND ANY MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE INDENTURE. THE SERIES 2024 BONDS DO NOT CONSTITUTE AND SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR OF THE COUNTY OF SCHENECTADY, NEW YORK AND NEITHER THE STATE OF NEW YORK OR THE COUNTY OF SCHENECTADY, NEW YORK SHALL BE LIABLE THEREON. THE SERIES 2024 BONDS DO NOT GIVE RISE TO A PECUNIARY LIABILITY OR CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE OF NEW YORK OR OF THE COUNTY OF SCHENECTADY, NEW YORK. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR THE INTEREST ON ANY SERIES 2024 BOND AGAINST ANY MEMBER, OFFICER, EMPLOYEE OR AGENT OF THE ISSUER.

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

The Series 2024 Bonds are offered when, as and if issued and received by the Underwriter and subject to the receipt of the unqualified legal opinion as to the validity of the Series 2024 Bonds of Barclay Damon LLP, Albany, New York, Bond Counsel. Certain legal matters will be passed upon for the College by its special counsel, Bond, Schoeneck & King PLLC, Syracuse, New York. Certain legal matters will be passed upon for the Underwriter by its counsel, Greenberg Traurig, LLP, Boston, Massachusetts. It is anticipated that the Series 2024 Bonds will be available for delivery in book-entry only form to DTC or its custodial agent on or about June 27, 2024.

Barclays

June 17, 2024.

Maturities, Principal Amounts, Interest Rates, Prices/Yields and CUSIP Numbers

$22,055,000
Schenectady County Capital Resource Corporation
Tax-Exempt Revenue Bonds
(Union College Project), Series 2024A

Due (July 1)	Principal Amount	Interest Rate	Yield	CUSIP Number†
2036	$6,985,000	5.000%	3.180%*	806418BG3
2037	7,345,000	5.000	3.270*	806418BH1
2038	7,725,000	5.000	3.320*	806418BJ7

$24,880,000
Schenectady County Capital Resource Corporation
Taxable Revenue Bonds
(Union College Project), Series 2024B

$24,880,000 5.625% Term Bond due July 1, 2044, Price: 97.079 CUSIP Number†: 806418BK4

* Yield to the first optional redemption date of the Series A Bonds of July 1, 2034.
† CUSIP is a registered trademark of the American Bankers Association ("ABA"). The CUSIP numbers herein are provided by the CUSIP Service Bureau which is managed on behalf of the ABA by FactSet Research Systems Inc. The CUSIP numbers are provided for convenience of reference only. None of the College, the Issuer, the Trustee or the Underwriter take any responsibility for the accuracy of such numbers. The CUSIP numbers are included solely for the convenience of holders and no representation is made as to the correctness of the CUSIP numbers printed above. CUSIP numbers assigned to the Series 2024 Bonds may be changed during the term of the Series 2024 Bonds based on a number of factors including but not limited to the refunding or defeasance of such issues or the use of secondary market financial products. None of the Issuer, the College, the Underwriter or the Trustee has agreed to, nor is there any duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers printed above.

No dealer, broker, salesperson or other person has been authorized by the College or the Underwriter to give any information or to make any representations with respect to the Series 2024 Bonds, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Series 2024 Bonds by any persons in any jurisdiction in which it is unlawful to make such offer, solicitation or sale prior to registration or qualification under the securities laws of any such jurisdiction. This Official Statement is not to be construed as a contract with the purchasers of the Series 2024 Bonds.

The distribution of this Official Statement and the offer or sale of Series 2024 Bonds may be restricted by law in certain jurisdictions. None of the Issuer, the College or the Underwriter represent that this Official Statement may be lawfully distributed, or that any Series 2024 Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering.

The information set forth in this Official Statement has been obtained from the College and other sources which are believed to be reliable. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the College or that the information contained herein is correct at any time subsequent to the date hereof.

Neither the Issuer nor any of its members, directors, agents, employees or representatives has reviewed this Official Statement or investigated the statements or representations contained herein, except for those statements relating to the Issuer set forth under the captions "INTRODUCTION – The Issuer", "THE ISSUER" and "LITIGATION – The Issuer." Except with respect to the information contained under such captions, neither the Issuer nor any of its members, directors, agents, employees or representatives makes any representation as to the completeness, sufficiency and truthfulness of the statements set forth in this Official Statement. Members of the governing body of the Issuer and any other person executing the Series 2024 Bonds are not subject to personal liability by reason of the issuance of the Series 2024 Bonds. Other than the information under the captions "INTRODUCTION – The Issuer", "THE ISSUER" and "LITIGATION – The Issuer," the Issuer assumes no responsibility for this Official Statement and has not reviewed or undertaken to verify any information contained herein.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2024 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2024 BONDS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2024 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED. THE SERIES 2024 BONDS DESCRIBED HEREIN HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER SECURITIES REGULATORY AUTHORITY NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER SECURITIES REGULATORY AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Certain statements included or incorporated by reference in this Official Statement constitute "forward looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend," "projection" or other similar words. A number of important factors, including factors affecting the College's financial condition and factors which are otherwise unrelated thereto, could cause actual results to differ materially from those stated in such forward looking statements. THE COLLEGE DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR.

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OFFICIAL STATEMENT
of the
SCHENECTADY COUNTY CAPITAL RESOURCE CORPORATION

Relating to

$22,055,000 **Schenectady County Capital Resource Corporation** **Tax-Exempt Revenue Bonds** **(Union College Project), Series 2024A**	**$24,880,000** **Schenectady County Capital Resource Corporation** **Taxable Revenue Bonds** **(Union College Project), Series 2024B**

INTRODUCTION

The purpose of this Official Statement, including the cover page, inside cover page and the appendices attached hereto, is to provide information in connection with the issuance by the Schenectady County Capital Resource Corporation (the "Issuer") of its Tax-Exempt Revenue Bonds (Union College Project), Series 2024A in the aggregate principal amount of $22,055,000 (the "Series 2024A Bonds") and its Taxable Revenue Bonds (Union College Project), Series 2024B in the aggregate principal amount of $24,880,000 (the "Series 2024B Bonds," and together with the Series 2024A Bonds, the "Series 2024 Bonds"). The following is a brief description of certain information concerning the Series 2024 Bonds, the Issuer and The Trustees of Union College in the Town of Schenectady in the State of New York (a.k.a Union College) (the "College"). 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. The Series 2024 Bonds are authorized to be issued pursuant to a resolution of the Issuer adopted on May 15, 2024 (the "Resolution"). The Series 2024 Bonds will be issued under a Trust Indenture, dated as of June 1, 2024 (the "Indenture"), by and between the Issuer and Manufacturers and Traders Trust Company, as trustee (the "Trustee"), and the proceeds of the Series 2024 Bonds are being loaned by the Issuer to the College pursuant to a Loan Agreement, dated as of June 1, 2024, between the Issuer and the College (the "Loan Agreement"). Certain capitalized terms not otherwise defined herein are defined in APPENDIX C – "GLOSSARY AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN OF THE FINANCING DOCUMENTS."

Purpose of the Issue

The Series 2024 Bonds are being issued to (i) refund all of the outstanding principal amount of the College's Taxable Fixed Rate Refunding Bonds, Series 2015A (the "Series 2015A Bonds") and defease and repay a portion of the outstanding principal amount of the Issuer's Tax-Exempt Revenue Bonds (Union College Project), Series 2017 (the "Series 2017 Bonds"), (ii) finance certain capital improvement projects on the College's campus and finance, refinance or reimburse the College for certain lease payments with respect to the Mohawk Harbor Hockey Arena, as further described herein, and (iii) pay certain costs of issuance of the Series 2024 Bonds. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF BOND PROCEEDS" herein.

The Issuer

The Issuer is a not-for-profit local development corporation created as a public instrumentality of the County of Schenectady, New York (the "County"), for the purpose of promoting the economic welfare of the inhabitants of the County. The Issuer was formed under the Not-For-Profit Corporation Law of the State of New York (the "State") and is operated under Article 14 of the Not-For-Profit Corporation Law, as amended from time to time (the "Act"). The Issuer has no taxing power. See "THE ISSUER".

The College

The College is an independent, coeducational, undergraduate liberal arts college located in the City of Schenectady, New York. See "THE COLLEGE", APPENDIX A – "CERTAIN INFORMATION CONCERNING THE COLLEGE" and APPENDIX B – "AUDITED FINANCIAL STATEMENTS OF THE COLLEGE".

Sources of Payment and Security for the Series 2024 Bonds

The Series 2024 Bonds are special and limited obligations of the Issuer payable solely from payments made by the College under the Loan Agreement and any moneys and securities held by the Trustee under the Indenture. The Series 2024 Bonds are secured by the Indenture and the Loan Agreement as described herein. Payments required to be made by the College under the Loan Agreement will be in amounts sufficient to pay when due the principal and redemption price of and interest on the Series 2024 Bonds. The payments pursuant to the Loan Agreement are an unsecured general obligation of the College. The College is not restricted by the Loan Agreement from incurring additional indebtedness. Such additional indebtedness, if issued, may be either unsecured or secured by certain property of the College, and may be entitled to payment prior to payment on the Series 2024 Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS".

THE SERIES 2024 BONDS ARE NOT A DEBT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, SHALL BE LIABLE THEREON. THE SERIES 2024 BONDS SHALL NOT BE PAYABLE FROM ANY OTHER FUNDS OF THE ISSUER. THE ISSUER HAS NO TAXING POWERS.

Outstanding Indebtedness

The College has other unsecured indebtedness outstanding. As of June 1, 2024, the outstanding principal amount of the long-term indebtedness of the College totaled approximately $152 million (unaudited), of which approximately $28 million is expected to be repaid with a portion of the proceeds of the Series 2024 Bonds. For additional information regarding the outstanding indebtedness of the College, see "DEBT SERVICE REQUIREMENTS", APPENDIX A – "CERTAIN INFORMATION CONCERNING THE COLLEGE" and APPENDIX B – "AUDITED FINANCIAL STATEMENTS OF THE COLLEGE".

Summaries of the Principal Financing Documents and Additional Information

Brief descriptions of the Issuer, the College, the Series 2024 Bonds, the Indenture, the Loan Agreement and the Continuing Disclosure Agreement (as hereinafter defined) are included in this Official Statement, including in the appendices hereto. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Series 2024 Bonds, the Indenture, the Loan Agreement and the Continuing Disclosure Agreement are qualified in their entirety by reference to such documents, copies of all of which may be viewed prior to the issuance of the Series 2024 Bonds at the offices of the Underwriter and will be available for inspection following the issuance of the Series 2024 Bonds at the designated corporate trust office of the Trustee.

THE ISSUER

Purpose and Powers

The Issuer is a not-for-profit local development corporation having an office for the transaction of business located at 433 State Street, Schenectady, New York 12305. The Issuer was formed pursuant to the Act for the purpose of undertaking projects and activities within the County for the purposes of promoting community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the County by developing and providing programs for non-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects, relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County and lessening the burdens of government and acting in the public interest.

Under the Act, the Issuer has the power to acquire, hold and dispose of personal property for its corporate purposes; to acquire, use for its corporate purposes and dispose of real property within the corporate limits of the County; to appoint officers, agents and employees; to make contracts and leases; to acquire, construct, reconstruct, lease, improve, maintain, equip or furnish one or more projects; to borrow money and issue bonds and to provide for the rights of the holders thereof; to grant options to renew any lease with respect to any project and to grant options to buy any project at such price as the Issuer may deem desirable; to designate depositories of its moneys; and to do all things necessary or convenient to carry out its purposes and exercise the powers given in the Act.

Limited Recourse on Series 2024 Bonds and the Issuer

THE SERIES 2024 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE PAYMENTS MADE UNDER THE LOAN AGREEMENT, FROM THE MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE INDENTURE, AND THE SECURITY PROVIDED BY THE PLEDGE AND ASSIGNMENT. NEITHER THE ISSUER NOR ITS MEMBERS OR OFFICERS ARE PERSONALLY LIABLE WITH RESPECT TO THE SERIES 2024 BONDS. ACCORDINGLY, NO FINANCIAL INFORMATION WITH RESPECT TO THE ISSUER OR ITS MEMBERS OR OFFICERS HAS BEEN INCLUDED IN THIS OFFICIAL STATEMENT.

THE SERIES 2024 BONDS SHALL NOT BE A DEBT OF THE STATE OR THE COUNTY, AND NEITHER THE STATE NOR THE COUNTY SHALL BE LIABLE THEREON. THE ISSUER HAS NO TAXING POWER.

Except for the information contained herein under this caption and the captions "INTRODUCTION – The Issuer" and "LITIGATION – The Issuer" insofar as it relates to the Issuer, the Issuer has not provided any of the information contained in this Official Statement. The Issuer is not responsible for and does not certify as to the accuracy or sufficiency of the disclosures made herein or any other information provided by the College, the Underwriter or any other person.

THE COLLEGE

The College is an independent, coeducational, undergraduate liberal arts college located in the City of Schenectady, New York. The College has the sole responsibility for paying the debt service payments to become due on the Series 2024 Bonds. Certain information, including financial information, concerning the College is included in APPENDIX A and APPENDIX B hereto.

THE SERIES 2024 BONDS

General

The Series 2024 Bonds will be dated, bear interest at the rates per annum and mature in the years and in the principal amounts shown on the inside cover page to this Official Statement, subject to redemption prior to maturity as hereinafter described. The Series 2024 Bonds are being issued as fully registered bonds without coupons, in the denomination of $5,000 or any integral multiple thereof.

Interest on the Series 2024 Bonds will be payable semiannually on January 1 and July 1, commencing January 1, 2025. Subject to the provisions described below under "Book-Entry Only System", principal of and any redemption premium on the Series 2024 Bonds are payable upon presentation and surrender of such Series 2024 Bonds at the principal corporate trust office of the Trustee and interest on the Series 2024 Bonds will be payable by check mailed on each Bond Payment Date to the registered holders thereof at their addresses appearing on the registration books maintained by the Trustee.

Redemption Prior to Maturity

Optional Redemption of Series 2024A Bonds

The Series 2024A Bonds are subject to redemption prior to maturity, at the option of the College, as a whole or in part (by lot as described below) at any time on or after July 1, 2034, in denominations of $5,000 or any integral multiple of $5,000 in excess thereof, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date.

Optional Redemption of Series 2024B Bonds

The Series 2024B Bonds are subject to redemption prior to maturity, at the option of the College, as a whole or in part (on a pro-rata basis as described below) at any time prior to July 1, 2034, in denominations of $5,000 or any integral multiple of $5,000 in excess thereof, at the Make-Whole Redemption Price. As used herein, "Make-Whole Redemption Price" means the greater of (i) 100% of the principal amount of a Series 2024B Bond to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2024B Bond to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2024B Bond is to be redeemed, discounted to the date on which such Bond is to be redeemed on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Treasury Rate plus 25 basis points, plus, in each case, accrued and unpaid interest on such Series 2024B Bond to the redemption date.

The College is required to retain an independent accounting firm or an independent financial advisor to determine the Make-Whole Redemption Price and perform all actions and make all calculations required to determine the Make-Whole Redemption Price, which determination will be conclusive and binding on the Trustee, the College and the Owners of such Series 2024B Bonds.

The Series 2024B Bonds are subject to redemption prior to maturity, at the option of the College, as a whole or in part (on a pro-rata basis as described below) at any time on or after July 1, 2034, in denominations of $5,000 or any integral multiple of $5,000 in excess thereof, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2024B Bonds are subject to scheduled mandatory sinking fund redemption prior to maturity, on July 1 of each of the years set forth below, by the application of Sinking Fund Payments at a redemption price equal to 100% of the principal amount thereof to be redeemed, plus accrued interest to the redemption date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

Payment Date (July 1)	Sinking Fund Payment
2040	$5,705,000
2041	6,035,000
2042	6,385,000
2044†	6,755,000

† Maturity

Purchase in Lieu of Optional Redemption

Whenever the Series 2024 Bonds are subject to optional redemption, such Series 2024 Bonds may instead be purchased at the election of the College at a purchase price equal to the redemption price. The College shall give written notice thereof and of the Series 2024 Bonds and the series and maturities of Series 2024 Bonds to be so purchased to the Issuer and the Trustee. The Trustee shall select the particular Series 2024 Bonds of such series and maturities to be so purchased by lot in accordance with the provisions of the Indenture for the selection of Series 2024 Bonds to be redeemed in part. Promptly thereafter, the Trustee shall give notice of the purchase of such Series 2024

Bonds at the times and in the manner provided in the Indenture for the notice of redemption. All such purchases may be subject to conditions to the obligation of the College to purchase such Series 2024 Bonds and shall be subject to the condition that money for the payment of the purchase price therefor is available on the date set for such purchase. Notice of purchase having been given in the manner required above, then, if sufficient money to pay the purchase price of such Series 2024 Bonds is held by the Trustee, the purchase price of the Series 2024 Bonds or portions thereof so called for purchase shall become due and payable on the date set for purchase. The Indenture provides that a purchased Series 2024 Bond shall not be considered to cease to be Outstanding solely by virtue of its purchase, and that each such purchased Series 2024 Bond that is not a Book-Entry Bond shall be registered in the name or at the direction of the College.

Partial Redemption of Series 2024 Bonds; Selection of Series 2024 Bonds to be Redeemed

In the event of any partial redemption or purchase in lieu of redemption, the particular Series 2024A Bonds or portions thereof to be redeemed or purchased, as the case may be, shall be selected by the Trustee from maturities designated in writing by the College, and within each maturity by lot or by such other method as the Trustee shall deem fair and appropriate, provided that for so long as the Series 2024A Bonds shall be Book-Entry Bonds, the particular Series 2024A Bonds or portions thereof to be redeemed or purchased within a maturity may be selected by lot by DTC in such manner as DTC may determine.

If the Series 2024B Bonds are registered in book-entry form and so long as DTC or a successor securities depository is the sole registered owner of the Bonds, notwithstanding the description below under “Book-Entry Only System”, and if less than all of the Series 2024B Bonds of any maturity are called for redemption or purchase in lieu of redemption, the particular Series 2024B Bonds of such maturity or portions thereof to be redeemed or purchased shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Series 2024B Bonds are held in book-entry form, the selection for redemption or purchase of such Series 2024B Bonds shall be made in accordance with the operational arrangements of DTC then in effect. If the DTC operational arrangements do not allow for the redemption of such Series 2024B Bonds on a pro rata pass-through distribution of principal basis as described above, then the Series 2024B Bonds will be selected for redemption, in accordance with DTC procedures, by lot or in such other manner as is in accordance with the applicable DTC operational arrangements.

The College intends that redemption allocations of Series 2024B Bonds made by DTC be made on a pro rata pass-through distribution of principal basis as described above. However, none of the College, the Trustee or the Underwriter can provide any assurance that DTC, the DTC Participants or any other intermediary will allocate the redemption of the Series 2024B Bonds on such basis.

For purposes of calculation of the pro rata pass-through distribution of principal, “pro rata,” means, for any amount of principal to be paid, the application of a fraction to each denomination of the Series 2024B Bonds to be redeemed where (i) the numerator is equal to the amount due to the respective owner of the Series 2024B Bonds on the applicable redemption date, and (ii) the denominator is equal to the total original par amount of the Series 2024B Bonds.

If the Series 2024B Bonds are no longer registered in book-entry form, each owner will receive an amount of Series 2024B Bonds equal to the original face amount then beneficially held by that owner, registered in such owner’s name. Thereafter, any redemption of less than all of a maturity of Series 2024B Bonds will continue to be paid to the registered owners of such Series 2024B Bonds on a pro-rata basis, based on the portion of the original face amount of any such maturity of Series 2024B Bonds to be redeemed.

Notice of Redemption

So long as DTC or its nominee is the Bondholder, the Trustee will recognize DTC or its nominees as the Bondholder for all purposes, including notices and voting. Conveyance of notices and other communications by DTC to Direct Participants (as hereinafter defined), by Direct Participants to Indirect Participants (as hereinafter defined), and by Direct Participants and Indirect Participants to Beneficial Owners (as hereinafter defined) will be governed by arrangements among them, subject to any statutory and regulatory requirements which may be in effect from time to time. See “– Book-Entry Only System”.

Notice of optional redemption of the Series 2024 Bonds will be given by the Trustee one time by first class mail postage prepaid to the registered Owners of such Series 2024 Bonds at the address of such Owners shown on the bond register maintained by the Trustee not less than 20 days prior nor more than 60 days prior to the date fixed for redemption. The failure to give any such notice, or any defect therein, will not affect the validity of any proceeding for the redemption of any Series 2024 Bond with respect to which no such failure to give notice, or defect therein, has occurred. Any notice of optional redemption may provide (and shall provide if the College does not deposit with the Trustee moneys in any amount equal to the redemption price of the Series 2024 Bonds being redeemed at the time the College delivers to the Trustee its notice of its election to cause the redemption of such Series 2024 Bonds) that if, on the redemption date set forth in such notice, there is on deposit with the Trustee and available therefor insufficient funds to pay the redemption price of all Series 2024 Bonds scheduled to be redeemed, such redemption may be rescinded (in which case the Trustee shall promptly so notify the Holders of such Series 2024 Bonds in the same manner in which notice of redemption was given), and if such redemption is rescinded, the Series 2024 Bonds scheduled to be redeemed shall remain Outstanding as if the notice of redemption had not been sent.

Transfer and Exchange of Series 2024 Bonds

The Trustee will not be required to make any transfer or exchange of (1) any Series 2024 Bond during the 15 days next preceding an Interest Payment Date or (2) any Series 2024 Bond selected for redemption in whole or in part; provided, however, that in the event of a Series 2024 Bond selected for redemption in part, the remaining portion of such Series 2024 Bond may be exchanged for a new Series 2024 Bond with a reduced principal amount.

Acceleration of Series 2024 Bonds

Upon the occurrence of an Event of Default under the Indenture (1) involving failure by the Issuer to make due and punctual payment of interest, premium or principal of any Series 2024 Bond, the Trustee shall, or (2) any other Event of Default under the Indenture, and so long as the Event of Default is continuing, the Trustee may, and upon the written request of the Holders of not less than 51% in aggregate principal amount of Series 2024 Bonds then Outstanding, the Trustee shall, by written notice declare the entire principal amount of all Series 2024 Bonds then Outstanding and the interest accrued thereon to be immediately due and payable, and such principal and interest will thereupon become and be immediately due and payable. Upon any such declaration, the Trustee shall immediately declare an amount equal to all amounts then due and payable on the Series 2024 Bonds to be immediately due and payable under the Loan Agreement. Upon the occurrence of any declaration of acceleration by the Trustee, the principal of the Series 2024 Bonds then Outstanding and the interest accrued thereon will thereupon become and be immediately due and payable, and interest will continue to accrue thereon until the date of payment. For a description of the Events of Default under the Indenture, see APPENDIX C – "GLOSSARY AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN OF THE FINANCING DOCUMENTS".

Book-Entry Only System

Unless otherwise noted, the description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Series 2024 Bonds, payment of interest and other payments on the Series 2024 Bonds to DTC Participants or Beneficial Owners of the Series 2024 Bonds, confirmation and transfer of beneficial ownership interests in the Series 2024 Bonds and other bond-related transactions by and between DTC, the DTC Participants and Beneficial Owners of the Series 2024 Bonds is based solely on information furnished by DTC for inclusion in this Official Statement. Accordingly, the Issuer, the College, the Trustee and the Underwriter do not and cannot make any representations concerning these matters.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 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 series and 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", and together with Direct Participants, "Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

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 are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

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

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

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds of a particular series and maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue 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 the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and redemption premium, if any, with respect to 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 the Issuer or the Trustee, on the payment 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 or the Issuer, the College or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository).

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, but none of the Issuer, the College, the Trustee or the Underwriter takes any responsibility for the accuracy thereof.

NONE OF THE ISSUER, THE COLLEGE, THE UNDERWRITER OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO: (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER. IN RESPECT OF THE PRINCIPAL, REDEMPTION PRICE OR PURCHASE PRICE OR INTEREST ON THE SERIES 2024 BONDS; (3) THE DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2024 BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

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

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

The Series 2024 Bonds will be issued under the Indenture and secured by (i) the assignment effected by the Pledge and Assignment of the Issuer's rights and remedies under the Loan Agreement (except with respect to the Unassigned Rights), including the right to collect and receive loan payments required to be made thereunder and (ii) all other moneys and securities held from time to time by the Trustee for the Bondholders pursuant to the Indenture and all proceeds of the Series 2024 Bonds prior to the disbursement pursuant to the terms of the Indenture and the Loan Agreement, except moneys held in the Rebate Fund.

Under the Loan Agreement, the College will be absolutely and unconditionally obligated to make loan payments to the Trustee, as the assignee of the Issuer, sufficient to provide for the payment of the principal of, and interest and premium, if any, on the Series 2024 Bonds when due, and to provide for deposits to the Bond Fund, if required, at the times and in the amounts required by the Indenture and the Loan Agreement.

Pursuant to the Pledge and Assignment, dated as of June 1, 2024 (the "Pledge and Assignment"), by and between the Issuer and the Trustee, the Issuer will assign to the Trustee certain of the Issuer's rights under the Loan

Agreement. Payments made by the College under the Loan Agreement are to be paid directly to the Trustee. See APPENDIX C – "GLOSSARY AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN OF THE FINANCING DOCUMENTS".

THE SERIES 2024 BONDS ARE NOT A DEBT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, SHALL BE LIABLE THEREON. THE SERIES 2024 BONDS SHALL NOT BE PAYABLE FROM ANY OTHER FUNDS OF THE ISSUER. THE ISSUER HAS NO TAXING POWERS.

The payments required to be made by the College pursuant to the Loan Agreement are an unsecured general obligation of the College. The Series 2024 Bonds are not secured by a mortgage lien or security interest in or on any other property of the College. The College is not restricted by the Loan Agreement from incurring additional indebtedness. Such additional indebtedness, if issued, may be either unsecured or secured by certain property of the College, and may be entitled to payment prior to payment on the Series 2024 Bonds.

The College has other unsecured indebtedness outstanding. As of June 1, 2024, the outstanding principal amount of the long-term indebtedness of the College totaled approximately $152 million (unaudited), of which approximately $28 million is expected to be repaid with a portion of the proceeds of the Series 2024 Bonds. For additional information regarding the outstanding indebtedness of the College, see "DEBT SERVICE REQUIREMENTS", APPENDIX A – "CERTAIN INFORMATION CONCERNING THE COLLEGE" and APPENDIX B – "AUDITED FINANCIAL STATEMENTS OF THE COLLEGE".

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DEBT SERVICE REQUIREMENTS

The following table sets forth the long-term debt service requirements of the College for each fiscal year ending June 30 (rounded to the nearest dollar; totals may not sum due to rounding).

Fiscal Year Ending June 30	Series 2024A Bonds		Series 2024B Bonds		Other Long-Term Indebtedness[1]	Total Aggregate Debt Service
	Principal	Interest	Principal	Interest		
2025	-	$ 563,628	-	$ 715,300	$ 6,407,143	$ 7,686,071
2026	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2027	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2028	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2029	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2030	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2031	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2032	-	1,102,750	-	1,399,500	6,407,143	8,909,393
2033	-	1,102,750	-	1,399,500	22,241,143	24,743,393
2034	-	1,102,750	-	1,399,500	5,595,143	8,097,393
2035	-	1,102,750	-	1,399,500	5,595,143	8,097,393
2036	-	1,102,750	-	1,399,500	15,561,050	18,063,300
2037	$6,985,000	928,125	-	1,399,500	5,096,958	14,409,583
2038	7,345,000	569,875	-	1,399,500	5,096,958	14,411,333
2039	7,725,000	193,125	-	1,399,500	5,096,958	14,414,583
2040	-	-	-	1,399,500	18,811,958	20,211,458
2041	-	-	$5,705,000	1,239,047	4,411,208	11,355,254
2042	-	-	6,035,000	908,859	4,411,208	11,355,067
2043	-	-	6,385,000	559,547	4,411,208	11,355,754
2044	-	-	-	379,969	43,720,035	44,100,004
2045	-	-	6,755,000	189,984	2,208,863	9,153,847
2046	-	-	-	-	2,208,863	2,208,863
2047	-	-	-	-	29,328,863	29,328,863
2048	-	-	-	-	852,863	852,863
2049	-	-	-	-	3,691,344	3,691,344
2050	-	-	-	-	3,694,106	3,694,106
2051	-	-	-	-	3,693,338	3,693,338
2052	-	-	-	-	3,693,644	3,693,644
2053	-	-	-	-	3,694,500	3,694,500

[1] Excludes debt service on the Refunded Bonds.

PLAN OF FINANCE

General

The Series 2024A Bonds are being issued to (i) refund the outstanding principal amount of the Series 2015A Bonds in full, (ii) finance certain capital improvement projects on the College's campus, and (iii) pay certain costs of issuance of the Series 2024A Bonds.

The Series 2024B Bonds are being issued to (i) defease and repay a portion of the outstanding principal amount of the Series 2017 Bonds maturing January 1, 2025 and January 1, 2026 (the "Defeased Series 2017 Bonds," and together with the Series 2015A Bonds, the "Refunded Bonds"), (ii) finance, refinance or reimburse the College for its initial lease payment with respect to the Mohawk Harbor Hockey Arena, as further described below, and (iii) pay certain costs of issuance of the Series 2024B Bonds.

Plan of Refunding

On the date of issuance of the Series 2024A Bonds, a portion of the proceeds of the Series 2024A Bonds will be used to redeem the Series 2015A Bonds in full at the applicable redemption price, plus accrued interest thereon.

On the date of issuance of the Series 2024B Bonds, a portion of the proceeds of the Series 2024B Bonds will used to defease the Defeased Series 2017 Bonds. A portion of the proceeds of the Series 2024B Bonds will be irrevocably deposited in trust with the trustee for the Series 2017 Bonds ("Series 2017 Trustee") and applied to the purchase of direct obligations of the United States of America ("Defeasance Obligations"), the principal of which will mature at such times and earn interest in such amounts that, together with any initial cash deposit, will provide sufficient moneys to pay the principal or redemption price of and interest on the Defeased Series 2017 Bonds. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS".

Mohawk Harbor Hockey Arena

The College previously entered into an Arena Development, Lease and Management Agreement, dated as of January 23, 2024 (the "Lease Agreement") with West Yard Properties LLC, pursuant to which the College has the right to use an approximately 98,000 square foot building, together with related amenities and improvements (including parking) on an approximately 3.58 acre parcel of land located at 101 Harborside Drive in the City of Schenectady, New York (the "Mohawk Harbor Hockey Arena"). It is intended that the Mohawk Harbor Hockey Arena will be used as a community event center by, among others, the College's hockey programs. A portion of the proceeds of the Series 2024B Bonds will be used to finance, refinance or reimburse the College for its initial lease payment made with respect to the Mohawk Harbor Hockey Arena for the initial 25-year term of the Lease Agreement. See APPENDIX A – "CERTAIN INFORMATION CONCERNING THE COLLEGE – Project Overview."

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ESTIMATED SOURCES AND USES OF BOND PROCEEDS

The proceeds of the Series 2024 Bonds are expected to be used as follows (rounded to the nearest dollar; totals may not sum due to rounding):

SOURCES OF FUNDS	Series 2024A	Series 2024B	Total
Principal Amount	$22,055,000	$24,880,000	$46,935,000
Plus (less) original issue premium (discount)	3,257,615	(726,745)	2,530,870
Available Funds	11,648	10,908	22,556
TOTAL SOURCES	$25,324,263	$24,164,163	$49,488,426
USES OF FUNDS			
Deposit to Series 2024A Project Account	$5,000,000	-	$ 5,000,000
Deposit to Series 2024B Project Account	-	$15,000,000	15,000,000
Refunding of Series 2015A Bonds	19,940,116	-	19,940,116
Defeasance of Series 2017 Bonds	-	8,703,978	8,703,978
Costs of Issuance (including Underwriter's discount)	384,147	460,185	844,332
TOTAL USES	$25,324,263	$24,164,163	$49,488,426

BONDHOLDERS' RISKS

The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2024 Bonds. Such discussion is not and is not intended to be exhaustive, should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2024 Bonds should analyze carefully the information contained in this Official Statement, including the appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described in this Official Statement. Purchasers of the Series 2024 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks or other financial institutions or certain recipients of Social Security benefits, are advised to consult their tax advisors as to the tax consequences of purchasing or holding the Series 2024 Bonds. See "TAX MATTERS" herein.

General

The Series 2024 Bonds are payable from payments to be made by the College under the Loan Agreement. The ability of the College to comply with its obligations under the Loan Agreement depends primarily upon the ability of the College to continue to attract sufficient tuition-paying students to its educational programs, to obtain sufficient revenues from related activities and to maintain sufficient creditworthiness. The College expects that revenues derived from its ongoing operations, together with other available resources, will at all times be sufficient to make the required payments on the Loan Agreement and the College will covenant under the Loan Agreement to make all such payments when due. There are certain risks, however, which might prevent the College from obtaining sufficient revenues from tuition and other sources to meet all of its obligations, including its obligations under the Loan Agreement. Purchasers of the Series 2024 Bonds should bear in mind that the occurrence of any number of events could adversely affect the ability of the College to generate such revenues. Future economic, demographic and other conditions, including the demand for educational services, the ability of the College to provide the services required by students, economic developments in the County and competition from other educational institutions, together with changes in costs, including but not limited to increased costs resulting from severe weather events and the impact of climate change on College facilities and operations, cost of compliance with laws and regulations, and increased costs of energy, materials and other supplies, may adversely affect revenues and expenses and, consequently, the ability of the College to provide for debt service payments. The future financial condition of the College could also be adversely affected by, among other things, legislation and regulatory actions, and a number of other conditions which are unpredictable.

Uncertainty of College Revenues and Expenses

The ability of the College to realize revenues in amounts sufficient to meet its obligations relating to the Series 2024 Bonds is affected by and subject to conditions which may change in the future to an extent and with effects that cannot be determined at this time. No representation or assurance is given or can be made that revenues will be realized by the College in amounts sufficient to meet its obligations relating to the Series 2024 Bonds.

The College is subject to the same competitive pressures that affect other private colleges and universities. Changing demographics may mean a smaller pool of college-bound persons from which to draw entering classes. Greater competition for students together with rising tuition rates may mean that the College will need to increase its financial aid packages to attract and retain students or that it may face fewer students and decreased revenues. Attracting and keeping qualified faculty and administrators may mean higher expenditures for salaries and administrative costs.

The College competes for students generally with colleges and universities located elsewhere in New York State and throughout the United States, many of which receive significant support from state governments and therefore can afford to charge lower tuition than the College.

In addition, other educational institutions may in the future expand their programs in competition with the programs offered by the College. Increased competition from other educational institutions (including the availability of online courses and programs) or a decrease in the student population interested in pursuing higher education could have a material adverse economic impact on the College.

Environmental Laws and Regulations

The College is subject to a wide variety of federal and State environmental, health and safety laws and regulations. In the role of an operator of properties or facilities, the College may be subject to liability for investigating and remedying any hazardous substances that have come to be located on its property, including any such substances that may have migrated off of its property. As such, educational operations are particularly susceptible to the practical, financial and legal risks associated with compliance with such laws and regulations.

At the present time, the College is not aware of any pending or threatened claim, investigation or enforcement action regarding environmental, health or safety issues which, if determined adversely to the College, would have material adverse consequences to the operations or financial condition of the College.

Risks of Early Payment

The Series 2024 Bonds may be required to be paid prior to maturity upon optional redemption (as described under "THE SERIES 2024 BONDS" herein) and upon an acceleration following the occurrence of certain Events of Default under the Indenture and the Loan Agreement. If the Series 2024 Bonds become due upon an acceleration, interest on the Series 2024 Bonds shall cease to accrue on the date of the accelerated payment and no premium would be payable.

No Collateral

The Series 2024 Bonds are payable solely from amounts payable by the College under the Loan Agreement. No mortgage lien on or security interest in any property of the College has been granted to secure payment of the Series 2024 Bonds.

No Debt Service Reserve Fund

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

No Financial Covenants

The Loan Agreement does not provide for financial covenants to be satisfied by the College either on an ongoing basis or with respect to the incurrence of additional indebtedness by the College.

Financial Assistance

The amount of available financial assistance is a significant factor in the decision of many students to attend a particular college or university. In fiscal year 2023, approximately 60% of the College's undergraduate students receive need-based College scholarships. In addition to scholarships provided by the College, students secure grant and loan support from a variety of other sources, including the State and the Federal governments, and the level of financial assistance is directly affected by funding levels of federal, state and other financial aid programs, such as institutionally funded aid to students by the College. Any significant reduction in the level of financial assistance offered to prospective students could reduce the number of students enrolling at the College.

Investment Income

The College's endowment funds are professionally managed by outside asset management firms. Committees of the Board of Trustees periodically review the asset allocation of the investment pool in the context of the primary financial objective to provide funds for the current and future operations of the College. An equally important objective is the financial goal of preserving and enhancing the endowment fund's inflation-adjusted purchasing power while providing a relatively predictable, stable and continuous stream of income. Although the unrestricted portion of the College's endowment funds and the payout therefrom are available for debt service payments on the Series 2024 Bonds, no assurance can be given that unforeseen developments in the securities markets will not have an adverse effect on the market value of those investments and the income generated therefrom.

Fundraising

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

Risks as Employer

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

Changes in Law

Changes in law may impose new or added financial or other burdens on the operations of the College. Developments may include: (i) legislative or regulatory requirements for maintaining status as an organization exempt from taxation as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); or (ii) changes to State and local exemptions from real property tax and other taxes. It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of not-for-profit corporations. There can be no assurance that future changes in the laws and regulations will not materially adversely affect the operations and financial condition of the College by requiring it to pay income or real property taxes (or other ad valorem taxes).

Event of Taxability

If the College does not comply with certain covenants to comply with applicable requirements of the Code set forth in the Loan Agreement or if certain representations or warranties made by the College in the Loan Agreement or in certain certificates of the College are false or misleading, the interest paid or payable on the Series 2024A Bonds may become subject to inclusion in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024A Bonds, regardless of the date on which such noncompliance or misrepresentation is ascertained. In the event that the interest on the Series 2024A Bonds becomes subject to inclusion in gross income for federal income tax purposes, the Indenture does not provide for payment of any additional interest on the Series 2024A Bonds, the redemption of the Series 2024A Bonds or the acceleration of the payment of principal on the Series 2024A Bonds.

Maintenance of 501(c)(3) Status

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

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

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

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

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

Tax Audits

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

Additional Indebtedness

The College may issue, incur or assume additional indebtedness without limitation. Such additional indebtedness, if incurred, may be either unsecured or secured by certain property of the College, and may be entitled to payment prior to payment on the Series 2024 Bonds.

Certain Matters Relating to Enforceability of the Loan Agreement

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

The various legal opinions to be delivered concurrently with the original delivery of the Series 2024 Bonds will be qualified as to enforceability of the various legal instruments by, among other things, limitations imposed by bankruptcy, reorganization, insolvency or other similar laws or legal or equitable principles affecting creditors' rights. In addition, the obligation of the College to make payments on the Loan Agreement will be limited as the obligations of debtors typically are affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws or by equitable principles affecting the enforcement of creditors' rights. The College may file for the reduction or elimination of its debts in a proceeding under the federal Bankruptcy Code, which could include provisions modifying, eliminating or altering the rights of creditors generally, or any class of them, secured or unsecured. If the College should file a plan of reorganization ("Plan"), when confirmed by the court, such Plan binds all creditors who had notice or knowledge of the Plan and discharges all claims against the debtor provided for in the Plan. No Plan may be confirmed unless certain conditions are met, among which are that the Plan is in the best interests of creditors, is feasible and has been accepted by each class of claims impaired thereunder. Each class of claims has accepted the Plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the Plan are cast in its favor. Even if the Plan is not so accepted, it may be confirmed if the court finds that the Plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly.

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

Construction Risk

Construction of the capital improvements being undertaken with a portion of the proceeds of the Series 2024 Bonds and other similar capital projects embarked on by the College are subject to ordinary risks associated with construction, such as risks of cost overruns, non-completion and delays due to a variety of factors, including, among other things, final detailing, labor shortage or strife, delays in and shortages of materials, weather conditions, fire and casualty. Any delays in construction may adversely impact the College's ability to complete such projects by the expected completion date, which may result in, among other things, cost overruns.

Secondary Market for the Series 2024 Bonds

There can be no assurance that there will be a secondary market for purchase or sale of the Series 2024 Bonds. From time to time there may be no market for the Series 2024 Bonds depending upon prevailing market conditions, including the financial condition or market position of firms who may make the secondary market, the evaluation of the College's capabilities and the financial condition and results of operations of the College.

Hedging Transactions

The College has in the past, and may from time to time in the future, enter into hedging arrangements to hedge the interest payable or manage interest cost on certain of its indebtedness, assets, or other derivative arrangements. Changes in the market value of such agreements could have a negative impact on the College's operating results and financial condition, and such impact could be material. Such future hedging agreements may be subject to early termination upon the occurrence of certain events. If the College or the counterparties terminate any hedging agreement entered into in the future when such agreement has a negative value to the College, the College could be obligated to make a substantial termination payment, which could materially adversely affect the financial condition of the College.

Competition

The College could face additional competition in the future from both private and public educational institutions that offer comparable services and programs to the population which the College presently serves. This could include the establishment of new programs and the construction, renovation or expansion of competing educational institutions, as well as tuition discounting programs of competing educational institutions or governmental or other programs which provide free or reduced tuition to attend public educational institutions.

The College competes for students generally with colleges and universities located elsewhere in New York State and throughout the United States, many of which receive significant support from state governments and therefore can afford to charge lower tuition than the College. For example, under The Excelsior Scholarship, a New York State program, New York students who attend any of the State University of New York and City University of New York two- and four-year colleges and whose families meet certain income requirements qualify for free tuition.

Cybersecurity

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

Other Factors Generally Affecting Higher Educational Institutions

The following factors, which are not all-inclusive, may adversely affect the operations of the College to an extent that cannot be determined at this time, and are representative of the type of risks faced by higher educational institutions. These factors include, among others, the following:

1. The reduced demand for private higher education or other services arising from a change in demographics, or from continued adverse or declining economic conditions in the areas from which the College draws a significant portion of its enrollment.

2. Changes in the demand for higher education in general or for programs offered by the College in particular.

3. An inability to retain students, resulting in enrollment losses and reduced revenues.

4. Immigration reform and restrictions which may have an adverse effect on enrollment.

5. Reduced future College revenues as a result of a need to increase tuition discounting to attract students.

6. A decrease in student loan funds or other aid that permits many students the opportunity to pursue higher education.

7. A decline in research funding, including research funding from the U.S. government.

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

9. Reduced availability of qualified faculty to teach the programs offered by the College.

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

11. Employee strikes and other adverse labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs.

12. Increased costs and decreased availability of public liability insurance.

13. Natural disasters, which might damage the College's facilities, interrupt service to its facilities or otherwise impair the operation of the facilities.

14. International events, including any acts of war and terrorism, which may have adverse effects on enrollment and investments.

15. The Code places certain limitations on the ability of educational institutions to finance certain projects, invest bond proceeds and advance refund prior tax-exempt bond issues. These limitations may increase the interest costs and restrict the use of tax-exempt bonds for future borrowing by the College.

16. An increase in the cost of outstanding variable rate debt or short-term borrowings the College periodically uses to fund operations.

17. High interest rates, which could prevent borrowing for needed capital expenditures.

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

19. Claims presently unknown to the College.

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

21. Poor financial operating performance by the College in the future and future deficits as a result of increased future expenses.

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

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter on behalf of the College relating to the adequacy of the cash and Defeasance Obligations to be deposited with the Series 2017 Trustee to pay the principal and interest coming due on the Defeased Series 2017 Bonds will be verified by Causey Demgen & Moore P.C. (the "Verification Agent").

The computations by the Verification Agent are based solely upon schedules and information supplied by or on behalf of the College and the Verification Agent will express no opinion on the assumptions provided to it, nor as to the exclusion of interest on the Series 2024A Bonds from gross income for federal income tax purposes.

CONTINUING DISCLOSURE OBLIGATIONS

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

The College will covenant for the benefit of Bondholders to provide certain financial information and operating data relating to the College by not later than November 15 of each year commencing November 15, 2024 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed with the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB"). On the date of delivery of the Series 2024 Bonds, the College and Digital Assurance Certification, L.L.C. will enter into the Continuing Disclosure Agreement substantially in the form attached hereto as APPENDIX E – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

TAX MATTERS

Series 2024A Bonds

Opinion of Bond Counsel

In the opinion of Barclay Damon LLP, Bond Counsel to the Issuer, under existing law, and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by the Issuer, the College and others, interest on the Series 2024A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Barclay Damon LLP is further of the opinion that interest on the Series 2024A Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code; however, interest on the Series 2024A Bonds that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. Barclay Damon LLP is also of the opinion that, under existing law, interest on the Series 2024A Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Barclay Damon LLP expresses no opinion regarding any other federal, state or local tax consequences with respect to the Series 2024A Bonds, except as stated above. The opinion of Barclay Damon LLP speaks as of the issue date and does not contain or provide any opinion or assurance regarding the future activities of the Issuer or the College or about the effect of future changes in the Code, the applicable regulations, rulings, judicial decisions, the interpretation thereof or the enforcement thereof by the IRS. In addition, Barclay Damon LLP expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, the exclusion of interest on the Series 2024A Bonds from gross income for federal income tax purposes. See APPENDIX D – "FORM OF APPROVING OPINION OF BOND COUNSEL."

General

The Code imposes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2024A Bonds in order that interest on the Series 2024A Bonds be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the use of proceeds of the Series 2024A Bonds and the facilities financed and refinanced by such proceeds, restrictions on the investment of such proceeds and other amounts, and the rebate of certain earnings in respect of such investments to the United States. The Issuer, the College and others have made certain representations, certifications of fact, and statements of reasonable expectations, and the Issuer and the College have given certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2024A Bonds from gross income under Section 103 of the Code. The opinion of Barclay Damon LLP assumes continuing compliance with such covenants as well as the accuracy and completeness of such representations, certifications of fact, and statements of reasonable expectations. In addition, Barclay Damon LLP has relied on the opinion of Bond Schoeneck & King PLLC, special counsel to the College, regarding, among other things, all matters concerning the current status of the College as an organization described in Section 501(c)(3) of the Code and the operation of the facilities financed and refinanced by the Series 2024A Bonds as being in furtherance of the College's exempt purposes.

In the event of the inaccuracy or incompleteness of any such representations, certifications of facts or statements of reasonable expectations, or of the failure by the Issuer or the College to comply with any such covenants, including failure of the College to maintain its status as an organization described in Section 501(c)(3) of the Code or to operate the facilities financed and refinanced with the Series 2024A Bonds in a manner that is in furtherance of the College's exempt purposes, the interest on the Series 2024A Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024A Bonds, regardless of the date on which the event causing such inclusion occurs. Further, although the interest on the Series 2024A Bonds is excludable from gross income for federal income tax purposes, receipt or accrual of the interest may otherwise affect the tax liability of a Beneficial Owner of a Series 2024A Bond. The tax effect of receipt or accrual of the interest will depend upon the tax status of a Beneficial Owner of a Series 2024A Bond and such Beneficial Owner's other items of income, deduction or credit. Barclay Damon LLP expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2024A Bonds.

Certain Collateral Federal Income Tax Consequences

Prospective purchasers of the Series 2024A Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of the Series 2024A Bonds may have collateral federal income tax consequences for certain taxpayers, including financial corporations, insurance companies, Subchapter S corporations, certain foreign corporations, individual recipients of social security or railroad retirement benefits, individuals benefiting from the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their own tax advisors as to any possible collateral consequences of their ownership of, accrual or receipt of interest on, or disposition of the Series 2024A Bonds. Barclay Damon LLP expresses no opinion regarding any such collateral federal income tax consequences.

Original Issue Discount

The excess of the principal amount of a maturity of a Series 2024A Bond over the issue price of such maturity of a Series 2024A Bond (a "Tax-Exempt Discount Bond") constitutes "original issue discount," the accrual of which, to the extent properly allocable to the Beneficial Owner thereof, constitutes "original issue discount" which is excluded from gross income for federal income tax purposes to the same extent as interest on such Tax-Exempt Discount Bond. For this purpose, the issue price of a maturity of Series 2024A Bonds is the first price at which a substantial amount of each such maturity of Series 2024A Bonds is sold to the public. Further, such original issue discount accrues actuarially on a constant yield basis over the term of each Tax-Exempt Discount Bond and the basis of such Tax-Exempt Discount Bond acquired at such initial offering price by an initial purchaser of each Tax-Exempt Discount Bond will be increased by the amount of such accrued discount. Beneficial Owners of Tax-Exempt Discount Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Discount Bonds.

Bond Premium

The Series 2024A Bonds purchased, whether at original issuance or otherwise, at prices greater than the stated principal amount thereof are "Tax-Exempt Premium Bonds." Tax-Exempt Premium Bonds will be subject to requirements under the Code relating to tax cost reduction associated with the amortization of bond premium and, under certain circumstances, the Beneficial Owner of Tax-Exempt Premium Bonds may realize taxable gain upon disposition of such Tax-Exempt Premium Bonds even though sold or redeemed for an amount less than or equal to such owner's original cost of acquiring Tax-Exempt Premium Bonds. The amortization requirements may also result in the reduction of the amount of stated interest that a Beneficial Owner of Tax-Exempt Premium Bonds is treated as having received for federal tax purposes (and an adjustment to basis). Beneficial Owners of Tax-Exempt Premium

Bonds are advised to consult with their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Premium Bonds.

Backup Withholding and Information Reporting

Interest paid on tax-exempt obligations is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. Interest on the Series 2024A Bonds may be subject to backup withholding if such interest is paid to a registered owner who or which (i) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (ii) has been identified by the IRS as being subject to backup withholding. Amounts withheld under the backup withholding rules will be paid to the IRS as federal income tax withheld on behalf of the registered owner of the Series 2024A Bonds and would be allowed as a refund or credit against such owner's federal income tax liability (or the federal income tax liability of the Beneficial Owner of the Series 2024A Bonds, if other than the registered owner).

Legislation

Current and future legislative proposals, if enacted into law, administrative actions or court decisions at either the federal or state level, may cause interest on the Series 2024A Bonds to be subject, directly or indirectly, to federal income taxation or to be subjected to state income taxation, or otherwise have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2024A Bonds for federal or state income tax purposes. The introduction or enactment of any such legislative proposals, administrative actions or court decisions may also affect, perhaps significantly, the value or marketability of the Series 2024A Bonds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of Beneficial Owners of the Series 2024A Bonds may occur. Prospective purchasers of the Series 2024A Bonds should consult their own advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Barclay Damon LLP expresses no opinion. The opinion of Barclay Damon LLP is based on current legal authority, covers certain matters not directly addressed by such authority and represents the judgment of Barclay Damon LLP as to the proper treatment of the Series 2024A Bonds for federal income tax purposes. It is not binding on the IRS or the courts.

Post Issuance Events

Barclay Damon LLP's engagement with respect to the Series 2024A Bonds ends with the issuance of the Series 2024A Bonds and, unless separately engaged, Barclay Damon LLP is not obligated to defend the Issuer, the College or the Beneficial Owners of Series 2024A Bonds regarding the tax-exempt status of interest on the Series 2024A Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer and its appointed counsel, including the College and 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 the Issuer legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2024A 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 2024A Bonds, and may cause the Issuer, the College or the Beneficial Owners to incur significant expense.

Prospective purchasers of the Series 2024A Bonds should consult their own tax advisors regarding the foregoing matters.

Series 2024B Bonds

Opinion of Bond Counsel

In the opinion of Barclay Damon LLP, Bond Counsel to the Issuer, interest on the Series 2024B Bonds is not excluded from gross income for federal income tax purposes and is exempt, under existing law, from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Barclay Damon LLP expresses no opinion regarding any other federal, state or local tax consequences with respect to the Series 2024B Bonds, except as stated above. The opinion of Barclay Damon LLP speaks as of the issue date and does not contain or provide any opinion or assurance regarding the future activities of the Issuer or the College or about the effect of future changes in the Code, the applicable regulations, rulings, judicial decisions, the interpretation thereof or the enforcement thereof by the IRS. See APPENDIX D – "FORM OF APPROVING OPINION OF BOND COUNSEL."

General

The following discussion is a brief summary of certain United States federal income tax consequences of the acquisition, ownership and disposition of Series 2024B Bonds by original purchasers of the Series 2024B Bonds who are "U.S. Holders," as defined herein. This summary (i) is based on the Code, Treasury regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Series 2024B Bonds will be held as "capital assets;" and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Series 2024B Bonds as a position in a "hedge" or "straddle," holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, holders who acquire Series 2024B Bonds in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Holders of Series 2024B Bonds should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Series 2024B Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Certain taxpayers that are required to prepare certified financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Series 2024B Bonds at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below.

As used herein, the term "U.S. Holder" means a Beneficial Owner of a Series 2024B Bond that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Interest on the Series 2024B Bonds

Interest on the Series 2024B Bonds that is "qualified stated interest" generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or received (in accordance with the U.S. Holder's regular method of tax accounting). Generally, "qualified stated interest" means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate and includes the semi-annual interest payments on the Series 2024B Bonds.

Original issue discount with respect to a Series 2024B Bond is equal to the excess of the stated redemption price at maturity of a Series 2024B Bond over the initial offering price thereof to the public at which price a substantial amount of all Series 2024B Bonds with the same maturity were sold, provided that such excess equals or exceeds a de minimis amount (generally ¼% of the product of the stated redemption price of a bond at maturity and the number of complete years from its issue date to its maturity) (a "Taxable Discount Bond"). The stated redemption price at maturity of a Taxable Discount Bond is the sum of all scheduled amounts payable on the Taxable Discount Bond (other than qualified stated interest). A U.S. Holder of Taxable Discount Bonds must include the discount in income as ordinary interest for federal income tax purposes as it accrues in advance of receipt of cash payments attributable to such income, regardless of the U.S. Holder's regular method of tax accounting. Original issue discount accrues actuarially on a constant yield basis over the term of each Taxable Discount Bond and the basis of such Taxable

Discount Bond acquired at such initial offering price by an initial purchaser of each Taxable Discount Bond will be increased by the amount of such accrued discount. U.S. Holders of any Taxable Discount Bonds should consult with their own tax advisors with respect to the tax consequences of ownership of such Taxable Discount Bonds.

In general, if a U.S. Holder purchases a Series 2024B Bond at a price greater than the principal amount payable at maturity, such U.S. Holder will be considered to have purchased the Series 2024B Bond at a premium (the "Taxable Premium Bond"), and generally may elect to amortize the premium as an offset to interest income otherwise required to be included in respect of a Taxable Premium Bond during a taxable year, using a constant-yield method, over the remaining term of the Taxable Premium Bond. If a U.S. Holder makes the election to amortize the premium, it generally will apply to all taxable debt instruments held by such U.S. Holder at the beginning of the first taxable year to which the election applies, as well as any debt instruments that are subsequently acquired by such U.S. Holder. In addition, a U.S. Holder may not revoke the election without the consent of the IRS. If such U.S. Holder elects to amortize the premium, such U.S. Holder will be required to reduce its tax basis in the Taxable Premium Bond by the amount of the premium amortized during the holding period of the U.S. Holder. If a U.S. Holder does not elect to amortize the premium and holds the Taxable Premium Bond to maturity, the premium will decrease the amount of gain or increase the amount of loss otherwise recognized on the disposition of such Taxable Premium Bond. If a Taxable Premium Bond is optionally callable before maturity at a price in excess of its stated redemption price at maturity, special rules for determining the amount of amortizable bond premium may apply. U.S. Holders of any Taxable Premium Bonds should consult with their own tax advisors with respect to the tax consequences of ownership of Taxable Premium Bonds.

Certain non-corporate U.S. Holders will be subject to a 3.8% tax, in addition to regular tax on income and gains, on some or all of their net investment income, which generally will include interest on the Series 2024B Bonds and any net gain recognized upon a disposition of a Series 2024B Bond. U.S. Holders should consult with their tax advisors regarding the applicability of this tax.

Disposition and Defeasance

Upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Series 2024B Bond, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder's adjusted tax basis in the Series 2024B Bond.

U.S. Holders should be aware that, for federal income tax purposes, the Issuer may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Series 2024B Bonds to be deemed to be no longer outstanding under the General Resolution (a "defeasance"). (*See "APPENDIX C – GLOSSARY AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN OF THE FINANCING DOCUMENTS"*). For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, for federal income tax purposes, the character and timing of receipt of payments on the Series 2024B Bonds subsequent to any such defeasance could also be affected. U.S. Holders of the Series 2024B Bonds are advised to consult with their own tax advisors regarding the consequences of a defeasance for federal income tax purposes and for state and local purposes.

Backup Withholding and Information Reporting

In general, interest paid on taxable obligations is subject to information reporting to the IRS. Interest on the Series 2024B Bonds may be subject to backup withholding if such interest is paid to a registered owner who or which (i) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (ii) has been identified by the IRS as being subject to backup withholding. Amounts withheld under the backup withholding rules will be paid to the IRS as federal income tax withheld on behalf of the registered owner of the Series 2024B Bonds and will be allowed as a refund or credit against such owner's federal income tax liability (or the federal income tax liability of the Beneficial Owner of the Series 2024B Bonds, if other than the registered owner).

Under the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions must comply with information reporting rules with respect to their U.S. account holders and investors or be required to withhold tax on certain payments on, and proceeds from the sale or disposition of, obligations that produce U.S. source income to foreign financial institutions.

Legislation

Legislation considered by the Federal government, or the New York State Legislature, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series 2024B Bonds under state law and could affect the market value or marketability of the Series 2024B Bonds.

Prospective purchasers of the Series 2024B Bonds should consult their own tax advisors regarding the foregoing matters.

INDEPENDENT AUDITORS

The financial statements for the College as of and for the years ended June 30, 2023 and 2022 set forth in APPENDIX B of this Official Statement, have been audited by KPMG LLP, independent auditors, as set forth in their report thereon appearing in APPENDIX B of this Official Statement.

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "A1" with a negative outlook to the Series 2024 Bonds. Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from Moody's. Generally, Moody's bases its ratings on the information and materials furnished it and on investigations, studies and assumptions of its own. There is no assurance that such rating will prevail for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the rating agency originally establishing the rating, circumstances so warrant. The Underwriter has undertaken no responsibility either to bring to the attention of the owners of the Series 2024 Bonds any proposed revision or withdrawal of the rating of the Series 2024 Bonds or to oppose any such proposed revision or withdrawal. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2024 Bonds. Such rating should not be taken as a recommendation to buy or hold the Series 2024 Bonds.

LITIGATION

The Issuer

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

The College

There is not now pending nor, to the knowledge of the College, threatened any litigation restraining or enjoining the execution or delivery of the Financing Documents to which the College is a party or questioning or affecting the validity of such documents or the proceedings or authority under which such documents were authorized or delivered. Neither the creation, organization or existence of the College nor the title of any of the present members or other officers of the College to their respective offices is being contested. There is no litigation pending or, to its knowledge, threatened which in any manner questions the right of the College to enter into the Financing Documents to which the College is a party or which would have a material adverse effect on the ability of the College to meet its obligations under the Loan Agreement. See APPENDIX A – "CERTAIN INFORMATION CONCERNING THE COLLEGE – Litigation".

LEGAL MATTERS

All legal matters incident to the authorization and validity of the Series 2024 Bonds are subject to the approval of Barclay Damon LLP, Bond Counsel to the Issuer, whose approving opinion will be delivered with the Series 2024 Bonds. Certain legal matters will be passed upon for the College by Bond, Schoeneck & King PLLC. Certain legal matters will be passed upon for the Underwriter by Greenberg Traurig, LLP.

UNDERWRITING

Barclays Capital Inc. (the "Underwriter") has agreed, subject to certain conditions, to purchase the Series 2024 Bonds from the Issuer. The Underwriter's obligations are subject to certain conditions precedent set forth in the purchase contract with respect to the Series 2024 Bonds and, if these conditions are met, the Underwriter will be obligated to purchase all the Series 2024 Bonds if any of the Series 2024 Bonds are delivered at a purchase price of $49,223,449.12, which represents the par amount of the Series 2024 Bonds, plus net original issue premium of $2,530,870.20 and less an underwriter's discount of $242,421.08. The Series 2024 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2024 Bonds into unit investment trusts) at prices lower than the public offering prices as set forth on the inside cover page hereof. The initial public offering prices may be changed from time to time by the Underwriter.

The Underwriter has provided the following information to the College for inclusion in this Official Statement. The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates have provided, and may in the future provide, a variety of these services to the College and to persons and entities with relationships with the College, for which they received or will receive customary fees and expenses. In the ordinary course of its various business activities, the Underwriter and its affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded 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 College (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the College. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

MISCELLANEOUS

The references to the Series 2024 Bonds, the Act, the Indenture, the Loan Agreement, the Pledge and Security Agreement and the Continuing Disclosure Agreement are brief summaries of certain provisions thereof. Such summaries do not purport to be complete, and reference is made to the Series 2024 Bonds, the Act, the Indenture, the Loan Agreement, the Pledge and Security Agreement and the Continuing Disclosure Agreement for full and complete statements thereof. The agreements of the Issuer with the holders of the Series 2024 Bonds are fully set forth in the Indenture, and neither any advertisement of the Series 2024 Bonds nor this Official Statement, nor any statement which may have been made orally or in writing with regard to the Series 2024 Bonds, is to be construed as constituting an agreement with the purchasers of the Series 2024 Bonds. So far as any statements are made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, they are intended merely as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized. Copies of the documents mentioned in this paragraph are available for inspection at the office of the Underwriter at 745 Seventh Avenue, 19th Floor, New York, New York 10019 and, after delivery of the Series 2024 Bonds to the Underwriter, at the principal corporate trust office of the Trustee located at 285 Delaware Avenue, Buffalo, New York 14202.

Information relating to DTC and the book-entry only system described under the heading "THE SERIES 2024 BONDS – Book-Entry Only System" has been furnished by DTC and is believed to be reliable. However, none of the Issuer, the College, or the Underwriter make any guarantees whatsoever with respect to the information contained therein.

Attached to this Official Statement as APPENDIX A is a summary of certain information relating to the College. While the information contained in APPENDIX A is believed to be reliable, the Issuer and the Underwriter can make no guarantees whatsoever with respect thereto. Also attached to this Official Statement as APPENDIX B are the audited financial statements of the College as of and for the fiscal years ended June 30, 2023 and 2022, together with the independent auditors' report thereon. The Issuer and the Underwriter have relied on the information contained in APPENDIX A and APPENDIX B.

APPENDIX C – "GLOSSARY AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN OF THE FINANCING DOCUMENTS" has been prepared by Barclay Damon LLP, Bond Counsel.

APPENDIX D – "FORM OF APPROVING OPINION OF BOND COUNSEL" has been prepared by Barclay Damon LLP, Bond Counsel.

APPENDIX E – "FORM OF CONTINUING DISCLOSURE AGREEMENT" has been prepared by Greenberg Traurig, LLP, counsel to the Underwriter.

The College has reviewed the portions of this Official Statement under the headings "INTRODUCTION", "THE COLLEGE", "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS", "DEBT SERVICE REQUIREMENTS", "PLAN OF FINANCE", "ESTIMATED SOURCES AND USES OF BOND PROCEEDS", "BONDHOLDERS' RISKS", "CONTINUING DISCLOSURE OBLIGATIONS" (insofar as it relates to the College) and "LITIGATION" (insofar as it relates to the College) and APPENDIX A and APPENDIX B. At the closing, the College will certify that such portions of this Official Statement and APPENDIX A and APPENDIX B do not contain an untrue statement of a material fact or omit a statement of material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.

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The distribution of this Official Statement and its execution have been duly authorized by the Issuer.

SCHENECTADY COUNTY
CAPITAL RESOURCE CORPORATION

By: */s/ David Hogenkamp*
Executive Director

THE TRUSTEES OF UNION COLLEGE
IN THE TOWN OF SCHENECTADY IN THE
STATE OF NEW YORK

By: */s/ Scott Jones*
Vice President for Administration and Finance

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APPENDIX A

CERTAIN INFORMATION CONCERNING THE COLLEGE

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GENERAL INFORMATION

Introduction

The Trustees of Union College in the Town of Schenectady in the State of New York (a/k/a Union College) (the "College" or "Union") is an independent, coeducational, undergraduate liberal arts college committed to individual development through learning. Union traces its beginnings to 1779 and, in 1795, it became the first college chartered by the Board of Regents of the State of New York. The College is one of 25 institutions of higher education in the country founded before 1800 and is one of the oldest nondenominational colleges in the United States. Unless otherwise indicated, the source of information herein is the College's records.

Educational Programs

For over 229 years, the College has strived to be an innovator in liberal education and in making its curriculum relevant to the contemporary world. In the early 19th century, Union pioneered teaching modern languages and integrating engineering into a liberal arts curriculum in response to the economic and social challenges facing the nation. Throughout the College's long history, the College has placed a premium on the ability of a liberal arts approach, steeped in diverse ideas and perspectives that cultivate critical thought and strong communication skills, to create a good unto itself, but also to prepare students to effectively address the social, political and economic problems that face the College's communities locally, nationally and globally.

The curriculum and student life are designed to educate students to live and work in a global, diverse, and technologically complex society. The College offers studies in the humanities, the social sciences, the sciences, the arts and engineering, with a student body of approximately 2,100 undergraduate students in 58 undergraduate majors.

The College prides itself on bringing together faculty from diverse academic backgrounds in order for students to gain mastery of a wide range of disciplines, as well as understanding how different disciplines approach particular questions. Many students study abroad as part of their education, often in programs led by College faculty, as well in programs of their own design. The College offers courses in over 60 majors and minors, with an overall student-to-faculty ratio of 9:1. In 2023, *U.S. News and World Report* ranked Union among the top 50 best liberal arts colleges in the country.

Accreditations

The College is accredited by the Middle States Commission on Higher Education, an institutional accrediting agency recognized by the U.S. Department of Education and the Council for Higher Education Accreditation. Union's programs in chemistry are certified by the American Chemical Society. The computer, electrical and mechanical engineering programs are accredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology (EAC/ABET), a specialized accrediting agency recognized by the Council for Higher Education Accreditation.

Strategic Plan

Emboldened by the success of its previous strategic plan and a keen awareness of the significant challenges facing higher education, the College remains committed to the idea of a liberal arts college, a tradition now 229 years old, and seeks to find new ways to provide a rigorous and relevant education steeped in values and vision to its students. Under the College's "*Strategic Plan for Union College 2020-2025, The Power of Union*", the College plans to continue to make significant investments in capital projects to create state of the art facilities to modernize its campus. This strategic plan also includes a refocus on administrative excellence, with initiatives such as creating a sustainable, diversified and achievable financial model that supports the highest priorities and goals of the College and expands the College's pool of applicants for both additional diversity and maximization of net revenue. There also is a renewed focus on having a robust communication and marketing strategy and increasing support at all levels to strengthen the culture of philanthropy and an emphasis on recruiting and developing the faculty and staff that are needed to meet the College's mission.

Recent capital projects include the completion of the Integrated Science and Engineering Complex in 2020, renovations to the Reamer Campus Center dining facility in 2023 and other campus renovations and deferred maintenance projects totaling approximately $15 million between 2022 and 2024. To promote athletics and to augment student recruitment efforts, in January 2024, the College entered into an Arena Development, Lease and Management Agreement with a private developer, pursuant to which the developer will construct an approximately $52 million hockey and events center on the banks of the Mohawk River. The College will be the primary tenant of this new facility, replacing its 50-year-old on-campus Messa Rink. This facility is expected to be completed in the fourth quarter of 2025. See "PROJECT OVERVIEW" herein.

The College plans additional investments in engineering and computer science, including the construction and renovation of new laboratory, classroom, office, and student support spaces for this initiative. These projects are expected to be financed largely from fundraising, including generous donations over the past four years from Union alumni Rich and Mary Templeton totaling approximately $91 million. See "FINANCIAL INFORMATION – Fundraising" herein. Support from the Templetons will enable the College to add additional professorships, reinstate a program in civil engineering, provide scholarship and financial aid funding, enhance existing programming, and institute new programs. The College also recognizes that it will need to make investments in its student residential spaces to either replace or rehabilitate existing facilities in the coming years. Union is concluding an extensive analysis of options and funding plans to guide the needed improvements in the residential areas, which will likely include, fundraising, internally generated funds, as well as the future incurrence of additional indebtedness.

Governance

The College is governed by a Board of Trustees (the "Board") consisting of not less than 10 nor more than 40 members, including the Governor of the State of New York, the President of the College and the Chair of the President's Council, who serve as ex-officio Trustees, up to eight Life Trustees, up to 26 Term Trustees, four Alumni Trustees, two Faculty Trustees, and two Student Trustees. In addition, the Board may designate any former Term Trustee or Life Trustee as nonvoting Trustee Emeriti in an unlimited number. Term Trustees may serve for up to three consecutive four-year terms. Upon election, a person will enter a Term Trustee class for the year in which elected. Board terms are staggered in order to ensure a limit on the number of positions that can be changed in any given year. The Board of Trustees regularly meets in October, February, and May, and at other times as necessary. In addition, the Executive Committee, which is generally authorized to act for the Board of Trustees, with limited exceptions, meets at least three times each year. The current members of the Board of Trustees are:

EX-OFFICIO

Hon. Governor Kathy Hochul of the State of New York

David R. Harris, Ph.D., President of the College

OFFICERS OF THE BOARD

Administration

The Board appoints the president of the College and annually reviews the president's performance. The bylaws provide the president with expansive authority to lead Union College in its mission and operations. Brief biographical information for the president and senior officers of the College is set forth below:

Dr. David R. Harris, Ph.D., President

David R. Harris, Ph.D., a sociologist with a distinguished record as an innovative teacher, scholar and administrator, became the 19th president of Union College on July 1, 2018. Before joining Union, he was chief academic officer at Tufts University. From 2003 to 2012, Dr. Harris was at Cornell University, first as a professor of sociology and later as founding director of Cornell's Institute for the Social Sciences, then successively as vice provost, deputy provost, and interim provost. From 2010 to 2011, he served as deputy assistant secretary for human services policy at the U.S. Department of Health and Human Services. His scholarship has focused on race and ethnicity, social stratification and public policy. Dr. Harris attended Northwestern University, where he earned a bachelor of science in human development and social policy in 1991, and a Ph.D. in sociology in 1997.

Michele Penner Angrist, Ph.D., Vice President for Academic Affairs and Dean of Faculty

Michele Penner Angrist is Professor of Political Science and Interim Vice President for Academic Affairs and Dean of the Faculty. Dr. Angrist has also served the College as Dean of Studies. Dr. Angrist has been on the faculty at Union since 2001. She has taught courses in international, comparative, Middle East, and African politics. Her research interests are regime type and regime change, and women and politics in the Middle East and the Muslim World. Her articles have appeared in Comparative Politics, Comparative Studies in Society and History, Politics & Gender, and Middle East Journal. Angrist earned her Ph.D. in politics from Princeton University and her bachelor's degree from Washington University in St. Louis.

Annette Diorio, Vice President for Student Affairs and Dean of Students

Annette Diorio joined the College as Vice President for Student Affairs and Dean of Students on January 2, 2023. She was previously vice president for Student Life at Lafayette College, where she served in student affairs leadership for more than two decades. At Union, she leads a broad portfolio of student-facing services and operations including the residential experience; dining; health and wellness; student activities; student conduct and athletics. At Lafayette, Ms. Diorio championed recognition of the college's first multicultural Greek organization and was instrumental in simplifying Lafayette's housing rate structure to promote greater equity in the residence halls. She also worked alongside students to implement a number of initiatives, including an increase in wages for student workers, redesigning the accreditation process for the college's Greek chapters and significant renovations to student residential and social spaces. Ms. Diorio was born and raised in the Bronx, New York. She earned her bachelor's degree in education from the State University of New York at Cortland, her master's degree from St. Lawrence University, and her a doctorate in higher education administration from the University of Kansas.

Darcy Czajka, Vice President, Chief of Staff

Darcy Czajka joined Union College as Chief of Staff in 2017. From 2014 to 2017, Czajka served as senior director of community engagement for the American Cancer Society's Eastern Division. From 2005 to 2014, Czajka worked at George Washington University, where she served as a management analyst and then as director of organization development and effectiveness. Czajka earned a bachelor of science degree in biology and philosophy from the College. She also holds an Ed.M. degree from Harvard University's Graduate School of Education, specializing in educational policy and management.

Scott Jones, Vice President for Administration and Finance

Scott Jones joined Union College as Vice President for Administration and Finance in 2021. In his current role he manages the College's annual budget and its endowment, and he oversees all financial operations (operating and capital budgeting, financial accounting and procurement), facilities, information technology services, campus safety, auxiliaries, and environmental health and safety. His focus has been on strengthening strategic planning efforts and improving campus management systems. Prior to joining the College, Jones spent nearly 16 years as the assistant vice president for finance at Colby College. At Colby, Jones was responsible for the creation and supervision of an approximately $230 million annual operating budget. Before joining Colby, Jones was the senior manager for business analysis for nearly six years at the University of Virginia, where he performed quarterly reviews of the university's budget and led analysis of all capital projects. Jones has a bachelor's degree in commerce from the University of Virginia and a master's degree in business administration from the College of William and Mary.

Mark Land, Vice President for Communications and Marketing

Mark Land joined the College as Vice President for Communications and Marketing in 2021. Prior to joining Union, Mr. Land spent more than four years as the vice president for university relations at Clemson University. Mr. Land also spent five years as associate vice president of public affairs and government relations for Indiana University, overseeing the strategic communications and media relations teams. A journalist by training, Mr. Land spent the first 18 years of his career as a newspaper reporter and editor for daily newspapers in Pennsylvania, Michigan, Indiana, and New York. Mr. Land has a bachelor's degree in journalism from Indiana University-Bloomington and a master's degree in business administration from Columbia University.

Matthew Malatesta, Vice President for Admissions, Financial Aid and Enrollment

Matthew Malatesta was appointed Vice President for Admissions, Financial Aid and Enrollment at Union in 2008. Prior to coming to the College, Mr. Malatesta was Director of Financial Aid at Hamilton College and previously worked in the Admissions Department at Hamilton College. Prior to that, he taught and worked in preparatory schools for more than nine years. Mr. Malatesta graduated from Union with a bachelor of arts in managerial economics, and he went on to earn a master of arts in teaching from Union Graduate College (now Clarkson University).

<u>Facilities and Campus Life</u>

The campus of the College sits on approximately 130 acres in the heart of the city of Schenectady, New York. The College has the distinction of being the first comprehensively planned campus in America, as world-renowned architect Joseph-Jacques Ramée designed the campus and its first two college buildings, North and South Halls, in 1814. Union also has the distinction of being the fourth engineering program in the United States and was the first of those to offer both liberal arts and engineering as areas of study.

The campus includes 2.2 million gross square feet of space within its 124 buildings. Residential buildings are located mostly on the perimeter of the campus, with the academic core and the historic Ramée-designed area at its central points. The Ramée-designed core campus, with its open lawns, mature tree-lined walks and historic buildings, is the focal point of the College. Located in the center of the Ramée-designed area is the Nott Memorial, the College's signature building and a National Historic Landmark. Built in 1870 and completely renovated in 1995, the building is used as an assembly space and student study space, as well as the home of the Mandeville Gallery, a contemporary art gallery. The building's dome has 750 illuminators that contain colored glass lenses visible from the floor below. Jackson's Garden, an 8-acre area of formal gardens and woodland, also lies within the footprint of the core campus.

There are 23 academic buildings on campus totaling approximately 776,000 square feet of academic space, including Schaffer Library, the F.W. Olin Center, Butterfield Hall, the Taylor Music Center, the Peter Irving World Center, Lamont House, Henle Dance Pavilion, Karp Hall, Feigenbaum Center for Visual Arts and the recently-completed Integrated Science and Engineering Complex, described above.

There are approximately 894,000 gross square feet of residence hall space on campus, providing housing for approximately 2,043 of the College's approximately 2,100 full-time students. The College provides a wide range of housing opportunities for its students including Theme, Greek, Minerva, apartment style and independent residence halls within 53 buildings. At the present, approximately 92% of students live in College-owned and operated residence halls, as well as fraternity and sorority houses.

In addition, the campus includes extensive athletic and student activity spaces, including the 1,500-seat stadium on Frank Bailey Field, the College Park and Alexander Athletic Fields, the Viniar Athletic Center (with a 1,000-seat basketball stadium), Messa Ice Skating Rink, Alumni Gym (which includes an 8,000 square foot cardio/nautilus area on the main level), tennis courts, a golf course, a boathouse and an indoor rowing facility.

For the past twenty years, the College has maintained an innovative residential life social/living/learning program called the Minerva House System, comprised of seven Minerva houses. Every student of the College belongs to a house and has the option of living there at one point during their academic career at the College. The houses are self-governed, requiring budget management as well as sponsoring social and academic events with the assistance of a faculty advisor. Within each house, the first floor includes generous amounts of social space, a full kitchen, an office, a reading room and a seminar room. Union student-athletes participate in intercollegiate athletics on 24 teams in 15 sports, all of which compete in NCAA Division III, except for the College's men's and women's hockey teams, which compete in NCAA Division I.

PROJECT OVERVIEW

A portion of the proceeds of the Series 2024 Bonds are expected to be used to finance certain capital projects, including (i) certain lease payments due from the College with respect to the Mohawk Harbor Arena (the "Arena"), described further below, and (ii) various capital improvements to the College's campus, such as roof renovations, façade repairs, residence hall improvement projects, HVAC and central plant and infrastructure improvements.

The Arena is an approximately 2,200 seat multi-purpose arena being constructed by a private developer on the banks of the Mohawk River in the City of Schenectady, New York, less than one mile from the College campus. The College will be the primary Arena tenant pursuant to an Arena Development, Lease and Management Agreement (the "Arena Lease Agreement") dated as of January 23, 2024 between the College and West Yard Properties, LLC (the "Landlord"). The initial term of the Arena Lease Agreement is 25 years, and the College has options to extend for four additional five-year periods, as well as a right of first refusal in the event of the sale of the Arena.

Under the terms of the Arena Lease Agreement, the College has priority ice time for its men's and women's hockey programs for approximately seven months out of each 12-month cycle (pre-season, practices, games, tournaments, post-season, etc.). The College also has exclusive use of specific spaces within the Arena for coaches' offices, locker rooms, player lounges, training rooms and other support spaces.

The Arena is presently under construction and is expected to be completed in late 2025. The total project cost is approximately $52 million, to be funded from several sources. The College will contribute $20 million in total for the capital costs, of which $15 million in pre-paid rent will be paid from the proceeds of the Series 2024B Bonds. The remaining $5 million of the College's contribution will be paid over time, as monthly rental payments. Other capital sources for the Arena include $10 million from New York State, $1 million in gifts and grants, $5 million from the County of Schenectady, and approximately $5 million in various tax credits and other development incentives controlled by the developer. The developer has agreed to provide any additional funding necessary to complete the construction of the Arena.

Union is responsible for its pro-rata share (approximately seven-twelfths) of certain common operating expenses. The College retains 100% of its hockey ticket revenues and 100% of sponsorship revenues arising from Union's activities at the Arena. The Landlord retains all concession revenues, building naming rights, box seat sales, sponsorship revenues unrelated to the College's hockey programs and all rental income from non-Union hockey events.

Proceeds of the Series 2024 Bonds also will be used to refund the outstanding principal amount of the Series 2015A Bonds and defease and repay a portion of the outstanding principal amount of the Series 2017 Bonds.

OPERATING INFORMATION

Admissions

Union received 8,209 applications from prospective students for admission to the Class of 2028, which will matriculate in the fall of 2024. This is the third highest number of applicants the College has received in its history. Currently, the number of students that have submitted deposits for the Class of 2028 stands at approximately 545 students, which based on historical modelling would suggest an entering first year class of approximately 510 students for Fall 2024. The College attributes this lower level of deposits to significant external factors impacting higher education in the past year; in particular, delays in the award of financial aid caused by the introduction of a new Free Application for Federal Student Aid (FAFSA) process by the U.S. Department of Education in Spring 2024. Given the unique circumstances of the current application season, the College believes the final class size may be higher than historical enrollment modelling would indicate.

The following tables show selected freshman admissions data for the Fall terms of the current and past four academic years (totals may not sum due to rounding).

Freshman Admission

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Applications	6,086	7,622	7,470	8,458	9,295
Acceptances	2,612	3,145	3,513	3,934	4,070
Acceptance Rate	43%	41%	47%	47%	44%
Number Enrolled	550	466	565	575	550
Yield	21%	15%	16%	15%	14%

Geographic Distribution of Incoming Freshmen

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
New York	31%	32%	30%	27%	29%
New England	35	38	37	36	34
New Jersey	6	6	6	6	4
United States – Other	16	17	18	21	21
International	12	7	10	10	12
Total	100%	100%	100%	100%	100%

The table below presents the average SAT scores for entering freshmen for the Fall term of the current and past four academic years. Beginning with the Fall of 2007, submission of the SAT and ACT examinations became optional for admission to the College.

Freshmen Average SAT Scores

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Average SAT Verbal	640	660	680	690	690
Average SAT Math	680	680	700	710	710
Average SAT	1320	1340	1380	1400	1400
Percent submitting scores	59%	52%	37%	38%	36%

The College competes for admission with a number of top ranked national liberal arts colleges and universities. The schools with which the College has an applicant overlap vary from year to year. However, the core group of consistent competitors includes: Rensselaer Polytechnic Institute, Colgate University, Skidmore College, Cornell University, University of Rochester, University of Vermont, Hamilton College, Lehigh University, and Lafayette College.

Enrollment

Over the past ten years, the full-time undergraduate student enrollment has been maintained at a relatively consistent average level of approximately 2,100, which is in accordance with College plans. In addition to full-time undergraduate students, the College has a relatively small number of part-time undergraduate students. Enrollment numbers below include exchange students, non-matriculating students, as well as full-time degree seeking students.

The following table presents a summary of enrollment at the College for the Fall term of the current and past four academic years.

Enrollment

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Full-time Undergraduate	2,173	2,030	2,075	2,092	2,066
Part-time Undergraduate	16	17	21	15	16
Total Headcount	2,189	2,047	2,096	2,107	2,082
Total Full-Time Equivalent	2,179	2,037	2,083	2,098	2,072

The following table presents undergraduate retention rates for the past five academic years.

Undergraduate Retention Rates

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Freshman to Sophomore	94.6%	93.2%	88.0%	91.4%	88.7%
Freshman to Junior	87.9	86.7	86.2	84.1	83.9
Freshman to Senior	85.4	83.7	83.5	80.7	*

* Data is not yet available.

The following table presents the number of bachelor's degrees conferred for the past five academic years.

Bachelor's Degrees Conferred

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total	515	501	491	488	431

The most popular majors at the College over the past five academic years have consistently included Economics, Psychology, Political Science, Biology and Mechanical Engineering.

Tuition and Other Student Charges

Tuition and basic fees for the College for the current and past four academic years are shown below:

Tuition/Fees/Room and Board

Academic Year	**Tuition**	**Room**	**Board**	**Subtotal**	**% Increase**	**Activity Fee**	**Total**	**% Increase**
2020-2021	$58,956	$7,998	$6,585	$73,539	3.70%	$546	$74,085	3.78%
2021-2022	61,308	8,370	6,828	76,506	4.03	351	76,857	3.74
2022-2023	63,603	8,685	7,083	79,371	3.74	351	79,722	3.59
2023-2024	66,105	9,027	7,362	82,494	3.93	351	82,845	3.77
2024-2025	68,688	9,315	7,695	85,698	3.88	351	86,049	3.87

Financial Aid

The College administers a comprehensive student financial aid program with approximately 92% of undergraduate students receiving some form of merit or need based aid. In fiscal year 2023, 60% of the students received need-based College scholarships and 32% received merit-based awards. Included in the College's aid program are scholarships, on-campus jobs and student loans. Scholarship awards range from $5,000 to $80,000 per year on the basis of financial need. The average merit award is $20,000 per year. See Note 4 to the College's audited financial statements as of and for the fiscal years ended June 30, 2023 and 2022 included in Appendix B for a description of notes receivable from student loans.

Federal financial aid programs available to students include Pell Grants, Supplementary Educational Opportunity Grants, College Work Study, Federal Direct Parent Loan for Undergraduate Students, Federal Direct Student Loans, NSF STEM Grants, ROTC Scholarships, and Veterans Administration Educational Benefits.

State financial aid programs available to students include the Tuition Assistance Program, Regents Award for Children of Deceased or Disabled Veterans, State Aid to Native Americans, Higher Education Opportunity Program, New York State Scholarship for Academic Excellence, New York State Memorial Scholarship, New York State World Trade Center Scholarship, NYS STEM Incentive Program, Flight 3407 Memorial Scholarship, American Airlines Flight 587 Memorial Scholarship, Military Enhanced Recognition Incentive and Tribute, Robert C. Byrd Honors Scholarship, Veterans Tuition Awards, and Segal AmeriCorps Educational Award.

The following table provides a breakdown of the sources from which undergraduate scholarship and grant aid has been provided to students of the College over the last five academic years. Federal and state pass through funds received are excluded for financial statement purposes.

Source of Undergraduate Scholarship and Grant Aid

Academic Year	College Grants	State Grants	Federal Grants	Other Sources*	Total
2018-2019	$48,287,998	$1,068,639	$2,297,259	$2,370,880	$54,024,776
2019-2020	50,126,284	1,011,153	2,244,935	1,936,563	55,318,935
2020-2021	52,229,335	954,124	2,322,262	2,032,957	57,538,678
2021-2022	59,314,014	1,093,835	1,996,743	1,942,631	64,347,223
2022-2023	64,872,197	1,194,871	2,197,842	2,132,784	70,397,694

*Other Sources include the College's tuition remission and other outside scholarships or programs which are considered pass-through and are excluded for financial statement purposes.

Faculty and Staff

Total current faculty members employed by the College numbered 227 for the 2023-2024 academic year, of whom approximately 207 serve full-time and approximately 64% hold tenure. The majority of the College's full-time faculty is appointed within one of the four principal academic ranks: Professor, Associate Professor, Assistant Professor or Instructor.

The College employs 245 administrative staff and 329 hourly staff for the 2023-2024 academic year.

The following table sets forth the faculty profile and numbers of administrative and hourly staff employed by the College for the past five academic years.

Faculty and Staff

Academic Year	Full-Time Faculty	Part-Time Faculty	Total Faculty	Full-Time Equivalent Faculty	Percent of Total Faculty Tenured	Administrative Staff	Hourly Staff
2018-2019	209	31	240	219	68%	224	317
2019-2020	213	37	250	225	65	228	367
2020-2021	216	32	248	227	63	229	337
2021-2022	210	27	237	219	65	234	338
2022-2023	212	21	233	219	63	237	253

Employee Relations

The College presently does not have any collective bargaining contracts covering any of its employees. The College has a history of satisfactory labor relations with its employees.

Benefit Plans

Retirement Plan

The College has a defined contribution retirement plan under arrangements with Teachers' Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF) and Fidelity, which provide for purchases of annuities and investments for all of its faculty members and nonacademic employees.

The College's contribution expense to its retirement plan was $6,085,000 and $5,476,000 for the years ended June 30, 2023 and 2022, respectively.

See Note 9(a) to the College's audited financial statements as of and for the fiscal years ended June 30, 2023 and 2022 included as Appendix B to this Official Statement for a description of the College's retirement plan.

Post-retirement Healthcare Plan

The College provides health insurance benefits for eligible employees upon retirement and recognizes the overfunded or underfunded status of a defined benefit post retirement plan as an asset or liability. Changes in the funded status of the plan are recognized in the year they occur. The benefit obligations for the fiscal years ended June 30, 2023 and 2022 were $7,320,852 and $7,955,370, respectively.

See Note 9(b) to the College's audited financial statements as of and for the fiscal years ended June 30, 2023 and 2022 set forth as Appendix B to this Official Statement for a description of the College's postretirement healthcare plan.

FINANCIAL STATEMENT INFORMATION

Financial Matters

The financial statements of the College are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

The Board of Trustees approves the annual budget of revenues and expenditures for the College and specifically reviews and approves tuition and fee increases, student financial aid budget and increases in salaries, wages and employee benefits. The Administration and Finance Committee of the Board of Trustees has responsibility for review and recommendation for approval as well as for continuing surveillance of actual performance in relation to the approved budget. Monthly reports comparing actual performance to budget are prepared and issued from the Finance Office to the responsible department heads and senior administrators. Summary reports are prepared and presented to the Board of Trustees.

FINANCIAL INFORMATION

Independent Auditors

The financial statements for the College as of and for the fiscal years ended June 30, 2023 and 2022 set forth in Appendix B of this Official Statement have been audited by KPMG LLP, independent auditors, as stated in their report contained therein.

Statements of Financial Position

The following table summarizes the College's financial position as of the end of the College's five most recent fiscal years. For a complete presentation of the College's financial statements as of June 30, 2023 and June 30, 2022, see the audited financial statements and accompanying notes included as Appendix B to this Official Statement.

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Statements of Financial Position

	As of June 30,				
	2019	2020	2021	2022	2023
Assets					
Cash and cash equivalents	$ 43,307,663	$ 43,245,806	$ 50,382,235	$ 35,824,463	$ 233,143
Deposits with bond trustees	7,571,875	5,099,538	5,071,549	23,275,301	19,240,385
Pledges receivable, net	39,020,546	71,865,988	62,890,238	67,523,062	55,287,976
Notes and accounts receivable, net	11,552,765	9,771,815	9,373,109	9,853,238	12,556,648
Other assets	3,298,292	3,980,111	4,522,451	4,480,485	5,751,243
Investments	484,579,367	486,279,738	604,375,845	504,349,134	548,734,674
Receivable for investments sold	10,002,375	-	418,267	7,019,968	2,001,090
Beneficial interest in irrevocable trusts	4,351,809	4,322,554	2,788,255	2,168,716	2,165,500
Land, buildings, and equipment, net	255,010,867	270,360,338	271,038,875	265,030,728	271,975,078
Total Assets	$858,695,559	$894,925,888	$1,010,860,824	$919,525,095	$917,945,737
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	$ 16,012,983	$ 15,236,032	$ 25,088,227	$18,142,671	$20,003,712
Construction costs payable	3,065,818	746,439	371,579	544,917	937,906
Deposits and advances	2,667,992	3,517,258	3,777,130	3,031,412	2,629,676
Pooled life income and charitable gift annuities payable	4,255,002	4,107,697	4,024,078	3,973,034	3,544,959
Refundable federal student loan funds	1,965,151	1,464,347	1,188,707	983,989	40,015
Accrued postretirement benefits	9,785,158	9,274,385	9,193,065	7,955,370	7,320,852
Other liabilities	729,040	527,540	849,233	716,999	1,622,188
Long-term debt, net	168,102,222	165,459,663	159,716,148	173,077,900	168,505,145
Total Liabilities	$206,583,366	$200,333,361	$204,208,167	$208,426,292	$204,604,453
Net Assets:					
Without donor restriction	$ 244,344,308	$ 251,759,482	$ 320,040,710	$ 275,936,004	$ 273,291,437
With donor restriction	407,767,885	442,833,045	486,611,947	435,162,799	440,049,847
Total Net Assets	652,112,193	694,592,527	806,652,657	711,098,803	713,341,284
Total Liabilities and Net Assets	$858,695,559	$894,925,888	$1,010,860,824	$919,525,095	$917,945,737

Statements of Activities – Unrestricted Activity Only

The following table summarizes the College's Statements of Unrestricted Activities for the five most recent fiscal years.

Statements of Unrestricted Activities

	For the years ended June 30,				
UNRESTRICTED ACTIVITY ONLY	**2019**	**2020**	**2021**	**2022**	**2023**
Operating and other net assets:					
Revenue and reclassifications:					
Tuition, fees, room, and board, net of financial aid	$96,237,205	$91,375,490	$86,248,321	$89,881,976	$90,699,342
Investment return	24,888,381	24,033,953	25,462,196	26,844,151	29,009,942
Government grants	2,443,519	2,863,602	4,080,122	4,836,751	6,043,379
Private gifts and grants	4,548,022	6,569,745	5,152,202	3,187,742	4,869,625
Intercollegiate athletics and other sources	4,275,603	2,448,556	929,516	3,654,985	3,603,929
Auxiliary enterprises	3,270,901	2,282,271	1,938,042	2,423,277	2,585,657
Net assets released from restrictions	7,009,279	8,363,449	2,733,180	2,598,039	2,792,241
Total revenue and reclassifications	$142,672,910	$137,937,066	$126,543,579	$133,426,921	$139,604,115
Expenses:					
Instructional and departmental research	$48,974,412	$47,943,152	$48,356,263	$54,723,087	$56,847,830
Sponsored research programs	1,042,075	478,595	1,038,778	979,134	903,666
Academic support	12,026,726	13,013,584	12,171,326	13,512,890	14,531,960
Student services	9,492,696	9,963,191	9,760,437	10,125,976	11,104,644
Institutional support	25,883,363	27,275,565	30,239,504	30,464,809	28,596,815
Auxiliary operations	24,052,169	21,969,945	22,978,548	24,445,236	26,833,830
Intercollegiate athletics and other	11,032,660	9,858,246	8,567,730	10,726,381	10,781,708
Total expenses	$132,504,101	$130,502,278	$133,112,586	$144,977,513	$149,600,453
Increase (Decrease) in operating and other net assets	$10,168,809	$7,434,788	($6,569,007)	($11,550,592)	($9,996,338)
Endowment and other net assets:					
Investment return	$8,380,993	$5,940,659	$34,105,195	($36,075,577)	$2,281,828
Endowment gains used to meet spending policy	(7,979,371)	(5,625,813)	(646,880)	(1,963,286)	529,714
Private gifts and grants	16,571	521,620	840,021	1,010,178	961,968
Accrued postretirement benefits and other	(876,612)	(971,847)	281,074	2,477,752	(3,810)
Net assets released from restrictions	749,990	115,767	40,270,825	1,996,819	3,582,071
Increase (decrease) in endowment and other net assets	$291,571	$(19,614)	$74,850,235	$(32,554,114)	$7,351,771
Net increase (decrease) in net assets	10,460,380	7,415,174	68,281,228	(44,104,706)	(2,644,567)
Net assets at beginning of year	233,883,928	244,344,308	251,759,482	320,040,710	275,936,004
Net assets at end of year	$244,344,308	$251,759,482	$320,040,710	$275,936,004	$273,291,437

For a complete presentation of the College's Statements of Activities as of and for the years ended June 30, 2023 and June 30, 2022, see the audited financial statements and accompanying notes included as Appendix B to this Official Statement.

Management's Discussion and Analysis of Financial Results

For the fiscal year ended June 30, 2023, the College's total assets decreased slightly (less than 1%) compared to fiscal year ended June 30, 2022, largely driven by decreases in cash balances. This cash decrease was largely the result of timing of the receipt of certain funds, including an administrative delay in requesting the fourth quarter endowment distribution and the expenditure of proceeds of bonds issued in 2022 for various projects. All other asset categories saw a combined increase of 4%, year-over-year.

Total liabilities decreased by 2%, primarily due to the amortization of long-term debt.

Net revenues from tuition, fees, room and board increased by 1% compared to fiscal year 2022 as enrollment stabilized and the College saw gains from an increased comprehensive fee. Overall, operating revenues increased 2.8% on the aforementioned student charges, endowment utilized for operations, and higher income from short-term investments. Operating expenses increased 3.2%, reflecting higher employee compensation, debt service, and depreciation expense. Non-compensation expenses were largely held flat year-over-year. The College experienced a decrease in net assets from operating activities of $10.0 million, which is largely the product of non-cash depreciation expense of $13.3 million. This gap was funded by the use of accumulated cash reserves set aside for strategic purposes.

The College continued to make significant investments in improving financial processes, cost control measures, purchasing, long-term planning, and information technology systems in fiscal year 2023, that is expected to result in continued efficiency and cost savings over the coming years.

Net operating revenues for the fiscal year ending June 30, 2024 were budgeted to be relatively unchanged from fiscal year 2023. Operating expenses, excluding debt service, were budgeted to be lower than fiscal year 2023 by approximately 3.0%. The scheduled debt service payments for fiscal year 2024 were budgeted to be $3.4 million higher than the previous fiscal year. The budget for the fiscal year ending June 30, 2024 adopted by the Board of Trustees in June 2023 was balanced (on a cash basis) with operating revenues (net of financial aid) of approximately $140.7 million, operating expenses of $148.5 million, and other net additions totaling $7.8 million. As of June 1, 2024, the projected (unaudited) results for fiscal year 2024 are generally in line with budget. On a full accrual basis, the College expects to experience a decrease in net assets from operating activities in fiscal year 2024 similar to the prior fiscal year.

Fundraising

The following table shows the amounts received by the College as gifts, grants and bequests over the past five years.

Year Ended June 30,	Annual Fund	Endowment/Capital Gifts
2019	$ 9,514,699	$ 6,944,236
2020	10,078,413	45,688,759
2021	14,436,801	12,023,652
2022	12,525,096	26,307,027
2023	13,184,645	5,982,581

On June 30, 2023, the Union community successfully completed *Powering Union: The Campaign for Multiple Tomorrows*, the most comprehensive fundraising effort in the history of the College. Eclipsing the initial goal one year ahead of schedule, nearly 23,000 donors from across the globe contributed over $316 million for students, faculty, programs and facilities. These investments are already at work helping to make Union's educational experience more intentional, more immersive and more accessible. The funds raised will be used for student scholarships, facilities, new faculty, programs and current operations. Campaign priorities included ensuring access, propelling the liberal arts and engineering, developing students beyond the classroom, and the Union Fund. Support for the academic campaign priorities is propelling the liberal arts and engineering by providing faculty with important resources to excel as innovative teachers, mentors and scholars. Gifts to other high priorities such as financial aid, experiential learning and student programming beyond the classroom will help to ensure that every student, regardless of background or circumstances, has the opportunity to attend Union and benefit from the full range of undergraduate experiences.

In February 2020, the Templeton Institute for Engineering and Computer Science was established at the College. The Templeton Institute was made possible by a gift of $51 million from 1980 graduates Rich and Mary Templeton, which was the largest gift in the College's history. The gift will support the recruitment and retention of women pursuing a degree in engineering or computer science, enhancements to the curriculum, faculty support and further development of facilities. In April 2024, the Templetons augmented their original gift with an additional $40 million commitment to support the construction of new space to house the Templeton Institute. The Templeton Institute promotes and strengthens transformative activities in engineering and computer science within a liberal arts educational environment. These critical investments undergird a major initiative of the College aimed at strengthening the "union" of liberal arts and engineering. The College believes that these combined academic offerings are a major differentiator in relation to its peers.

<u>Endowment</u>

The College's endowment consists of gifts restricted by donors, net assets without donor restrictions designated by management and the Board of Trustees for long-term support of the College's activities, and the accumulated investment return on these gifts and designated assets. Accumulated investment return consists of total endowment net investment return that has not been appropriated by the Board of Trustees for expenditures to support the operating activities of the College. Generally, only a portion of accumulated net investment return is made available for spending each year in accordance with an endowment utilization policy approved by the Board of Trustees and in accordance with the laws of the State of New York.

The fair value of all investments of the College as of June 30, 2023 was approximately $549 million. The fair value of the endowment funds as of June 30, 2023 was approximately $522 million. The pooled endowment total return for the fiscal year ended June 30, 2023 was 6.6%.

Effective July 1, 2024, the College's investments will be managed by Commonfund.

The following table presents the total fair value of the College's endowment and annual return as of the end of each of the past five fiscal years.

			As of June 30,		
	2019	**2020**	**2021**	**2022**	**2023**
Total endowment fair value	$470,309,116	$478,019,726	$598,746,292	$501,796,213	$522,125,163
1-year rate of return, net of fees	6.5%	5.1%	29.0%	(14.7%)	6.6%

As of April 30, 2024, the fiscal year-to-date return for the endowment was approximately 8.4%, and the total endowment fair value was estimated to be approximately $540 million (unaudited).

The College's pooled endowment spending formula is calculated using a three-year average of endowment fair values with a one-year lag. In calculating the spending formula for the fiscal year ended

June 30, 2023, the fair values for June 30, 2019, 2020, and 2021 were averaged. The total pooled endowment spending was 6.0% and 5.9% for the fiscal years ended June 30, 2023 and 2022, respectively, and is budgeted to be 6.0% for fiscal year 2024.

Investments

The investment objectives of the College focus on generating a return sufficient to cover the spending rate, inflation, and preserving the purchasing power of the endowment while minimizing investment risk in the portfolio. The College is committed to a long-term investment policy that is based on balancing principles of strong growth over time, diversity of the portfolio, liquidity for the annual draw, and benchmarking against market indices and appropriate peer schools. Growth in the endowment depends on contributions to the endowment from capital campaigns, the success of investment management, and the rate at which income is withdrawn from the endowment in support of the College's operating budget. The Investment Committee of the Board meets quarterly to discuss various issues such as investment performance, market outlook, and liquidity needs.

The investment pool asset allocation as of June 30, 2023 is set forth below.

	Market Value	**Percentage**
Cash and Cash Equivalents	$ 54,583,805	9.9%
Common Stocks and Mutual Funds	180,944,944	33.0
Fixed Income – Bonds	27,301,101	5.0
Private Equity and Venture Capital	87,877,497	16.0
Mortgages and Other	75,436	0.0
Multi-strategy	10,256,668	1.9
Hedged Equity Funds	77,212,479	14.1
Emerging Markets Funds	22,773,648	4.2
Distressed Debt	31,707,963	5.8
Real Assets	51,452,178	9.4
Assets Held in Beneficial Trust	4,548,955	0.8
	$548,734,674	100.00%

Liquidity

The limitations and restrictions on the College's ability to redeem or sell its investments vary by type of investment and range from required notice periods (generally 30 to 180 days after initial lockup periods) for certain limited partnership and hedge funds, to specified terms at inception (generally 10 years) associated with private equity and venture capital interests. The following table shows how much of the College's investments, inclusive of the endowment and non-endowment assets, can be liquidated in the time periods specified.

Liquidity Profile as of June 30, 2023
(in thousands)

	Amount that could be liquidated	Percentage
Daily	$133,722,140	24.37%
Monthly	64,964,169	11.84
Quarterly	100,988,927	18.40
Semi-annual	31,707,963	5.78
Annual	3,280,115	0.60
1 year	60,975,753	11.11
3 years	1,332,121	0.24
Illiquid	151,713,486	27.65
Total	$548,734,674	100.00%

Illiquid investments are primarily related to private equity and venture capital investments. The period of time until liquidation is not necessarily determinable by management, as liquidation terms are at the discretion of the applicable fund's investment manager, subject to market conditions and the underlying complexities of the individual investments.

Under the terms of certain limited partnership agreements, the College is obligated periodically to advance additional funding for certain funds in which the College is invested. At June 30, 2023, the College had unfunded commitments of approximately $68.5 million due through 2034, for which capital calls had not been exercised. The College maintains sufficient liquidity in its investment portfolio to cover such calls.

See Note 5(b) to the audited financial statements as of and for the fiscal years ended June 30, 2023 and 2022 set forth as Appendix B of this Official Statement.

Sustainability at Union

The College is in the final stages of developing a climate action plan, with input from the Board, senior staff and internal constituents, to support campus environmental initiatives and further the College's commitment to sustainability. In collaboration with the College's Facilities team and external consultants, the College is assessing appropriate metrics, timing and level of investment necessary to achieve its carbon reduction and other sustainability goals. The College's climate action plan is expected to be focused on good stewardship of its campus and environmental resources, while maintaining alignment with the strategic priorities of the College, and retaining sufficient flexibility to adapt to changing regulatory and environmental conditions.

Insurance

The College maintains comprehensive insurance coverage in the traditional categories of workers compensation, property and general liability and in categories unique to higher education, such as educators legal and other professional liabilities and coverages related to intercollegiate athletics.

Outstanding Long-Term Indebtedness

The outstanding indebtedness of the College as of June 1, 2024 (unaudited) is summarized below:

Description	**Interest Rate**	**Final Maturity**	**Balance Outstanding**
Taxable Fixed Rate Bonds, Series 2013	5.45%	2043	$40,410,000
Taxable Fixed Rate Bonds, Series 2015	4.88%	2035	10,215,000
Taxable Fixed Rate Refunding Bonds, Series 2015A*	3.45 - 4.38%	2031	19,560,000
Issuer's Tax-Exempt Revenue Bonds (Union College Project), Series 2017*	5.00%	2047	49,335,000
Issuer's Tax-Exempt Revenue Bonds (Union College Project), Series 2022	5.00 - 5.25%	2052	32,485,000
Total			$152,005,000

* All or a portion of these bonds are expected to be repaid with proceeds of the Series 2024 Bonds.

Line of Credit

Union maintains a $30 million unsecured line of credit with NBT Bank, N.A. to support operations. As of June 1, 2024, the College had drawn $15 million (unaudited) on the line of credit to fund the pre-paid rent due under the Arena Lease Agreement, which amount is expected to be repaid from the proceeds of the Series 2024B Bonds.

For a full description of the College's outstanding indebtedness, refer to College's audited financial statements included as Appendix B to this Official Statement.

CYBERSECURITY

Cybersecurity, and defending against unwanted electronic infiltration of its computers, networks, systems and data, is a significant focus of the College. Each year the College undertakes a series of planned initiatives and steps to mitigate against cybercrime and conducts planning exercises with its cybersecurity consultants. The College's dedicated Information Technology team is responsible for maintaining the confidentiality, integrity, and availability of electronic information and manages the projects, tasks, and daily operational work that is designed to reduce the College's overall cybersecurity risk profile and improve the security of all students, faculty, staff, and other community members. The team is managed by the Chief Information Officer, who reports to the Vice President of Administration and Finance. The College's network infrastructure, by design, is configured to protect systems used by the campus community through a variety of security technologies, which are regularly monitored and audited by the College's Information Technology team. The College partners with third-party vendors for formalized risk assessments, penetration testing, and vulnerability scanning. The College also carries cyber risk insurance.

On July 1, 2024 expects to transition to the Workday cloud platform for finance, payroll, and human capital management functions. The College believes that this transition will improve both its information management capabilities and its data security.

LITIGATION

Union College is subject to various claims, suits and legal actions during the normal course of its operations, and it likewise may have claims against other individuals or parties. The ultimate resolution of such claims is not expected to have a material adverse effect on the financial position of the College.

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UNION COLLEGE

Financial Statements

June 30, 2023 and 2022

(With Independent Auditors' Report Thereon)

UNION COLLEGE

Financial Statements

June 30, 2023 and 2022

Table of Contents

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report

The Board of Trustees
Union College:

Opinion

We have audited the financial statements of Union College (the College), which comprise the statements of financial position as of June 30, 2023 and 2022, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 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 College'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 financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College'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.

KPMG LLP

Albany, New York
October 24, 2023

UNION COLLEGE

Statements of Financial Position

June 30, 2023 and 2022

Assets		2023	2022
Cash and cash equivalents	$	233,143	35,824,463
Deposits with bond trustees		19,240,385	23,275,301
Pledges receivable, net		55,287,976	67,523,062
Notes and accounts receivable, net		12,556,648	9,853,238
Other assets		5,751,243	4,480,485
Investments		548,734,674	504,349,134
Receivable for investments sold		2,001,090	7,019,968
Beneficial interest in irrevocable trusts		2,165,500	2,168,716
Land, buildings, and equipment, net		271,975,078	265,030,728
Total assets	$	917,945,737	919,525,095
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	20,003,712	18,142,671
Construction costs payable		937,906	544,917
Deposits and advances		2,629,676	3,031,412
Pooled life income and charitable gift annuities payable		3,544,959	3,973,034
Refundable federal student loan funds		40,015	983,989
Accrued postretirement benefits		7,320,852	7,955,370
Other liabilities		1,622,188	716,999
Long-term debt, net		168,505,145	173,077,900
Total liabilities		204,604,453	208,426,292
Net assets:			
Without donor restrictions		273,291,437	275,936,004
With donor restrictions		440,049,847	435,162,799
Total net assets		713,341,284	711,098,803
Total liabilities and net assets	$	917,945,737	919,525,095

See accompanying notes to financial statements.

UNION COLLEGE

Statement of Activities

Year ended June 30, 2023
(with summarized information for the year ended June 30, 2022)

	2023 Without donor restrictions	2023 With donor restrictions	2023 Total	2022 Total
Operating activities:				
Revenue:				
Tuition, fees, room and board, net of financial aid	$ 90,699,342	—	90,699,342	89,881,976
Endowment return utilized for operations	27,000,559	—	27,000,559	26,645,491
Other investment and interest income	2,009,383	—	2,009,383	198,660
Government grants	6,043,379	3,147	6,046,526	4,841,404
Private gifts and grants	4,869,625	2,268,494	7,138,119	7,683,692
Intercollegiate athletics and other sources	3,603,929	—	3,603,929	3,654,985
Auxiliaries enterprises	2,585,657	—	2,585,657	2,423,277
Net assets released from restrictions	2,792,241	(2,792,241)	—	—
Total revenue	139,604,115	(520,600)	139,083,515	135,329,485
Expenses:				
Instructional and departmental research	56,847,830	—	56,847,830	54,723,087
Sponsored research programs	903,666	—	903,666	979,134
Academic support	14,531,960	—	14,531,960	13,512,890
Student services	11,104,644	—	11,104,644	10,125,976
Institutional support	28,596,815	—	28,596,815	30,464,809
Auxiliaries operations	26,833,830	—	26,833,830	24,445,236
Intercollegiate athletics and other	10,781,708	—	10,781,708	10,726,381
Total expenses	149,600,453	—	149,600,453	144,977,513
Decrease in net assets from operating activities	(9,996,338)	(520,600)	(10,516,938)	(9,648,028)
Nonoperating activities:				
Investment return, net of amounts utilized for operations	2,281,828	3,969,106	6,250,934	(112,727,319)
Private gifts and grants	961,968	5,020,613	5,982,581	26,307,027
Change in value of split-interest agreements	529,714	—	529,714	(1,963,286)
Postretirement benefits	(7,323)	—	(7,323)	739,918
Gain on defeasance of debt	—	—	—	1,119,045
Other	3,513	—	3,513	618,789
Net assets released from restrictions	3,582,071	(3,582,071)	—	—
Increase (decrease) in net assets from nonoperating activities	7,351,771	5,407,648	12,759,419	(85,905,826)
Increase (decrease) in net assets	(2,644,567)	4,887,048	2,242,481	(95,553,854)
Net assets at beginning of year	275,936,004	435,162,799	711,098,803	806,652,657
Net assets at end of year	$ 273,291,437	440,049,847	713,341,284	711,098,803

See accompanying notes to financial statements.

UNION COLLEGE

Statement of Activities

Year ended June 30, 2022

	2022		
	Without donor restrictions	**With donor restrictions**	**Total**
Operating activities:			
Revenue:			
Tuition, fees, room and board, net of financial aid	$ 89,881,976	—	89,881,976
Endowment return utilized for operations	26,645,491	—	26,645,491
Other investment and interest income	198,660	—	198,660
Government grants	4,836,751	4,653	4,841,404
Private gifts and grants	3,187,742	4,495,950	7,683,692
Intercollegiate athletics and other sources	3,654,985	—	3,654,985
Auxiliaries enterprises	2,423,277	—	2,423,277
Net assets released from restrictions	2,598,039	(2,598,039)	—
Total revenue	133,426,921	1,902,564	135,329,485
Expenses:			
Instructional and departmental research	54,723,087	—	54,723,087
Sponsored research programs	979,134	—	979,134
Academic support	13,512,890	—	13,512,890
Student services	10,125,976	—	10,125,976
Institutional support	30,464,809	—	30,464,809
Auxiliaries operations	24,445,236	—	24,445,236
Intercollegiate athletics and other	10,726,381	—	10,726,381
Total expenses	144,977,513	—	144,977,513
(Decrease) increase in net assets from operating activities	(11,550,592)	1,902,564	(9,648,028)
Nonoperating activities:			
Investment return, net of amounts utilized for operations	(36,075,577)	(76,651,742)	(112,727,319)
Private gifts and grants	1,010,178	25,296,849	26,307,027
Change in value of split-interest agreements	(1,963,286)	—	(1,963,286)
Postretirement benefits	739,918	—	739,918
Gain on defeasance of debt	1,119,045	—	1,119,045
Other	618,789	—	618,789
Net assets released from restrictions	1,996,819	(1,996,819)	—
Decrease in net assets from nonoperating activities	(32,554,114)	(53,351,712)	(85,905,826)
Decrease in net assets	(44,104,706)	(51,449,148)	(95,553,854)
Net assets at beginning of year	320,040,710	486,611,947	806,652,657
Net assets at end of year	$ 275,936,004	435,162,799	711,098,803

See accompanying notes to financial statements.

UNION COLLEGE

Statements of Cash Flows

Years ended June 30, 2023 and 2022

		2023	2022
Cash flows from operating activities:			
Increase (decrease) in net assets	$	2,242,481	(95,553,854)
Adjustments to reconcile (decrease) increase in net assets to net cash used in operating activities:			
Depreciation, amortization of right-of-use assets and change in asset retirement obligations		13,253,337	12,777,280
Realized and unrealized (gains) losses from investments, net		(30,575,670)	89,744,031
Change in gifts of securities		(1,344,101)	814
Change in present value of pooled life income annuities payable		(83,010)	132,232
Contributions for endowment or long-lived assets		(18,455,280)	(20,983,699)
Amortization of deferred issuance costs and discount/premium of long-term debt, net		(307,755)	(248,829)
Gain on sale of equipment		(3,513)	(12,733)
Gain on extinguishment of debt		—	(1,119,045)
Changes in assets and liabilities:			
Accounts receivable		(2,752,250)	(679,713)
Pledges receivable, net		12,235,086	(4,632,824)
Irrevocable trusts		3,216	619,539
Other assets		(1,488,688)	(70,554)
Accounts payable and accrued expenses		1,861,041	(6,945,556)
Deposits and advances		(401,736)	(745,718)
Accrued postretirement benefits		(634,518)	(1,237,695)
Other liabilities		462,739	(132,234)
Net cash used in operating activities		(25,988,621)	(29,088,558)
Cash flows from investing activities:			
Purchases of investments		(206,838,213)	(145,690,583)
Proceeds from the sales and maturities of investments		199,391,322	149,370,748
Change in deposits with bond trustees		4,034,916	(18,203,752)
Purchases of land, buildings, and equipment		(19,148,547)	(6,483,275)
Proceeds from the sale of equipment		7,741	12,733
Student loans issued		(842,658)	(789,589)
Proceeds from collections of student loans		891,499	989,173
Net cash used in investing activities		(22,503,940)	(20,794,545)
Cash flows from financing activities:			
Decrease in federal student loan funds		(943,974)	(204,718)
Payments of long-term debt		(4,265,000)	(5,525,000)
Proceeds from issuance of long-term debt		—	36,139,936
Extinguishment of long-term debt		—	(15,200,000)
Debt issuance costs		—	(685,310)
Contributions for:			
Investment in endowment		14,499,335	17,669,536
Investment in long-lived assets		3,949,038	3,285,441
Investment in life income and charitable gift annuity agreements		6,907	28,722
Change in charitable gift annuities payable		(345,065)	(183,276)
Net cash provided by financing activities		12,901,241	35,325,331
Net decrease increase in cash and cash equivalents		(35,591,320)	(14,557,772)
Cash and cash equivalents, beginning of year		35,824,463	50,382,235
Cash and cash equivalents, end of year	$	233,143	35,824,463
Supplemental data:			
Interest paid	$	7,431,091	7,785,016
Noncash investing and financing activities:			
Change in construction costs payable	$	392,989	173,338
Change in receivable for investments sold		(5,018,878)	6,601,701
Right-of-use assets obtained in exchange for operating lease obligations		668,955	—

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

(a) Organization

Union College (the College) was founded in 1795 and is a coeducational, independent, liberal arts and engineering college located in Schenectady, New York. The College is a scholarly community dedicated to shaping the future and to understanding the past. Faculty, staff and administrators welcome diverse and talented students into the community, work closely with them to provide a broad and deep education, and guide them in finding and cultivating their passions. The College does this with a wide range of disciplines and interdisciplinary programs in Liberal Arts and Engineering, as well as academic, athletic, cultural, and social activities, including opportunities to study abroad and to participate in undergraduate research and community service. The College develops in its students the analytic and reflective abilities needed to become engaged, innovative, and ethical contributors to an increasingly diverse, global and technologically complex society.

(b) Basis of Presentation

The financial statements of the College have been prepared on the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles (GAAP). Accordingly, net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets having similar characteristics have been classified into the following categories:

- With donor restrictions – Net assets whose use by the College is subject to donor-imposed or legal stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire with the passage of time and those required to be maintained in perpetuity or until prudently appropriated by the Board of Trustees of the College in accordance with New York State law. Generally, the donors of these assets permit the College to use all or part of the investment return on these assets to support program activities, principally financial aid and instruction.
- Without donor restrictions – Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the College's Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

Unconditional contributions are recognized as contributions receivable at their estimated net present value when pledged. Contributions and investment return with donor-imposed restrictions are reported as revenues and net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the College satisfies the donor-imposed restriction. Contributions with donor restrictions and investment return received and expended for the restricted purpose in the same fiscal year are recorded in net assets without donor restrictions.

The statement of activities reflects a subtotal for the change in net assets from operations. This subtotal reflects revenues the College received for operating purposes, including investment return used for operations, and all expenses. Nonoperating activity reflects all other activity, including, but not limited to, the investment return in excess of the amount appropriated under the Board of Trustees' approved spending formula and contributions for endowment and plant purposes. Amounts also include pension adjustments other than service costs and miscellaneous items not related to the College's academic or research activities.

(c) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the fair value of investments, valuation allowances for receivables and the accrual for postretirement benefits. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Management adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

(d) Cash and Cash Equivalents

Cash and cash equivalents, representing operating funds, include investments with an original maturity of three months or less, unless they are part of deposits with bond trustees or the endowment.

(e) Investments

Investments are reported in the financial statements at fair value. Investment return includes interest income and dividends and net realized and unrealized gains (losses). The fair value of fixed income and publicly traded equity securities is based upon quoted market prices obtained from active markets, or observable prices that are based on inputs not in quoted markets, but corroborated by market data, as applicable. Shares in mutual funds are based on share values reported by the funds as of the last business day of the fiscal year. Limited partnership interests, private equity and venture capital, as well as other nonmarketable investments, including hedge funds, for which a readily determinable fair value does not exist, are carried at net asset value or its equivalent (NAV) provided by the investment managers. Such alternative investment funds may hold securities or other financial instruments for which an active market exists and are priced accordingly. In addition, such funds may hold assets that require the estimation of fair values in the absence of readily determinable market values. Such valuations are determined by fund managers and consider variables such as financial performance of investments, including comparison of comparable companies' earnings multiples, cash flows analysis, recent sales prices of investments, and other pertinent information and may reflect discounts for the illiquid nature of certain investments held. Because of the inherent uncertainty of valuation for these investments, the investment manager's estimate may differ from the values that would have been used had an active market existed.

The College utilizes the NAV reported by the managers of each of the alternative investment funds as a practical expedient for estimating the fair value of each investment. These investments are redeemable at NAV under the original terms of the subscription agreements and operations of the underlying funds. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by these funds, changes in market conditions and the economic environment may significantly impact the NAV of the funds and, consequently, the fair value of the College's interests in the funds. Changes to the liquidity provisions of the funds may also significantly impact the fair value of the College's interest in the funds. Additionally, although certain investments may be sold in a secondary market transaction, subject to meeting certain requirements of the governing documents of the funds, the secondary market is not active and individual transactions are not necessarily observable. It is therefore reasonably possible that if the College were to sell a fund in the secondary market, the sale could occur at an amount different from the reported value, and the difference could be material.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. The Investment Committee of the College's Board of Trustees continually monitors investment market conditions and the impact on the College's investment portfolio. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

(f) Irrevocable Trusts

Several donors have established irrevocable trusts whereby the College is a beneficiary, but not the trustee. The present value of the portion of the trusts estimated to be distributable to the College upon the termination of the trusts is recorded as an asset of the College.

(g) Land, Buildings, and Equipment, Net

Land, buildings, and equipment are recorded at cost, including interest on funds borrowed to finance construction, at the date of acquisition or estimated fair value at the date of donation. Depreciation is recorded using the straight-line method with estimated useful lives used in the calculation of depreciation by major category of assets are as follows:

Buildings	40 years
Building and other improvements	10–40 years
Equipment and furniture:	
Equipment (non-computer) and furniture	10 years
Vehicles	7 years
Computer equipment	3 years
Library books	10 years

(h) Deposits and Advances

Deposits and advances include student fees related to the College's summer session and other unearned revenue. These amounts are recognized as revenue as the services are provided to the students, generally in the following fiscal year.

At June 30, 2023 and 2022, other unearned revenue includes $0 and $390,000 of amounts drawn as part of a government grant that will be recognized as revenue once the College meets the conditions associated with the grant.

(i) Federal Student Loan Funds

This liability represents Perkins Loan funds provided to students by the federal government through the College. The College is required to collect the loans on behalf of the federal government. The amount due from the students is reported in the College's financial statements as a component of notes receivable. Authority for schools to make new Perkins loans expired on October 1, 2017. Additionally, the College assigned a majority of its loans to the federal government during the year ended June 30, 2023.

(j) Pooled Life Income and Charitable Gift Annuities Payable

The liability for the present value of the deferred gifts is based upon estimates of the life expectancy of donors and beneficiaries and discount rates. Circumstances affecting these estimates can change the estimate of the liability in future periods. The total amount representing Charitable Gift Annuity Payable at June 30, 2023 and 2022 was $3,078,665 and $3,589,750, respectively.

(k) Revenue Recognition

Tuition, fees, room and board revenue is recognized as services are provided over the academic term to which it relates. These amounts are presented net of financial aid. Revenue from other exchange transactions, generally presented as auxiliaries enterprises on the accompanying statements of activities, is recognized as revenue when goods or services are provided to customers, includes dining services that are not part of student contracts with the College, bookstore, and ice hockey rink.

Revenue from tuition, fees, student housing, and student meal plans is determined based on published rates, and is billed and reported in the statement of activities net of institutional aid. The components of tuition, fees, room and board, net of financial aid include:

		2023	2022
Tuition and fees	$	129,303,513	124,128,760
Room and board		28,367,181	26,997,034
Gross student charges		157,670,694	151,125,794
Less scholarships		(66,971,352)	(61,243,818)
Net student charges	$	90,699,342	89,881,976

Unconditional contributions, including unconditional promises to give, are recognized at fair value as revenue within the appropriate net asset category when the donors' commitments are received. Conditional contributions or promises are recorded when donor-imposed stipulations have been substantially met. Conversely, unconditional contributions made by the College, including unconditional promises to give, are recognized as expenses in the period in which the commitments are made.

Sponsored activities include various research and instructional programs funded by external parties including the federal government, state governments, and private foundations. Sponsored activities revenue related to exchange contracts is recognized as the College fulfills the terms of the agreements, which generally span less than five years, and sponsored activities revenue related to nonexchange contracts is recognized as the related costs are incurred.

During the years ended June 30, 2023 and 2022, the College received funds under the Higher Education Emergency Relief Fund (HEERF), which was established as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020, and received additional funding from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) in December 2020 and the American Rescue Plan Act (ARPA) in March 2021. The HEERF grant program provides financial aid to students and higher education institutions to offset the loss of revenue and increased expenses as a result of the COVID-19 pandemic. All HEERF allocations have a student aid portion and an institutional portion and contain minimum student aid spending requirements. The grants are considered conditional contributions with a right of return and barriers to entitlement. The College provided emergency financial aid grants to students of approximately $392,000 and $1,130,000 for the years ended June 30, 2023 and 2022, respectively. In addition, approximately $1,130,000 of institutional HEERF funds, which were drawn down in fiscal year 2022 to offset campus safety and operations costs and the loss of auxiliary revenues, were recognized as revenue during the year ended June 30, 2022. The total of these student aid and institutional funds are recognized as revenue under Government grants on the statements of activities.

(l) Leases

The College is committed to minimum annual rent payments under several long term non cancellable operating leases for laundry, vehicles, and other equipment through fiscal year 2024, with a weighted average remaining lease term of 2.8 and 2.0 years as of June 30, 2023 and 2022, respectively.

Right-of-use assets represent the College's right to use an underlying asset for the lease term. Lease obligations represent the College's liability to make lease payments arising from the lease. Operating lease right-of-use assets and related obligations are recognized at commencement date based on the present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate (weighted average discount rate of 5.2%, and 4.5% for the years ended June 30, 2023 and 2022, respectively). The incremental borrowing rate is based on the information available at commencement date in determining the present value of lease payments. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

As of June 30, 2023, right of use assets and operating lease obligations of approximately $670,000 and $660,000 are included in Other assets and Other liabilities, respectively, in the statement of financial position (right of use assets and operating lease obligations of approximately $209,000 and $197,000, respectively, as of June 30, 2022).

(m) Tax Status

The College is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income tax on related income. The College recognizes the effect of income tax positions only if those positions are more likely than not of being sustained by the relevant tax authority. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The College believes it has taken no significant uncertain tax positions.

(Continued)

(n) Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, and other sources are recorded when it is possible that a liability has been incurred and the amount can be reasonably estimated. Legal costs associated with loss contingencies are expensed as incurred.

The College is subject to legal proceedings and claims that arise in the ordinary course of its business. In the opinion of management, the amount of any ultimate liability with respect to those actions will not materially affect the College's financial statements.

The College recognizes a liability for the fair value of conditional asset retirement obligations if their fair values can be reasonably estimated. This liability is initially recorded as an increase to the associated asset and depreciated over the remaining useful life of the asset. The College has identified asbestos abatement as a conditional asset retirement obligation. Asbestos abatement costs are estimated using a per square foot estimate for each impacted location. As of June 30, 2023 and 2022, the College has recorded a liability of approximately $962,000 and $520,000, respectively, representing the estimated present value of these conditional asset retirement obligations, which is included in Other liabilities in the statements of financial position.

Other conditional asset retirement obligations may exist that are not estimable until a triggering event occurs (e.g., building sold) due to the absence of a range of potential settlement dates. Presently, the College does not have sufficient information to estimate the fair value of these obligations but does not believe these items are material to the College's financial statements.

(2) Financial Assets and Liquidity Resources

As of June 30, 2023 and 2022, financial assets and liquidity resources available within one year for general expenditures, including operating expenses, scheduled principal payments on debt, and capital construction expenditures not financed with debt, include the below:

		2023	2022
Financial assets:			
Cash and cash equivalents	$	233,143	35,824,463
Notes and accounts receivable, net		7,793,054	4,435,904
Pledges receivable, net, undesignated and collectible within one year		309,248	339,806
Subsequent year board approved endowment appropriation		27,501,818	28,706,000
Total financial assets available within one year	$	35,837,263	69,306,173

The College's working capital and cash flows have seasonal variations due to the timing of student billing as well as a concentration of contributions received at calendar and fiscal year end. To manage liquidity, the College operates with a balanced budget on a cash flow basis in accordance with policies approved by the Board of Trustees. In addition to the liquidity resources stated in the above table, the College also has a revolving line of credit of $30 million for working capital needs.

Additionally, as of June 30, 2023, the College has $146,662,970 in quasi endowment which can be made available for general expenditure with approval from the Board of Trustees, subject to investment liquidity provisions. The College also anticipates collection of approximately $13,700,000 of amounts currently included in pledges receivable within the next year, which are restricted by the donors for specific designated purposes, construction projects and endowment.

(3) Pledges Receivable, Net

Pledges receivable are expected to be collected as follows at June 30:

		2023	2022
Within one year	$	14,178,311	20,202,569
Between one year and five years		30,505,158	35,669,044
Greater than five years		12,161,214	13,400,503
		56,844,683	69,272,116
Less:			
Present value discount (0.29%–4.92%)		1,340,911	1,215,410
Allowance for doubtful pledges		215,796	533,644
	$	55,287,976	67,523,062

(4) Notes and Accounts Receivable, Net

The College extends credit, primarily to students, in the form of notes and accounts receivable for educational expenses. Notes receivable for student loans are expected to be collected within 10 years and interest rates average approximately 6%.

Notes receivable are recorded at their current unpaid principal balance and associated interest income is accrued based on the principal amount outstanding and applicable interest rates. An allowance for doubtful accounts is recorded, which represents the amount which, in the opinion of management of the College, is necessary to account for probable losses related to current notes receivable. This allowance is determined based upon numerous considerations, including economic conditions, the specific composition of the notes receivable balance, as well as trends of delinquencies and write-offs. On a periodic basis, these factors are considered and the allowance for doubtful accounts is adjusted accordingly with a corresponding adjustment to the provision for allowance for doubtful notes and accounts receivable.

Notes and accounts receivable consist of the following at June 30:

		2023	2022
Notes receivable	$	6,782,299	7,751,629
Accounts receivable		7,379,546	3,904,525
		14,161,845	11,656,154
Less allowance for doubtful accounts		1,605,197	1,802,916
	$	12,556,648	9,853,238

(5) Investments and Fair Value

(a) Basis of Reporting

Investments include endowment, charitable gift annuities, pooled life income funds, and unrestricted operating investments. Investments are reported at estimated fair value.

Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. Except for investments reported at NAV as a practical expedient to estimate fair value, the College uses a three-tiered hierarchy to categorize those assets and liabilities carried at fair value based on the valuation methodologies employed. Financial instruments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the College has the ability to access at the measurement date.
- Level 2 inputs are observable prices that are based on inputs not quoted in active markets, but corroborated by market data.
- Level 3 inputs are unobservable inputs that are used when little or no market data is available.

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

Receivable for investments sold represents amounts receivable from unsettled sales and is classified as Level 1 in the fair value hierarchy.

The College's investments as of June 30, 2023, are summarized in the following table:

	Total	Level 1	Level 2	Level 3	Redemption frequency	Days' notice
Investments measured at fair value:						
Short-term investments	$ 54,583,805	54,583,805	—	—	Daily	1
Common stocks and mutual funds	51,861,795	51,861,795	—	—	Daily	4
Fixed income – bonds	27,301,101	27,301,101	—	—	Daily	1
Mortgages and other	75,436	—	75,436	—	Daily	1
Real assets	19,061,954	14,223,711	—	4,838,243	Daily	1
Assets held in beneficial trusts	4,548,955	4,181,370	367,585	—	Illiquid	N/A
Total investments at fair value	157,433,046	$ 152,151,782	443,021	4,838,243		
Investments measured at NAV:						
Commingled funds:						
International equities	49,486,264				Monthly – Quarterly	10–60
Global equities	79,596,885				Monthly – Rolling 3 years	7–60
Private equity and venture capital	87,877,497				Illiquid	N/A
Multistrategy funds	41,964,631				Annual – Illiquid	45–N/A
Hedged equity funds	77,212,479				Monthly – Illiquid	60–N/A
Emerging markets funds	22,773,648				Monthly – Quarterly	60
Real assets	32,390,224				Illiquid	N/A
Total investments measured at NAV	391,301,628					
Total investments	$ 548,734,674					

The College's investments as of June 30, 2022, are summarized in the following table:

	Total	Level 1	Level 2	Level 3	Redemption frequency	Days' notice
Investments measured at fair value:						
Short-term investments	$ 46,691,274	46,691,274	—	—	Daily	1
Common stocks and mutual funds	46,343,312	46,343,312	—	—	Daily	4
Fixed income – bonds	8,673,558	8,673,558	—	—	Daily	1
Mortgages and other	56,912	—	56,912	—	Daily	1
Real assets	15,862,099	12,247,536	—	3,614,563	Daily	1
Assets held in beneficial trusts	4,121,181	3,760,869	360,312	—	Illiquid	N/A
Total investments at fair value	121,748,336	$ 117,716,549	417,224	3,614,563		
Investments measured at NAV:						
Commingled funds:						
International equities	44,687,907				Monthly – Quarterly	10–60
Global equities	69,662,100				Monthly – Rolling 3 years	7–60
Private equity and venture capital	88,010,144				Illiquid	N/A
Multistrategy funds	44,398,479				Annual – Illiquid	45–N/A
Hedged equity funds	71,894,657				Monthly – Illiquid	60–N/A
Emerging markets funds	32,013,502				Monthly – Quarterly	60
Real assets	31,934,009				Illiquid	N/A
Total investments measured at NAV	382,600,798					
Total investments	$ 504,349,134					

There were no changes in methodologies used at June 30, 2023 and 2022. Level 3 investments at June 30, 2023 and 2022 represent fund holdings with underlying investments in income producing real estate. Significant unobservable inputs related to these investments include capitalization rates applied to trailing net operating income, which are determined by comparing to similar properties and transactions based on factors such as market, age, and quality, and third-party brokers' opinions of value.

(b) Liquidity and Commitments

The limitations and restrictions on the College's ability to redeem or sell these investments vary by investment and range from required notice periods (generally 30 to 180 days after initial lock-up periods) for certain limited partnership and hedge funds, to specified terms at inception (generally 10 years) associated with private equity and venture capital interests.

Based upon the terms and conditions in effect at June 30, 2023, the College's investment funds can be redeemed or sold as follows:

Investments redemption period:		
Daily	$	133,772,140
Monthly		64,964,169
Quarterly		100,988,927
Semi-annual		31,707,963
Annual		3,280,115
1 year		60,975,753
3 years		1,332,121
Locked-up until liquidated		151,713,486
Total	$	548,734,674

Investment funds that are in the locked-up until liquidated category are primarily related to private equity and venture capital investments. The period of time until liquidation is not necessarily determinable by management, as liquidation terms are at the discretion of the applicable fund's investment manager subject to market conditions and the underlying complexities of the individual investments. These liquidity restrictions have been in effect since the initial purchase of the applicable funds.

Under the terms of certain limited partnership agreements, the College is obligated periodically to advance additional funding for certain funds that the College is invested in. At June 30, 2023, the College had commitments of approximately $68,500,000 due through 2034, for which capital calls had not been exercised. Such commitments generally have fixed expiration dates or other termination clauses. The College maintains sufficient liquidity in its investment portfolio to cover such calls.

(c) Investment Return

The College utilizes an endowment spending policy that emphasizes total return. Total return consists of current yield (primarily interest and dividends) as well as the realized and unrealized gains and losses of pooled investments. The College's Board of Trustees designates a portion of the College's total investment return for support of current operations; the remainder is retained to support operations of future years and to offset potential market declines. The pooled endowment total return for the years ended June 30, 2023 and 2022, was approximately 6.6% and (14.7%), respectively.

The following schedule summarizes the investment return and its classification in the statements of activities:

		2023	2022
Interest income and dividends, net of fees	$	4,685,206	3,860,863
Net realized and unrealized gains (losses)		30,575,670	(89,744,031)
Total return on investments		35,260,876	(85,883,168)
Investment return designated for current operations		(27,000,559)	(26,645,491)
Other operating interest and investment income		(2,009,383)	(198,660)
Investment return net of amounts designated for current operations	$	6,250,934	(112,727,319)

(6) Endowment

The College's endowment and similar funds consist of gifts restricted by donors, net assets without donor restrictions designated by management and the Board of Trustees for long-term support of the College's activities, and the accumulated investment return on these gifts and designated assets. Accumulated investment return consists of total endowment net investment return that has not been appropriated by the Board of Trustees for expenditure to support the operating activities of the College. Generally, only a portion of accumulated net investment return is made available for spending each year in accordance with an endowment utilization policy approved by the Board of Trustees and in accordance with the laws of the State of New York.

College designated endowment funds are net assets without donor restrictions that may be re-designated for authorized expenditures. At June 30, 2023 and 2022, endowment and similar funds balances are approximately $522,100,000 and $501,800,000, respectively, which includes pooled endowment net assets of approximately $496,300,000 and $476,300,000, respectively.

The College follows the New York Uniform Prudent Management of Institutional Funds Act (NYPMIFA) in the management of its endowment. The College has interpreted NYPMIFA as allowing the College to spend or accumulate the amount of an endowment fund that the College determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. The College classifies as net assets with donor restrictions (a) the original values of gifts donated to permanent endowments, (b) the original values of subsequent gifts to permanent endowments, (c) accumulations to permanent endowments made in accordance with the directions of the applicable donors' gift instruments at the times the accumulations are added to the funds, and (d) unspent endowment earnings until those amounts are appropriated for spending by the College's Board of Trustees in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Investment Committee of the College's Board of Trustees considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the fund

- The purposes of the College and the endowment fund
- General economic conditions
- The expected total return from income and the appreciation of investments
- Other resources of the College
- Where appropriate and where circumstances would otherwise warrant, alternatives to expenditure of and endowment fund, giving due consideration to the effect that such alternatives may have on the College
- The investment policies of the College

Total endowment net assets are classified as follows at June 30:

	2023		
	Without donor restrictions	**With donor restrictions**	**Total**
Donor restricted	$ —	375,462,193	375,462,193
Board designated	146,662,970	—	146,662,970
Total	$ 146,662,970	375,462,193	522,125,163

	2022		
	Without donor restrictions	**With donor restrictions**	**Total**
Donor restricted	$ —	358,513,967	358,513,967
Board designated	143,282,246	—	143,282,246
Total	$ 143,282,246	358,513,967	501,796,213

The following is a summary of the changes in endowment net assets for the year ended June 30, 2023:

		Without donor restrictions	With donor restrictions	Total
Pooled endowment net assets, June 30, 2022	$	135,695,938	340,611,169	476,307,107
Investment return, net of fees		9,020,326	22,810,416	31,830,742
Contributions (excluding pledges)		571,900	13,927,435	14,499,335
Amounts appropriated for expenditure		(7,866,148)	(18,453,310)	(26,319,458)
Pooled endowment net assets, June 30, 2023		137,422,016	358,895,710	496,317,726
Other endowment and similar net assets, June 30, 2022		7,586,308	17,902,798	25,489,106
Investment return, net of fees		1,808,751	(388,000)	1,420,751
Contributions (excluding pledges)		—	6,907	6,907
Amounts appropriated for expenditure		(681,101)	—	(681,101)
Actuarial adjustments		109,382	—	109,382
Expired contracts		—	(955,222)	(955,222)
Other changes and reclassifications		417,614	—	417,614
Other endowment and similar net assets, June 30, 2023		9,240,954	16,566,483	25,807,437
Total endowment and similar net assets, June 30, 2023	$	146,662,970	375,462,193	522,125,163

The following is a summary of the changes in endowment net assets for the year ended June 30, 2022:

		Without donor restrictions	With donor restrictions	Total
Pooled endowment net assets, June 30, 2021	$	167,682,227	400,512,673	568,194,900
Investment return, net of fees		(23,741,891)	(57,418,018)	(81,159,909)
Contributions (excluding pledges)		874,092	16,795,444	17,669,536
Amounts appropriated for expenditure		(8,331,993)	(17,597,724)	(25,929,717)
Other changes and reclassifications		(786,497)	(1,681,206)	(2,467,703)
Pooled endowment net assets, June 30, 2022		135,695,938	340,611,169	476,307,107
Other endowment and similar net assets, June 30, 2021		13,394,024	17,157,368	30,551,392
Investment return, net of fees		(3,285,919)	(1,636,000)	(4,921,919)
Contributions (excluding pledges)		—	28,722	28,722
Amounts appropriated for expenditure		(715,774)	—	(715,774)
Actuarial adjustments		(1,221,927)	—	(1,221,927)
Expired contracts		—	(161,292)	(161,292)
Other changes and reclassifications		(584,096)	2,514,000	1,929,904
Other endowment and similar net assets, June 30, 2022		7,586,308	17,902,798	25,489,106
Total endowment and similar net assets, June 30, 2022	$	143,282,246	358,513,967	501,796,213

(a) Spending Policy

The College has a policy of appropriating for distribution to the budget each year a percentage of its pooled endowment based on the three-year average market value as of June 30, with a one-year lag. For the year ended June 30, 2023, the three fiscal years used in the calculation are the fiscal years ended June 30, 2019, 2020, and 2021. For the year ended June 30, 2022, the three fiscal years used in the calculation are the fiscal years ended June 30, 2018, 2019, and 2020.

The total pooled endowment spending was 6.0% and 5.9% for the fiscal years ended June 30, 2023 and 2022, respectively.

(b) Return Objectives and Risk Parameters

Investment objectives focus on generating a return sufficient to cover the spending rate, inflation, and the preservation of the purchasing power of the endowment while minimizing investment risk in the portfolio. The College is committed to a long-term investment policy that is based on balancing principles of strong growth over time, diversity of the portfolio, liquidity for the annual draw, and benchmarking against market indices and appropriate peer schools. Growth in the endowment depends on contributions to the endowment from capital campaigns, the success of investment management, and the rate at which income is withdrawn from the endowment in support of the College's operating budget. The Investment Committee of the College's Board of Trustees meets quarterly to discuss various issues such as investment performance, market outlook, and liquidity needs.

(c) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (underwater). When underwater endowment funds exist, they are classified as a reduction of net assets with donor restrictions. Deficiencies of this nature exist in 89 donor-restricted endowment funds, which together have an original gift value of approximately $34,443,000, a current fair value of $32,295,000 and a deficiency of $2,148,000 as of June 30, 2023. As of June 30, 2022, deficiencies of this nature existed in 103 donor restricted endowment funds, which together have an original gift value of approximately $32,582,000, a current fair value of $28,936,000, and a deficiency of $3,646,000. These deficiencies generally resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs for which donor permission was received as required by NYPMIFA and as was deemed prudent by the Board of Trustees.

For funds that are underwater, the gap between the current income and the spending formula is covered through appropriations from other board designated endowments and accumulated realized gains on these board designated endowments or other funds without donor restrictions.

(7) Land, Buildings, and Equipment

The following is a summary of land, buildings, and equipment at June 30:

		2023	2022
Land	$	101	101
Buildings		167,912,643	167,912,643
Building and other improvements		245,341,586	240,152,392
Equipment and furniture		114,183,562	111,591,738
Library books		41,824,238	41,786,246
Construction in progress		12,954,048	1,421,777
		582,216,178	562,864,897
Less accumulated depreciation		(310,241,100)	(297,834,169)
	$	271,975,078	265,030,728

Capitalized interest was $0 and $45,337 during the years ended June 30, 2023 and 2022, respectively. Depreciation expense was $12,592,957 and $12,664,760 for the years ended June 30, 2023 and 2022, respectively. For the years ended June 30, 2023 and 2022, fixed assets (original cost) disposed were $190,254 and $36,446, respectively, resulting in gains on disposal of $3,513 and $12,733, respectively.

At June 30, 2023 and 2022, the College has outstanding contracts totaling approximately $15,122,000 and $4,200,000, respectively, related to several projects expected to be completed within the next year.

(8) Long-Term Debt

The following is a summary of long-term debt, including associated premiums, discounts, and deferred costs of issuance:

	Maturity date	Interest rate	Outstanding at June 30 2023	2022
2013 Taxable Bonds – M&T Trust Company	November 15, 2043	5.45 %	$ 40,410,000	40,410,000
2015 Taxable Bonds – M&T Trust Company	July 1, 2036	4.88 %	10,215,000	10,215,000
2015A Taxable Bonds – M&T Trust Company	July 1, 2031	3.25% – 4.35%	21,780,000	22,945,000
2017 Tax-exempt Bond – M&T Trust Company	January 1, 2047	5.00 %	55,035,000	58,135,000
2022 Tax-exempt Bonds – M&T Trust Company	July 1, 2052	5.00% – 5.25%	32,485,000	32,485,000
Total long-term debt – principal			159,925,000	164,190,000
Add unamortized bond premiums			11,735,787	12,206,747
Less unamortized bond discounts			(902,405)	(957,910)
Less deferred cost of issuance			(2,253,237)	(2,360,937)
Total long-term debt, net			$ 168,505,145	173,077,900

Interest expense on long-term debt was $8,291,552 and $7,658,087 for 2023 and 2022.

Proceeds of long-term debt have been used by the College to primarily finance building and construction programs. The College is required to maintain various reserve accounts in conjunction with the debt agreements that are reported as deposits with bond trustees on the statements of financial position. Deposits with bond trustees are classified as Level 1 in the fair value hierarchy.

In November 2013, the College borrowed $40,410,000 through taxable financing, with JPMorgan acting as the underwriter. The debt was used for the project costs of various building renovation/construction projects. The final maturity of the bond will be November 15, 2043 with a balloon payment due.

In June 2015, the College borrowed $10,215,000 through taxable financing, with JPMorgan acting as the underwriter. The debt was used for the project costs of various building renovation/construction projects. The final maturity of the bond will be July 1, 2036 with a balloon payment due.

In October 2015, the College borrowed $28,325,000 through taxable financing, with JP Morgan Chase acting as the underwriter. The debt was used to refinance amounts outstanding on prior debt issue. The final maturity of the bond will be July 1, 2031.

In April 2017, the College borrowed $74,702,514 through the Schenectady County Capital Resource Corporation, utilizing a tax-exempt revenue bond. $50,000,000 of the debt was used toward the financing of the renovation/construction of the Science and Engineering Center. $15,300,000 was used to refund

Series 2010 bonds. The remaining amount of the debt proceeds was used to fund the Capitalized Interest Fund in the amount of $7,900,000, as well as costs of issuance. The final maturity of the bond will be January 1, 2047. The bonds were issued at a premium of approximately $10,000,000.

In June 2022, the College borrowed $32,485,000 through the Schenectady County Capital Resource Corporation, utilizing a tax-exempt revenue bond. $19,921,000 of the debt will be used for the project costs of various building renovation and deferred maintenance. Approximately $15,558,000 was used to refund the Series 2012 bonds, which included the outstanding principal balance and accrued interest. The remaining amount of the debt proceeds was used for costs of issuance. The final maturity of the bond will be July 1, 2052. The bonds were issued at a premium of approximately $3,655,000.

Principal payments and maturities of long-term debt at June 30, 2023 are summarized as follows:

2024	$	7,920,000
2025		7,300,000
2026		5,875,000
2027		2,465,000
2028		2,560,000
Thereafter		133,805,000
Principal maturities	$	159,925,000

Lines of Credit

In June 2022, the College entered into a revolving line of credit in the amount of $30,000,000 with NBT Bank, which expires on December 31, 2023. Each outstanding advance under the line of credit will accrue interest at a variable rate equal to the 1 month term secured overnight financing rate plus 1.25% at June 30, 2023, and June 30,2022. Under the terms of the agreement, the College shall also maintain a balance of $15,000,000 with NBT Bank or affiliates.

For the years ended June 30, 2023 and 2022, there were no outstanding balances on the line.

(9) Benefit Plans

(a) Retirement Plan

The College has a defined contribution retirement plan under arrangements with Teachers' Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF) and Fidelity, which provide for purchases of annuities and investments for all of its faculty members and nonacademic employees.

The College's contribution expense under this plan was approximately $6,085,000 and $5,476,000 for the years ended June 30, 2023 and 2022, respectively.

(b) Postretirement Healthcare Plan

The College has also elected to pay for a portion of healthcare benefits for retired employees based upon years of service at retirement date. The College recognizes the cost of healthcare benefits on an accrual basis over the working lifetime of employees.

The College provides health insurance benefits for eligible employees upon retirement and recognizes the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability and recognizes changes in that funded status in the year they occur. The College uses a June 30 measurement date for its postretirement healthcare plan (the Plan).

The Plan's funded status, amounts recognized, significant assumptions used, contributions made, and benefits paid as of and for the years ended June 30, 2023 and 2022 are as follows:

		2023	2022
Change in benefit obligations:			
Benefit obligation at beginning of year	$	7,955,370	9,193,065
Service cost		329,507	388,546
Interest cost		301,902	171,307
Actuarial gain		(294,579)	(911,225)
Benefits paid		(971,348)	(886,323)
Benefit obligation at end of year	$	7,320,852	7,955,370

There are no plan assets as of June 30, 2023 and 2022. All assets contributed to the plan were used to pay for benefits.

		2023	2022
Accrued benefit cost:			
Funded status	$	(7,320,852)	(7,955,370)
Weighted average assumptions as of June 30:			
Discount rate – benefit obligation		4.78 %	4.03 %
Discount rate – periodic postretirement benefit cost		4.03	1.92

(Continued)

For measurement purposes, a 6.4% annual rate of increase in the per capita cost of covered healthcare benefits was assumed for 2023. The rate was assumed to increase to 6.90% for 2024, and then decrease gradually from 6.70% to 3.70% for 2025 and thereafter.

		2023	2022
Components of net periodic benefit cost:			
Service cost	$	329,507	388,546
Interest cost		301,902	171,307
Amortization of actuarial loss		44,063	184,731
Amortization of prior service credit		(344,974)	(344,975)
Net periodic postretirement benefit cost	$	330,498	399,609

Amounts recorded in net assets without donor restrictions as of June 30, 2023 and 2022, but not yet amortized as components of net periodic benefit costs are as follows:

		2023	2022
Unamortized prior service credit	$	410,516	755,490
Unamortized actuarial loss		(798,271)	(1,136,913)
Amount recognized as a decrease in net assets without donor restrictions	$	(387,755)	(381,423)

The amortization of the above items expected to be recognized in net periodic costs for the year ending June 30, 2023 is ($345,000).

The following benefit payments, which reflect expected future service and the impact of the Medicare Part D subsidy, as appropriate, are expected to be paid:

		Postretirement benefit payments
2024	$	953,559
2025		901,781
2026		929,176
2027		944,972
2028		819,309
2029–2033		3,409,298
Total	$	7,958,095

(10) Net Assets

Net assets consist of the following at June 30:

		2023	2022
With donor restrictions:			
Pledges for instruction, scholarship, facilities, and other departmental support	$	55,287,976	67,523,062
Capital projects		350,000	350,000
Pooled endowments		358,895,710	340,611,169
Life income and annuity agreements		1,735,713	2,636,700
Funds in trust and other nonpooled endowments		14,830,770	15,266,098
Annual restricted scholarships and other funds		8,949,678	8,775,770
Total	$	440,049,847	435,162,799
Without donor restrictions:			
Operating, plant and other	$	126,628,467	132,653,758
Quasi endowments		146,662,970	143,282,246
Total	$	273,291,437	275,936,004

(11) Natural Expenses

Operating expenses presented by natural and functional classification are as follows for the fiscal years ended June 30:

		2023						
		Salaries and wages	Benefits	Supplies and services	Depreciation and amortization	Interest	Utilities, maintenance and other	Total
Instructional and departmental research	$	29,119,236	9,936,715	9,434,189	3,405,500	3,380,479	1,571,711	56,847,830
Sponsored research programs		270,125	92,178	541,363	—	—	—	903,666
Academic support		5,887,962	2,009,222	3,054,882	753,244	777,883	2,048,767	14,531,960
Student services		4,760,244	1,624,397	3,615,758	746,232	185,321	172,692	11,104,644
Institutional support		13,944,793	4,758,553	7,124,304	1,920,771	728,561	119,833	28,596,815
Auxiliaries operations		5,150,937	1,757,718	9,766,648	4,983,873	2,744,866	2,429,788	26,833,830
Intercollegiate athletics and other		4,667,821	1,592,858	2,305,994	1,443,717	516,214	255,104	10,781,708
Total expenses	$	63,801,118	21,771,641	35,843,138	13,253,337	8,333,324	6,597,895	149,600,453

	2022						
	Salaries and wages	Benefits	Supplies and services	Depreciation and amortization	Interest	Utilities, maintenance and other	Total
Instructional and departmental research	$ 27,532,561	10,121,676	6,715,401	5,016,401	3,103,735	2,233,313	54,723,087
Sponsored research programs	313,800	115,361	549,973	—	—	—	979,134
Academic support	4,691,092	1,724,566	3,784,530	581,713	694,167	2,036,822	13,512,890
Student services	4,931,772	1,813,046	2,058,522	631,878	325,723	365,035	10,125,976
Institutional support	14,120,350	5,191,003	8,496,151	1,483,368	478,872	695,065	30,464,809
Auxiliaries operations	4,969,312	1,826,847	8,348,118	3,948,971	2,716,971	2,635,017	24,445,236
Intercollegiate athletics and other	4,345,214	1,597,412	2,563,548	1,114,949	350,790	754,468	10,726,381
Total expenses	$ 60,904,101	22,389,911	32,516,243	12,777,280	7,670,258	8,719,720	144,977,513

Depreciation, operations and maintenance costs, interest expense, and employee benefits are allocated to the functional expense categories reported within the operating section of the statements of activities. Depreciation and operations and maintenance costs are allocated based upon the estimated use of facilities and equipment. Interest expense is allocated based on specific identification of the use of debt proceeds. Employee benefits are allocated in relation to salary expense.

Expenses associated with fundraising activities of the College were approximately $3,895,000 and $4,030,000 in 2023 and 2022, respectively, and are included in institutional support. Costs incurred include expenses related to solicitation activities to obtain gifts and bequests, as well as special cultivation events that may result in contributions that will be received in future periods.

(12) Collections (Unaudited)

The College's collections are made up of approximately 36,500 objects and their estimated fair value is approximately $23,500,000 (unaudited). The College's policy is not to capitalize its collections. The College's collections comprise paintings and portraits, furniture, works on paper, scientific instrumentation, and other objects.

The College's collections are held for educational, research, scientific, and curatorial purposes. Each of the items is catalogued, preserved, and cared for, and activities verifying their existence and assessing their condition are performed periodically. All proceeds resulting from the deaccession of objects from the permanent collection are allocated for the benefit of the collections. During the years ended June 30, 2023 and 2022, no objects were deaccessioned.

(13) Related Parties

The Alumni Council of Union College, Inc. (the Alumni Council) was formed to provide structure for the alumni of the College to participate in and advance the interest of the College. The Alumni Council is classified as a tax-exempt organization under Internal Revenue Code (Code) Section 501(c)(3) and as a supporting organization under Code Section 509(a)(3). During the year ended June 30, 2023, the College provided approximately $86,246 in support to the Alumni Council for various events and expenses ($61,500 during the year ended June 30, 2022). The Alumni Council similarly supports College-sponsored alumni events and outreach. The College received $85,947 and $59,000 from the Alumni Council during the years ended June 30, 2023 and 2022, respectively.

From time to time, within the normal course of operations, the College receives contributions, both in the form of cash and promises to give (pledges), from members of the College's Board of Trustees. Such trustees are not part of the College's management team and do not have a significant business relationship with the College.

(14) Subsequent Events

For purposes of determining the effects of subsequent events on these financial statements, management has evaluated events subsequent to June 30, 2023 and through October 24, 2023, the date on which the financial statements were issued.

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GLOSSARY AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN OF THE FINANCING DOCUMENTS

GLOSSARY

The following terms have the meanings stated herein when used in this Appendix and the documents summarized below:

"2024 Capital Improvements Projects" means the renovation and upgrading of existing buildings and other capital infrastructure located on the Institution's Campus financed with proceeds of the Series 2024A Bonds.

"Account" means, with respect to any Series of Bonds, an account created within any Fund designated and created pursuant to Section 401 of the Indenture.

"Act" means the Enabling Act.

"Additional Bonds" means any bonds issued by the Issuer pursuant to Section 214 of the Indenture.

"Additional Project" means a Project financed, in whole or in part, with the proceeds of any Series of Additional Bonds.

"Applicable Laws" means all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all Governmental Authorities, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to or affect the Project Facility or any part thereof or the conduct of work on the Project Facility or any part thereof or to the operation, use, manner of use or condition of the Project Facility or any part thereof, including but not limited to (1) applicable building, zoning, environmental, planning and subdivision laws, ordinances, rules and regulations of Governmental Authorities having jurisdiction over the Project Facility, (2) restrictions, conditions or other requirements applicable to any permits, licenses or other governmental authorizations issued with respect to the foregoing, and (3) judgments, decrees or injunctions issued by any court or other judicial or quasi-judicial Governmental Authority.

"Authorized Denominations" means: (A) with respect to the Series 2024 Bonds, $5,000 and any integral multiple of $5,000 in excess thereof, except that, if as a result of a redemption, partially redeemed Bonds cannot be issued in such denominations, such partially redeemed Bonds shall be reissued in such other denominations to the extent required to effect such redemption; and (B) with respect to any Series of Additional Bonds, the authorized denominations for such Series of Additional Bonds as set forth in the Supplemental Indenture relating thereto.

"Authorized Investments" means any of the following: (A) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America; (B) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (1) U.S. Export-Import Bank ("Eximbank"), (2) Farmers Home Administration ("FmHA"), (3) Federal Financing Bank, (4) Federal Housing Administration Debentures ("FHA"), (5) General Services Administration, (6) Government National Mortgage Association ("GNMA" or "Ginnie Mae"), (7) U.S. Maritime Administration, and (8) U.S. Department of Housing and Urban Development ("HUD"); (C) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (1) Federal Home Loan Bank System, (2) Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"), (3) Federal National Mortgage Association ("FNMA" or "Fannie Mae"), (4) Student Loan Marketing Association ("SLMA" or "Sallie Mae"), (5) Resolution Funding Corp. ("REFCORP") obligations, and (6) Farm Credit System; (D) money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of "AAAm-G", "AAA-m"; or "AA-m" and if rated by Moody's rated "Aaa", "Aa1" or "Aa2"; (E) certificates of deposit secured at all times by collateral described in (A) and/or (B) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral; (F) certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF; (G) investment agreements, including GIC's; (H) commercial paper rated, at the time of purchase, "Prime - 1" by Moody's and "A-1" or better by S&P; (I) bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies; (J) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P; and (K) repurchase agreements for 30 days or less must follow the following criteria. The criteria is described as follows: (1) repurchase agreements must be between the municipal entity and a dealer bank or securities firm (a) primary dealers on the Federal Reserve reporting dealer list which are rated A or better by S&P and Moody's Investor Services, or (b) banks rated "A" or above by S&P and Moody's Investor Services; (2) the written repurchase agreement must include the following: (a) securities which are acceptable for transfer are: (i) direct U.S. governments, or (ii) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA & FHLMC), (b) the term of the repurchase agreement may be up to 30 days, (c) the collateral must be delivered to the municipal entity, trustee (if trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities), (d) valuation of collateral - the securities must be valued weekly, marked-to-market at current market price plus accrued interest. The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repurchase agreement plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%, and (3) legal opinion which must be delivered to the municipal entity: (a) repurchase agreement meets guidelines under state law for legal investment of public funds.

"Authorized Representative" means the Person or Persons at the time designated to act on behalf of the Issuer or the Institution, as the case may be, by written certificate furnished to the Trustee containing the specimen signature of each such Person and signed on behalf of (A) the Issuer by its Chairperson, Vice-Chairperson or Executive Director, or such other person as may be authorized by resolution of the Issuer to act on behalf of the Issuer, (B) the Institution by its President or Vice President for Finance and Administration, or such other person as may be authorized by the board of trustees of the Institution to act on behalf of the Institution and (C) the Trustee by any Vice President, Assistant Vice President or Trust Officer, or such other person as may be authorized by the board of directors of the Trustee to act on behalf of the Trustee.

"Bankruptcy Code" means the United States Bankruptcy Code, constituting Title 11 of the United States Code, as amended from time to time, and any successor statute.

"Beneficial Owner" means, with respect to a Series 2024 Bond, a Person owning a Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee.

"Beneficial Ownership Interest" means the beneficial right to receive payments and notices with respect to the Bonds which are held by the Depository under a Book Entry System.

"Bond" or "Bonds" means, collectively, (A) the Series 2024 Bonds and (B) any Additional Bonds.

"Bond Counsel" means the law firm of Barclay Damon LLP, Albany, New York or such other attorney or firm of attorneys located in the State whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and who are acceptable to the Issuer.

"Bond Fund" means the fund so designated and established pursuant to Section 401(A) of the Indenture.

"Bondholder" or "Holder" or "Owner of the Bonds" means the registered owner of any Bond, as indicated on the bond register maintained by the Bond Registrar, except that wherever appropriate the term "Owners" shall mean the owners of the Bonds for federal income tax purposes.

"Bond Payment Date" means each Interest Payment Date and each date on which principal or interest or premium, if any, or a Sinking Fund Payment, shall be payable on the Bonds according to their terms and the terms of the Indenture, including without limitation scheduled mandatory Redemption Dates, unscheduled mandatory Redemption Dates, dates of acceleration of the Bonds pursuant to Section 602 of the Indenture, optional Redemption Dates and Stated Maturity, so long as any Bonds shall be Outstanding.

"Bond Proceeds" means (A) with respect to the Series 2024 Bonds, the proceeds of the sale of the Series 2024 Bonds, including any accrued interest, paid to the Trustee on behalf of the Issuer by the Underwriter as the purchase price of the Series 2024 Bonds, and (B) with respect to any Series of Additional Bonds, the proceeds of the sale of such Series of Additional Bonds, including any accrued interest, paid to the Trustee on behalf of the Issuer by the purchasers of such Series of Additional Bonds as the purchase price of such Series of Additional Bonds.

"Bond Register" means the register maintained by the Bond Registrar in which, subject to such reasonable regulations as the Issuer, the Trustee or the Bond Registrar may prescribe, shall provide for the registration of the Bonds and for the registration of transfers of the Bonds.

"Bond Registrar" means the Trustee, acting in its capacity as bond registrar under the Indenture, and its successors and assigns as bond registrar under the Indenture.

"Bond Resolution" means the resolution of the board of directors of the Issuer duly adopted on May 15, 2024 authorizing the Issuer to undertake the Series 2024 Project, to issue and sell the Series 2024 Bonds and to execute and deliver the Financing Documents to which the Issuer is a party.

"Bond Year" (A) with respect to the Series 2024 Bonds, means each one (1) year period ending on the anniversary of the Closing Date relating to the Bonds, or such other bond year as the Institution and the Issuer may select from time to time in a manner complying with the Code, and (B) with respect to any Series of Additional Bonds issued as Tax-Exempt Bonds, shall have the meaning set forth in the Supplemental Indenture related to such Series of Additional Bonds.

"Book Entry Bonds" means Bonds held in Book Entry Form with respect to which the provisions of Section 213 of the Indenture shall apply.

"Book Entry Form" or "Book Entry System" means a form or system, as applicable, under which (A) the Beneficial Ownership Interests may be transferred only through a book entry and (B) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Bondholder, with the physical Bond certificates "immobilized" in the custody of the Depository or a custodian on behalf of the Depository. The Book Entry System which is maintained by and the responsibility of the Depository (and which is not maintained by or the responsibility of the Issuer or the Trustee) is the record that identifies, and records the transfer of the interests of, the Owners of book entry interests in the Bonds.

"Business Day" means any day of the year other than (A) a Saturday or Sunday, (B) a day on which the New York Stock Exchange is closed or (C) a day on which commercial banks in New York, New York, or the city or cities in which the Office of the Trustee is located, are authorized or required by law, regulation or executive order to close.

"Certificate of Authentication" means the certificate of authentication in substantially the form attached to the forms of the Bonds attached as Schedule I to the Indenture.

"Closing Date" means (A) with respect to the Series 2024 Bonds, the date on which authenticated Series 2024 Bonds are delivered to or upon the order of the Underwriter and payment is received therefor by the Trustee on behalf of the Issuer, and (B) with respect to any Series of Additional Bonds, the date on which such Additional Bonds of such Series are authenticated and delivered to the purchaser thereof and payment therefor is received by the Trustee on behalf of the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of said Code, and the applicable regulations (whether proposed, temporary or final) of the United States

Treasury Department promulgated under said Code and the statutory predecessor of said Code, and any official rulings and judicial determinations under the foregoing applicable to the Bonds.

"Completion Date" means, (A) with respect to the Series 2024A Bonds, June 27, 2024, and (B) with respect to any Series of Additional Bonds, the date specified in in the supplemental Indenture authorizing the issuance of a Series of Additional Bonds.

"Condemnation" means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any Governmental Authority.

"Construction Period" means, with respect to any Project, the period (A) beginning on the earlier of the Inducement Date or the date on which the Institution declared its official intent to reimburse expenditures made with respect to the Project with proceeds of borrowed money, and (B) ending on the Completion Date relating thereto.

"Continuing Disclosure Agreement" means the continuing disclosure agreement dated as of June 27, 2024 by and between the Institution and the Trustee relating to the Bonds, as said continuing disclosure agreement may be amended or supplemented from time to time.

"Costs of the Project" means (A) with respect to the Series 2024A Project and Series 2024B Project, all those costs and items of expense relating thereto enumerated in the Loan Agreement, and (B) with respect to any Additional Project, all those costs and items of expense relating thereto enumerated in Section 3.3 of the Loan Agreement executed by and between the Issuer and the Institution in connection with the issuance of the Series of Additional Bonds, including costs which the Institution incurred with respect to such Additional Project in anticipation of the issuance of the related Series of Additional Bonds and for which the Institution will be reimbursed from proceeds of the related Series of Additional Bonds.

"Debt Service Payment" means, with respect to any Bond Payment Date, (A) the interest payable on the Bonds on such Bond Payment Date, plus (B) the principal, if any, payable on the Bonds on such Bond Payment Date, plus (C) the premium, if any, payable on the Bonds on such Bond Payment Date, plus (D) the Sinking Fund Payments, if any, payable on the Bonds on such Bond Payment Date.

"Default Interest Rate" means the rate of interest equal to fifteen percent (15%) per annum, or the maximum permitted by law, whichever is less.

"Defaulted Payments" shall have the meaning ascribed to such term in Section 207(C) of the Indenture.

"Defeasance Obligations" means (A) cash, or (B) direct obligations of the United States of America or of any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States, including, but not limited to, United States Treasury obligations.

"Depository" means, initially, 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 securities depository designated in any supplemental resolution of the Issuer to serve as securities depository for the Bonds that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of book entry interests in Bonds, and to effect transfers of book entry interests in Book Entry Bonds.

"Depository Letter" means (A) with respect to the Bonds, the Depository Letter, and (B) with respect to any Series of Additional Bonds issued as Book Entry Bonds, any letter of representations by and among the Issuer, the Trustee and the Depository relating to such Series of Additional Bonds, and any amendments or supplements thereto entered into with respect thereto.

"Direct Participant" means a Participant as defined in the Depository Letter.

"Enabling Act" means Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended.

"Event Center" means the approximately 98,000 square foot building, together with related amenities and improvements including parking spaces on an approximate 3.58 acre parcel of land located at 101 Harborside Drive, in the City of Schenectady, New York and the various fixtures, machinery , equipment, and other tangible personal property located therein and thereon.

"Event Center Owner" means West Yard Properties LLC.

"Extraordinary Services" and "Extraordinary Expenses" means all reasonable services rendered and all reasonable expenses incurred by the Trustee or any paying agent under the Indenture, other than Ordinary Services and Ordinary Expenses, including, but not limited to, reasonable attorney's fees and any services rendered and any expenses incurred with respect to an Event of Default or with respect to the occurrence of an event which upon the giving of notice or the passage of time would ripen into an Event of Default under any of the Financing Documents.

"Financing Documents" means the Series 2024 Bonds, the Indenture, the Loan Agreement, the Pledge and Assignment, the Guaranty, the Tax Compliance Agreement, the Continuing Disclosure Agreement, the Underwriter Documents and any other document now or hereafter executed by the Issuer or the Institution in favor of the Holders of the Bonds or the Trustee which affects the rights of the Holders of the Bonds or the Trustee in or to the Project Facility, in whole or in part, or which secures or guarantees any sum due under the Bonds or any other Financing Document, each as amended from time to time, and all documents related thereto and executed in connection therewith.

"Financing Statements" means any and all financing statements (including continuation statements) or other instruments filed or recorded from time to time to perfect the security interests created in the Financing Documents.

"Fund" means any Fund designated and created pursuant to Section 401 of the Indenture.

"Government Obligations" means (A) cash, (B) direct obligations of the United States of America, (C) obligations unconditionally guaranteed by the United States of America and (D) securities or receipts evidencing ownership interests in obligations or specified portions (such as principal or interest) of obligations described in (B) or (C).

"Governmental Authority" means the United States of America, the State, any political subdivision thereof, any other state and any agency, department, commission, board, bureau or instrumentality of any of them.

"Gross Proceeds" means one hundred percent (100%) of the proceeds of the transaction with respect to which such term is used, including, but not limited to, the settlement of any insurance claim or Condemnation award.

"Guaranty" means the Guaranty dated, as of June 1, 2024 from the Institution to the Trustee, as said guaranty may be amended or supplemented from time to time.

"Holder" or "holder", when used with respect to a Bond, means Bondholder.

"Indenture" means the trust indenture dated as of June 1, 2024 by and between the Issuer and the Trustee, as said trust indenture may be amended or supplemented from time to time.

"Independent Counsel" means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not a full-time employee of the Institution or the Issuer.

"Indirect Participant" means a Person utilizing the Book Entry System of the Depository by, directly or indirectly, clearing through or maintaining a custodial relationship with a Direct Participant.

"Inducement Date" means (A) with respect to the Series 2024 Project, the date which is sixty (60) days prior to the earlier of (1) May 15, 2024, or (2) the date on which the Institution declared its official intent to reimburse expenditures made with respect to the Series 2024 Project with proceeds of borrowed money, and (B) with respect to any Additional Project, the date which is sixty (60) days prior to the earlier of (1) the date on which the Issuer adopts an inducement resolution with respect to such Additional Project or (2) the date on which the Institution declares its official intent to reimburse expenditures made with respect to such Additional Project with proceeds of borrowed money.

"Institution" means The Trustees of Union College in the Town of Schenectady in the State of New York, a New York not-for-profit education corporation organized and existing under the laws of the State of New York, and its successors and assigns, to the extent permitted by Section 8.4 of the Loan Agreement.

"Institution's Campus" means the land, buildings and facilities owned by the Institution and located at 807 Union Street in the City of Schenectady, Schenectady County, New York.

"Institution Documents" means the Indenture, the Loan Agreement, the Purchase Contract, the Continuing Disclosure Agreement and the Tax Compliance Agreement.

"Insurance and Condemnation Fund" means the fund so designated and established pursuant to Section 401(A) of the Indenture.

"Interest Payment Date" means (A) with respect to the Series 2024 Bonds, January 1 and July 1 of each year, commencing January 1, 2023, and (B) with respect to any Additional Bonds, the Stated Maturity of each installment of interest on such Additional Bonds, as set forth in the Supplemental Indenture authorizing the issuance of such Series of Additional Bonds. In any case, the final Interest Payment Date of any Series of the Bonds shall be the Maturity Date relating thereto.

"Issuer" means (A) Schenectady County Capital Resource Corporation and its successors and assigns, and (B) any public instrumentality or political subdivision resulting from or surviving any consolidation or merger to which Schenectady County Capital Resource Corporation or its successors or assigns may be a party.

"Lease Agreement" means the Lease Agreement dated as of January 23, 2024 from the Event Center Owner to the Institution pursuant to which the Institution has the right to use Event Center for the Institution's hockey programs.

"Lease Payment" means the initial lease payment in the amount of $15,000,000 payable by the Institution to the Event Center Owner pursuant to the terms of the Lease Agreement.

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

"Loan" means the loan by the Issuer of the proceeds received from the sale of the Bonds to the Institution pursuant to the provisions of the Loan Agreement.

"Loan Agreement" means the loan agreement dated as of June 1, 2024 by and between the Issuer and the Institution, as said loan agreement may be amended or supplemented from time to time.

"Loan Payments" means the amounts required to be paid by the Institution pursuant to the provisions of Section 5.1 of the Loan Agreement.

"Make-Whole Adjustment" means 25 basis points.

"Make-Whole Redemption Price" means the greater of (i) 100% of the principal amount of a Series 2024B Bond to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Serie 2024B Bond to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2024B Bond is to be redeemed, discounted to the date on which such Bond is to be redeemed on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Treasury Rate plus the Make-Whole Adjustment, plus, in each case, accrued and unpaid interest on such Series 2024B Bond to the redemption date.

"Maturity Date" means, with respect to any Bond, the final Stated Maturity of the principal of such Bond.

"Moody's" means Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of the Institution.

"Net Proceeds" means so much of the Gross Proceeds with respect to which that term is used as remain after payment of all fees for services, expenses, costs and taxes (including attorneys' fees) incurred in obtaining such Gross Proceeds.

"New Money Project Facility" means the existing buildings and other improvements located on or near the Institution's Campus which are being renovated and upgraded with proceeds of the Series 2024A Bonds.

"Office of the Trustee" means the corporate trust office of the Trustee specified in Section 1103 of the Indenture, or such other address as the Trustee shall designate pursuant to Section 1103 of the Indenture.

"Official Statement" means (A) with respect to the Series 2024 Bonds, the official statement delivered in connection with the sale of the Series 2024 Bonds by the Underwriter, and (B) with respect to any Series of Additional Bonds, any similar document approved by the Issuer and the Institution in connection with the sale by the Underwriter of the related Series of Additional Bonds.

"Ordinary Services" and "Ordinary Expenses" means those reasonable services normally rendered with those reasonable expenses, including reasonable attorneys' fees, normally incurred by a trustee or a paying agent, as the case may be, under instruments similar to the Indenture.

"Outstanding" means, when used with reference to the Bonds as of any date, all Bonds which have been duly authenticated and delivered by the Trustee under the Indenture, except: Bonds theretofore cancelled or deemed cancelled by the Trustee or theretofore delivered to the Trustee for cancellation; Bonds for the payment or redemption of which moneys or Defeasance Obligations shall have been theretofore deposited with the Trustee (whether upon or prior to the maturity or Redemption Date of any such Bonds) in accordance with the Indenture (whether upon or prior to the maturity or Redemption Date of any such Bonds); provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form and substance to the Trustee shall have been filed with the Trustee; and Bonds in lieu of or in substitution for which other Bonds have been authenticated and delivered under the Indenture.

In determining whether the Owners of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Indenture, Bonds which are held by or on behalf of the Institution (unless all of the outstanding Bonds are then owned by the Institution) shall be disregarded for the purpose of any such determination. If the Indenture shall be discharged pursuant to Article X of the Indenture, no Bonds shall be deemed to be Outstanding within the meaning of this definition.

"Owner" or "owner", when used with respect to a Bond, means the Registered Owner of such Bond, except that wherever appropriate the term "Owner" shall mean the owner of such Bond for federal income tax purposes.

"Participant" shall have the meaning assigned to such term in Section 213(B) of the Indenture.

"Paying Agent" means the Trustee, acting as such, and any additional paying agent for the Bonds appointed pursuant to Article VII of the Indenture, their respective successors and any other corporation that may at any time be substituted in their respective places pursuant to the Indenture.

"Permitted Encumbrances" means (A) utility, access and other easements, rights of way, restrictions, encroachments and exceptions that benefit or do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (B) mechanics', materialmen's, warehousemen's, carriers' and other similar Liens, (C) Liens for taxes, assessments and utility charges (1) to the extent permitted by Section 6.2(B) of the Loan Agreement, or (2) at the time not delinquent, (D) any Lien on the Project Facility obtained through any Financing Document, (E) any Lien on the Project Facility in favor of the Trustee, and (F) any Lien on the Project Facility approved or granted by the Institution.

"Person" means an individual, partnership, corporation, limited liability company, trust, unincorporated organization or Governmental Authority.

"Plans and Specifications" means: (A) with respect to the 2024 Capital Improvements Projects, the description of the 2024 Capital Improvements Projects appearing in the fourth recital clause to the Indenture and the Loan Agreement; and (B) with respect to any Additional Project, (1) as to the Issuer, the description of such Additional Project appearing in the Issuer's preliminary inducement resolution relating thereto, and (2) as to the Trustee, the plans and specifications for such Additional Project prepared by the Institution, and all amendments and modifications thereof made by approved change orders; and, if an item for the construction of the Additional Projects is not specifically detailed in the aforementioned plans and specifications, but rather is described by way of manufacturer's or supplier's or contractor's shop drawings, catalog references or similar descriptions, the term also includes such shop drawings, catalog references and descriptions.

"Pledge and Assignment" means the pledge and assignment dated as of June 1, 2024 from the Issuer to the Trustee, and acknowledged by the Institution, pursuant to which the Issuer has assigned to the Trustee its rights under the Loan Agreement (except the Unassigned Rights), as said pledge and assignment may be amended or supplemented from time to time.

"Predecessor Bonds" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond; and, for purposes of this definition, any Bond authenticated and delivered under Section 205 of the Indenture in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

"Preliminary Official Statement" means (A) with respect to the Series 2024 Bonds, the Preliminary Official Statement delivered in connection with the sale of the Series 2024 Bonds by the Underwriter, and (B) with respect to any Series of Additional Bonds, any similar document approved by the Issuer and the Institution for use in connection with the issuance of the related Series of Additional Bonds.

"Prior Bonds" means, collectively, the Series 2015A Bonds and the Series 2017 Bonds.

"Prior Project Facility" means the existing buildings and other improvements located on or near the Institution's Campus which were constructed, rehabilitated, renovated and equipped with proceeds of the Prior Bonds and will be refinanced with proceeds of the Series 2024 Bonds.

"Project" means (A) with respect to the Series 2024 Bonds, the Series 2024 Project, and (B) with respect to any Series of Additional Bonds, the Additional Project with respect to which such Series of Additional Bonds were issued.

"Project Facility" means, collectively, the New Money Project Facility and the Prior Project Facility.

"Project Fund" means the fund so designated and established pursuant to Section 401(A) of the Indenture.

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

"Purchase Contract" means (A) with respect to the Series 2024 Bonds, the purchase contract dated June 17, 2024 by and among the Issuer, the Institution and the Underwriter, and (B) with respect to any Series of Additional Bonds, any similar document executed by the Issuer and/or the Institution in connection with the issuance and sale of such Series of Additional Bonds.

"Rating Agency" means Moody's, if the Bonds are rated by Moody's at the time, and S&P, if the Bonds are rated by S&P at the time, and their successors and assigns.

"Rebate Amount" shall have the meaning assigned to such term in the Tax Compliance Agreement.

"Rebate Fund" means the fund so designated and established pursuant to Section 401(A) of the Indenture.

"Rebate Fund Earnings Account" means the special account so designated within the Rebate Fund established pursuant to Section 401(A) of the Indenture.

"Rebate Fund Principal Account" means the account so designated within the Rebate Fund established pursuant to Section 401(A) of the Indenture.

"Record Date" means either a Regular Record Date or a Special Record Date.

"Redemption Date" means, when used with respect to a Bond, the date upon which a Bond is scheduled to be redeemed pursuant to the Indenture.

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

"Refunded Prior Bonds", means, collectively, the Series 2015 Bonds maturing July 1, 2024 through July 1, 2031 and the Series 2017 Bonds maturing on January 1, 2025 and January 1, 2026.

"Regular Record Date" means, with respect to the interest and any Sinking Fund Payment or principal payment due on the Bonds on or prior to maturity payable on any Bond on any Interest Payment Date, the fifteenth day of the calendar month preceding the calendar month in which such Interest Payment Date occurs.

"Request for Disbursement" means a request from the Institution, as agent of the Issuer, signed by an Authorized Representative of the Institution, stating the amount of the disbursement sought and containing the statements, representations and other items required by Article IV of the Indenture and by Section 3.3 of the Loan Agreement, which Request for Disbursement shall be in substantially the form of Exhibit A attached to the Indenture.

"Requirement" or "Local Requirement" means any law, ordinance, order, rule or regulation of a Governmental Authority.

"S&P" means S&P Global Ratings, a division of Standard & Poor's Financial Services, LLC and its successors and assigns, and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of the Institution.

"Securities Laws" means the Securities Act of 1933, as amended, and all other securities laws of the United States of America or the State to the extent that such laws may now or hereafter be applicable to or affect the issuance, sale and delivery of the Bonds and any transfer or resale thereof.

"Series" or "Series of Bonds" means all of the Bonds of a single series authenticated and delivered pursuant to the Indenture.

"Series 2015A Bonds" means the Institution's Taxable Fixed Rate Refunding Bonds (Union College Refunding Project), Series 2015A issued on or about October 1, 2015 in the aggregate principal amount of $28,325,000.

"Series 2015A Redemption Amount" means $19,928,468.30, which, together with other available funds on hand with the Series 2015A Trustee, is an amount sufficient to redeem the Refunded Series 2015 Bonds.

"Series 2015A Trustee" means Manufacturers and Traders Trust Company, as trustee for the Series 2015A Bonds.

"Series 2017 Bonds" means the Issuer's Tax-Exempt Revenue Bonds (Union College Project), Series 2017 issued on or about April 26, 2017 in the aggregate principal amount of $64,335,000.

"Series 2017 Redemption Amount" means $8,693,070.05, which, together with other available funds on hand with the Series 2017 Trustee, is an amount sufficient to redeem the Refunded Series 2017 Bonds.

"Series 2017 Trustee" means Manufacturers and Traders Trust Company, as trustee for the Series 2017 Bonds.

"Series 2024 Bonds" means collectively, the Series 2024A Bonds and the Series 2024B Bonds.

"Series 2024A Bonds" means the Issuer's Tax-Exempt Revenue Bonds (Union College Project), Series 2024A in the aggregate principal amount of $22,055,000, issued pursuant to the Bond Resolution and the Indenture and sold to the Underwriter pursuant to the provisions of the Purchase Contract, in substantially the form attached to the Indenture and any Bonds issued in exchange or substitution therefor.

"Series 2024B Bonds" means the Issuer's Taxable Revenue Bonds (Union College Project), Series 2024B in the aggregate principal amount of $24,880,000, issued pursuant to the Bond Resolution and the Indenture and sold to the Underwriter pursuant to the provisions of the Purchase Contract, in substantially the form attached to the Indenture and any Bonds issued in exchange or substitution therefor.

"Series 2024 Project" means collectively, the Series 2024A Project and the Series 2024B Project.

"Series 2024A Project" means (A) the renovation and upgrading of various buildings and capital infrastructure (collectively, the "2024 Capital Improvements Projects") located on the Institution's main campus of 807 Union Street, in the City of Schenectady, County of Schenectady, New York, (the "Institution's Campus"); (B) the refunding of The Trustees of Union College in the Town of Schenectady in the State of New York (A/K/A Union College) $28,325,000 Taxable Fixed Rate Refunding Bonds, Series 2015A maturing on July 1, 2024 through July 1, 2031 (the "Refunded Series 2015 Bonds"); and (C) the issuance of tax-exempt revenue bonds of the Issuer (the "Series 2024A Bonds") in one or more issues or series in an aggregate principal amount sufficient to finance the (1) the 2024 Capital Improvements Projects, (2) refunding of the Refunded Series 2015 Bonds, and (3) costs incidental to the issuance of the Series 2024A Bonds, including costs of issuance

"Series 2024B Project" means (A) the payment of the initial lease payment (the "Lease Payment") due from the Institution to West Yard Properties LLC (the "Event Center Owner") pursuant to a Lease Agreement dated as of January 23, 2024 (the "Lease Agreement") pursuant to which the Institution has the right to use the approximately 98,000 square foot building, together with related amenities and improvements including parking spaces on an approximately 3.58 acre parcel of land located at 101 Harborside Drive, in the City of Schenectady, New York together with the various fixtures, machinery, equipment, and other tangible personal property installed therein (collectively, the "Event Center"), such Event Center to be used as a community event center by, among others, the Institution's hockey programs; (B) the refunding of the Issuer's $64,335,000 Tax-Exempt Revenue Bonds (Union College Project), Series 2017 maturing on January 1, 2025 and January 1, 2026 (the "Refunded Series 2017 Bonds" and, collectively with the Refunded Series 2015 Bonds, the "Refunded Prior Bonds"); and (C) the issuance of taxable revenue bonds of the Issuer (the "Series 2024B Bonds," and together with the Series 2024A Bonds, the "Series 2024 Bonds") in one or more issues or series in an aggregate principal amount sufficient to finance the (1) the Lease Payment, (2) the refunding of the Refunded Series 2017 Bonds, and (3) costs incidental to the issuance of the Series 2024B Bonds, including costs of issuance "Sinking Fund Payments" means with respect to any Additional Bonds, the sinking fund redemption payments (if any) required pursuant to the supplemental Indenture authorizing issuance of such Additional Bonds.

"Special Record Date" means a date for the payment of any Defaulted Payments on the Bonds fixed by the Trustee pursuant to Section 207(C) of the Indenture.

"State" means the State of New York.

"Stated Maturity" means, when used with respect to any Bond or any installment of interest thereon, the date specified in such Bond as the fixed date on which the principal of such Bond or such installment of interest on such Bond is due and payable.

"Substantial User" means any Person constituting a "substantial user" within the meaning ascribed to such term in Section 147(a) of the Code.

"Supplemental Indenture" means any indenture supplemental to or amendatory of the Indenture executed by the Issuer in accordance with Article VIII of the Indenture.

"Tax Compliance Agreement" means (A) with respect to the Series 2024 Bonds, the Tax Compliance Agreement dated June 27, 2024 by and between the Issuer and the Institution and (B) with respect to any Series of Additional Bonds intended to be issued as Tax-Exempt Bonds, any similar document executed by the Issuer and the Institution in connection with the issuance and sale of such Series of Additional Bonds.

"Taxable Bonds" means any Bonds issued pursuant to the Indenture as an obligation of the Issuer, the interest on which is intended to be included in the gross income of the Holder thereof for federal income tax purposes, including but not limited to the Series 2024B Bonds.

"Tax-Exempt Bonds" means any Bond issued pursuant to the Indenture as an obligation of the Issuer, the interest on which is intended to be excluded from the gross income of the Holder thereof for federal income tax purposes pursuant to Section 103 and Section 145 of the Code, including but not limited to the Series 2024A Bonds.

"Term Bonds" means Bonds having a single stated maturity for which Sinking Fund Installments are specified in the Indenture (or, if such Bonds are Additional Bonds, in the supplemental indenture authorizing the issuance of such Bonds).

"Treasury Rate" means the yield to maturity, as of the redemption date of a Bond, of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date of such Series 2024B Bond (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of such Series 2024B Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Trust Estate" means all Property which may from time to time be subject to a Lien in favor of the Trustee created by the Indenture or any other Financing Document.

"Trust Revenues" means (A) all payments of Loan Payments made or to be made by or on behalf of the Institution under the Loan Agreement (except payments made with respect to the Unassigned Rights), (B) all other amounts pledged to the Trustee by the Issuer or the Institution to secure the Bonds or performance of their respective obligations under the Loan Agreement and the Indenture, (C) the Net Proceeds (except proceeds with respect to the Unassigned Rights) of insurance settlements and Condemnation awards with respect to the Project Facility, (D) moneys and investments held from time to time in each fund and account established under the Indenture and all investment income thereon, except (1) moneys and investments held in the Rebate Fund, (2) moneys deposited with or paid to the Trustee for the redemption of Bonds, notice of the redemption of which has been duly given, (3) unclaimed funds held under Section 408 of the Indenture, and (4) as specifically otherwise provided, and (E) all other moneys received or held by the Trustee for the benefit of the Bondholders pursuant to the Indenture. Notwithstanding anything to the contrary, amounts held in the Rebate Fund shall not be considered Trust Revenues and shall not be subject to the Lien of the Indenture, and amounts held therein shall not secure any amount payable on the Bonds.

"Trustee" means Manufacturers and Traders Trust Company, a banking corporation organized and existing under the laws of the New York, or any successor trustee or co-trustee acting as trustee under the Indenture.

"Unassigned Rights" means (A) the rights of the Issuer granted pursuant to Sections 2.2, 3.1, 3.2, 3.3, 5.1(B)(2), 5.1(C), 6.1, 6.2, 6.3, 6.4, 7.1, 7.2, 8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.11, 8.14, 8.16, 9.1, 9.2, 10.2, 10.4, 11.1, 11.4, 11.8 and 11.10 of the Loan Agreement, (B) the moneys due and to become due to the Issuer for its own account or the members, directors, officers, agents, servants and employees of the Issuer for their own account pursuant to Sections 2.2, 5.1(B)(2), 5.1(C), 6.3(B), 8.2, 10.2 and 10.4 of the Loan Agreement, and (C) the right to enforce the foregoing pursuant to Article X of the Loan Agreement. Notwithstanding the preceding sentence, to the extent the obligations of the Institution under the Sections of the Loan Agreement listed in (A), (B) and (C) above do not relate to the payment of moneys to the Issuer for its own account or to the members, officers, directors, agents, servants and employees of the Issuer for their own account, such obligations, upon assignment of the Loan Agreement by the Issuer to the Trustee pursuant to the Pledge and Assignment, shall be deemed to and shall constitute obligations of the Institution to the Issuer and the Trustee, jointly and severally, and either the Issuer or the Trustee may commence an action to enforce the Institution's obligations under the Loan Agreement.

"Underwriter" means (A) with respect to the Series 2024 Bonds, Barclays Capital Inc., as original purchaser of the Series 2024 Bonds on the Closing Date relating thereto, and (B) with respect to any Series of Additional Bonds, the original purchaser of such Series of Additional Bonds on the Closing Date relating thereto.

"Underwriter Documents" means, collectively, (A) with respect to the Series 2024 Bonds, the Preliminary Official Statement, the Official Statement and the Purchase Contract, and (B) with respect to any Additional Bonds, any similar documents executed by the Issuer and/or the Institution in connection with the issuance of such Additional Bonds.

"Yield", when used with respect to the Series 2024 Bonds, shall have the meaning assigned to such term in the Tax Compliance Agreement.

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following summarizes certain provisions of the Indenture to which reference is made for the detailed provisions thereof. The following should not be considered a full statement of the Indenture.

<u>Restriction on Issuance of Bonds</u> *(Section 201)*

No Bonds may be authenticated and issued under the provisions of the Indenture except in accordance with Article II of the Indenture. Except as provided in Section 205 and Section 214 of the Indenture, the total aggregate principal amount of Series 2024A Bonds that may be issued and authenticated under the Indenture is expressly limited to $22,055,000 and the total aggregate principal amount of Series 2024B Bonds that may be issued and authenticated under the Indenture is expressly limited to $24,880,000.

<u>Limited Obligations</u> *(Section 202)*

The Bonds, together with the premium, if any, and the interest thereon, shall be limited obligations of the Issuer payable, with respect to the Issuer, solely from the Trust Revenues, which Trust Revenues are pledged and assigned to the Trustee by the Indenture for the equal and ratable payment of all sums due under the Bonds, and shall be used for no other purpose than to pay the principal of, premium, if any, on and interest on the Bonds, except as may be otherwise expressly provided in the Indenture.

THE BONDS DO NOT CONSTITUTE AND SHALL NOT BE A DEBT OF THE STATE OR OF SCHENECTADY COUNTY, NEW YORK AND NEITHER THE STATE NOR SCHENECTADY COUNTY, NEW YORK SHALL BE LIABLE THEREON. THE BONDS DO NOT GIVE RISE TO A PECUNIARY LIABILITY OR CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE OR OF SCHENECTADY COUNTY, NEW YORK.

No recourse shall be had for the payment of the principal of, or the premium, if any, or the interest on, any Bond or for any claim based thereon or on the Indenture against any past, present or future trustee, member, director, officer, agent, servant or employee, as such, of the Issuer or of any predecessor or successor corporation, either directly or through the Issuer or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise.

Delivery of the Series 2024 Bonds *(Section 210)*

Upon the execution and delivery of the Indenture, the Issuer shall execute and deliver the Series 2024 Bonds to the Trustee, and the Trustee shall authenticate and deliver the Series 2024 Bonds to the purchasers thereof against payment of the purchase price therefor, plus accrued interest to the day preceding the date of delivery, upon receipt by the Trustee of the following:

(A) a certified copy of the Bond Resolution;

(B) executed counterparts of the Indenture, the Loan Agreement and the other Financing Documents;

(C) a request and authorization to the Trustee on behalf of the Issuer signed by an Authorized Representative of the Issuer to deliver the Series 2024 Bonds to or upon the order of the Underwriter upon payment to the Trustee for the account of the Issuer of the purchase price therefor specified in such request and authorization;

(D) signed copies of the opinions of counsel to the Issuer, the Institution, and the Trustee, and of Bond Counsel, as required by the Purchase Contract;

(E) the certificates and policies, if available, of the insurance required by the Loan Agreement;

(F) evidence that a completed Internal Revenue Service Form 8038 with respect to the Series 2024A Bonds has been signed by the Issuer; and

(G) such other documents as the Trustee or Bond Counsel may reasonably require.

Additional Bonds *(Section 214)*

So long as the Loan Agreement is in effect and no Event of Default exists thereunder or under the Indenture (and no event exists which, upon notice or lapse of time or both, would become an Event of Default thereunder or under the Indenture), the Issuer may, upon a request from the Institution complying with the provisions of the Indenture, issue one or more Series of Additional Bonds to provide funds to pay any one or more of the following: (1) costs of any Additional Project; (2) costs of refunding or advance refunding any or all of the Bonds previously issued; (3) costs of making any modifications, additions or improvements to the Project Facility that the Institution may deem necessary or desirable; (4) providing funds in excess of Net Proceeds to repair, relocate, replace, rebuild or restore the Project Facility in the event of damage, destruction or taking by eminent domain; and/or (5) costs of the issuance and sale of the Additional Bonds, capitalized interest, funding debt service reserves, and other costs reasonably related to any of the foregoing. Additional Bonds may mature at different times, bear interest at different rates and otherwise vary from the Bonds authorized under the Indenture, all as may be provided in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Prior to the execution of a Supplemental Indenture authorizing the issuance of Additional Bonds, the Issuer must deliver the following documents to the Trustee:

(1) an amendment to the Loan Agreement and the other Financing Documents providing for the timely payment by the Institution of the Loan Payments in an amount at least equal to the sum of the total Debt Service Payments due on the Series 2024 Bonds and all Additional Bonds and all other costs in connection with the Project Facility and all Additional Projects covered thereby;

(2) evidence that the Financing Documents, as amended or supplemented in connection with the issuance of the Additional Bonds, provide that (a) the Bonds referred to therein shall mean and include the Additional Bonds being issued as well as the Series 2024 Bonds originally issued under the Indenture and any Additional Bonds theretofore issued, and (b) the Project Facility referred to in the Financing Documents includes any Additional Project facilities being financed;

(3) a copy of the resolution of the board of trustees of the Institution, duly certified by the secretary or assistant secretary of the Institution, which approves the issuance of the Additional Bonds and authorizes the execution and delivery by the Institution of the amendments to the Financing Documents described in paragraphs (1) and (2) above;

(4) written opinion of counsel to the Institution which shall state that (i) the amendments and supplements to the Financing Documents described in paragraphs (1) and (2) above have been duly authorized, executed and delivered by the Institution, (ii) the Financing Documents, as amended and supplemented to the Closing Date for such Additional Bonds, constitute legal, valid and binding obligations of the Institution enforceable against the Institution in accordance with their respective terms, subject to the standard exceptions with respect to bankruptcy laws, equitable remedies and specific performance, and (iii) all conditions precedent provided for in the Indenture to the issuance, execution and delivery of the Additional Bonds have been complied with;

(5) a copy of the resolution of the members of the board of directors of the Issuer, duly certified by the secretary or assistant secretary of the Issuer, authorizing the issuance of the Additional Bonds and the execution and delivery by the Issuer of the amendments to the Financing Documents described in paragraph (1) and paragraph (2) above to be executed by the Issuer in connection therewith;

(5) an opinion of counsel to the Issuer stating that the amendments and supplements to the Financing Documents described above have been duly authorized and lawfully executed and delivered on behalf of the Issuer; and that such amendments and supplements to the Financing Documents are in full force and effect and are valid and binding upon the Issuer, subject to the standard exceptions with respect to bankruptcy laws, equitable remedies and specific performance;

(6) an opinion of Bond Counsel stating that, in the opinion of such Bond Counsel, the Issuer is duly authorized and entitled to issue such Additional Bonds and that, upon the execution, authentication and delivery thereof, such Additional Bonds will be duly and validly issued and will constitute valid and binding special obligations of the Issuer, enforceable in accordance with their terms, subject to the standard exceptions with respect to bankruptcy laws, equitable remedies and specific performance; that the issuance of the Additional Bonds will not, in and of itself, adversely affect the validity of the Series 2024 Bonds originally issued under the Indenture or any Additional Bonds theretofore issued or the exclusion of the interest payable on the Series 2024 Bonds and any Additional Bonds theretofore issued as Tax-Exempt Bonds from the gross income of the Holders thereof for federal income tax purposes; and that all conditions precedent provided for in the Indenture to the issuance, execution and delivery of the Additional Bonds have been complied with;

(7) a written order to the Trustee executed by an Authorized Representative of the Issuer requesting that the Trustee authenticate and deliver the Additional Bonds to the purchasers therein identified; and

(8) such other documents as the Trustee and Bond Counsel may reasonably request.

Each Series of Additional Bonds shall be equally and ratably secured under the Indenture with the Series 2024 Bonds issued on the Closing Date and with all other Series of Additional Bonds, if any, previously issued under the Indenture, without preference, priority or distinction of any Bond over any other Bond.

The consent of the Holders of the Bonds shall not be required prior to the issuance of Additional Bonds, or to the execution and delivery of any amendments to the Financing Documents required in connection therewith. The Institution shall provide to the Trustee the following: (1) a notice of the proposed issuance of such series of Additional Bonds; and (2) a proposed form of notice to be sent to the Holders of the Bonds and each Rating Agency, if any, by which the Bonds are then rated of the proposed issuance of the Additional Bonds (a "Notice to Holders"), detailing, at least, the aggregate principal amount of such Additional Bonds, and summarizing the nature of the amendments to the Financing Documents proposed to be executed in connection therewith. Within five Business Days of receipt of the foregoing, the Trustee shall mail the Notice to Holders to the Holders of the Bonds and each Rating Agency, if any, by which the Bonds are then rated of the proposed issuance of the Additional Bonds.

Establishment of Funds *(Section 401)*

The Indenture creates four special separate trust funds (and various accounts therein) to be held by the Trustee: (1) the Project Fund and, within the Project Fund, the following special accounts: (a) the Series 2024A Project Account, (b) the Series 2024B Project Account; and (c) an additional, separate account for each Series of Additional Bonds, each such additional account to be known as the "Series ____ Project Account", with the blank to be filled in with the same series designation as borne by the related Series of Additional Bonds; (2) the Bond Fund and, within the Bond Fund, the following special accounts (a) the Series 2024A Bond Account; and (b) the Series 2024B Bond Account; (3) the Insurance and Condemnation Fund; and (4) the Rebate Fund, and, within the Rebate Fund, the following special accounts: (a) the Rebate Fund Principal Account, and (b) the Rebate Fund Earnings Account.

All moneys required to be deposited with or paid to the Trustee under any provision of the Indenture (1) shall be held by the Trustee in trust, and (2) (except for moneys held by the Trustee (a) for the redemption of Bonds, notice of redemption of which has been duly given, (b) as unclaimed monies under Section 408 of the Indenture or (c) in the Rebate Fund) shall, while held by the Trustee, constitute part of the Trust Revenues and be subject to the Lien of the Indenture. Moneys which have been deposited with, paid to or received by the Trustee for the redemption of a portion of the Bonds or for the payment of Bonds or interest thereon due and payable otherwise than upon acceleration by declaration, shall be held in trust for and be subject to a Lien in favor of only the Holders of such Bonds so redeemed or so due and payable.

Moneys held in the Rebate Fund shall not be subject to a security interest, pledge, assignment, Lien or charge in favor of the Trustee or any other Person.

Transfers of Trust Revenues to Funds *(Section 403)*

Commencing on the first date on which Loan Payments are received from the Institution pursuant to the Loan Agreement, and thereafter, the Trustee shall deposit such payments, upon the receipt thereof, into the Bond Fund, as provided in the Indenture.

The Project Fund *(Section 404)*

In addition to moneys deposited in the Project Fund from the proceeds of the sale of the Bonds, there shall be deposited into the Project Fund all other moneys received by the Trustee under or pursuant to the Indenture or the other Financing Documents which, by the terms of the Indenture or the other Financing Documents, are to be deposited in the Project Fund. Moneys on deposit in the Series 2024A Project Account of the Project Fund with respect to the

Series 2024A Bonds shall be disbursed and applied by the Trustee as described in the three immediately succeeding paragraphs and the Tax Compliance Agreement. Moneys on deposit in the Series 2024B Project Account of the Project Fund with respect to the Series 2024B Bonds shall be disbursed and applied by the Trustee as described in the three immediately succeeding paragraphs. Moneys on deposit in the Project Fund with respect to the Additional Bonds shall be disbursed in accordance with the provisions of the Supplemental Indenture authorizing issuance of such Additional Bonds.

On the Closing Date of the Series 2024 Bonds, the Trustee shall pay (a) to the Series 2015A Trustee, from the moneys on deposit in the Series 2024A Project Account, an amount equal to the Series 2015A Redemption Amount; and (b) to the Series 2017 Trustee from the moneys on deposit in the Series 2024B Project Account, an amount equal to the Series 2017 Redemption Amount. On the Closing Date of the Series 2024 Bonds, the Series 2015A Redemption Amount shall be applied towards the redemption of the 2015A Refunded Bonds and the Series 2017 Redemption Amount shall be applied towards the defeasance of the Series 2017 Refunded bonds.

The Trustee is authorized and directed to disburse the balance of the moneys on deposit in the Series 2024A Project Account and the Series 2024B Project Account upon receipt by the Trustee of a Request for Disbursement, certified to by an Authorized Representative of the Institution in accordance with the applicable provisions of the Indenture, the Loan Agreement and, with respect to a Request for Disbursement from the Series 2024A Project Account, the Tax Compliance Agreement.

Moneys on deposit in the Project Fund may be invested in Authorized Investments in accordance with the provisions of the Indenture. All interest and other income accrued and earned on amounts held in the Project Fund shall be deposited by the Trustee into the appropriate account of the Project Fund related to such monies and may be used to pay the Costs of the Project related to such account.

The Trustee shall maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall, upon request of the Issuer or the Institution and within sixty (60) days after the date on which the amount on deposit in the Project Fund has been fully expended, file an accounting thereof with the Issuer and the Institution.

The Bond Fund *(Section 405)*

In addition to the moneys deposited into the Bond Fund (1) from the proceeds of the Bonds and (2) pursuant to Sections 403, 404, 406 and 407 of the Indenture, there shall be deposited into the Bond Fund (a) all Loan Payments received from the Institution under the Loan Agreement (except payments made with respect to the Unassigned Rights, which shall be paid to the Issuer), (b) any amounts received from the Institution under the Bonds, (c) any amount in the Insurance and Condemnation Fund directed to be paid into the Bond Fund under the Indenture, (d) any amounts received from the Institution pursuant to Section 3.6 of the Loan Agreement, (e) all prepayments by the Institution in accordance with Section 5.3 of the Loan Agreement in connection with which notice has been given to the Trustee pursuant to Section 302 of the Indenture, and (f) all other moneys received by the Trustee under and pursuant to the Indenture or the other Financing Documents which by the terms of the Indenture or the other Financing Documents are to be deposited into the Bond Fund, or are accompanied by directions from the Institution or the Issuer that such moneys are to be paid into the Bond Fund, except as provided in the Indenture as summarized below under the caption "Final Disposition of Moneys".

Moneys on deposit in the Bond Fund may be invested in Authorized Investments in accordance with the provisions of the Indenture. All interest and other income accrued and earned on moneys on deposit in the Bond Fund shall be retained in the Trustee into the Bond Fund. Moneys on deposit in the Bond Fund shall, be applied by the Trustee to pay the principal of, premium, if any, and interest on the Bonds as the same become due, whether at Stated Maturity, upon acceleration of the Bonds or upon redemption of the Bonds.

Insurance and Condemnation Fund *(Section 406)*

The Net Proceeds resulting from any insurance settlement or Condemnation award received by the Trustee in connection with damage to or destruction of or the taking of part or all of the Project Facility shall be deposited into the Insurance and Condemnation Fund. If, following damage to or Condemnation of all or a portion of the Project Facility, (1) the Institution exercises its option not to repair, rebuild or restore the Project Facility and to provide for the defeasance and/or redemption of the Bonds, or (2) if a taking in Condemnation as described in Section 7.2(C) of the Loan Agreement occurs, the Trustee shall, after any transfer to the Rebate Fund required by the Tax Compliance Agreement and the Indenture is made, transfer all moneys held in the Insurance and Condemnation Fund to an escrow fund to be created by the Trustee at the written direction of the Institution, to be applied to the defeasance and/or redemption of the Bonds then Outstanding pursuant to the provisions of the Tax Compliance Agreement, except as provided in Section 410 of the Indenture.

If, following damage to or Condemnation of all or a portion of the Project Facility, the Institution elects to repair, rebuild or restore the Project Facility, and provided no Event of Default under the Indenture or under any other Financing Document has occurred and is continuing, moneys held in the Insurance and Condemnation Fund and attributable to the damage to or the destruction of or the taking of the Project Facility shall, after any transfer to the Rebate Fund required by the Tax Compliance Agreement and the Indenture is made, be applied to pay the costs of such repairs, rebuilding or restoration in accordance with the Indenture.

If the cost of the repairs, rebuilding or restoration of the Project Facility affected by the Institution shall be less than the amount in the Insurance and Condemnation Fund, then on the completion of such repairs, rebuilding or restoration, the Trustee shall transfer such difference to the Bond Fund and use such amounts so transferred to provide for the defeasance and/or redemption of the Bonds in accordance with the Tax Compliance Agreement; provided that such amounts may be transferred to the Institution for its purposes if (1) the Institution so requests and (2) the Institution furnishes to the Trustee an opinion of Bond Counsel to the effect that payment of such moneys to the Institution will not, in and of itself, adversely affect the exclusion of the interest paid or payable on the Tax-Exempt Bonds from gross income for federal income tax purposes.

<u>The Rebate Fund</u> *(Section 407)*

The Trustee shall make information regarding the Bonds and investments under the Indenture available to the Institution. If a deposit to the Rebate Fund is required as a result of the computations made or caused to be made by the Institution, the Trustee shall upon receipt of written direction from the Institution accept such payment for the benefit of the Institution. If amounts in excess of that required to be rebated to the United States of America accumulate in the Rebate Fund, the Trustee shall upon written direction from the Authorized Representative of the Institution transfer such amount to the Institution. Records of the determinations required by the Indenture and the instructions must be retained by the Trustee until six years after the Bonds are no longer outstanding. Any provision of the Indenture to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien under the Indenture.

The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Representative of the Institution, shall deposit in the Rebate Fund Principal Account, within thirty (30) days after the end of each Bond Year commencing with the first Bond Year, an amount such that the amount held in the Rebate Fund Principal Account after such deposit is equal to the Rebate Amount calculated as of the last day of the prior Bond Year and so certified to the Trustee. If there has been delivered to the Trustee a certification of the Rebate Amount in conjunction with the completion of the Project pursuant to Section 404(D) of the Indenture or the restoration of the Project Facility pursuant to Section 406(E) of the Indenture at any time during a Bond Year, the Trustee shall deposit in the Rebate Fund Principal Account upon receipt of such certification an amount such that the amount held in the Rebate Fund Principal Account after such deposit is equal to the Rebate Amount calculated on the Completion Date or at the time of restoration of the Project Facility as the case may be. The amount to be deposited in the Rebate Fund shall be withdrawn from the fund or funds established under the Indenture designated by the Institution, or, in the event the amounts held in such fund or funds are less than the Rebate Amount, the amount to be deposited shall be withdrawn from the fund or funds established under the Indenture designated by the Institution or from other moneys made available by the Institution.

In the event that on the first day of any Bond Year, after the calculation of the Rebate Amount, the amount on deposit in the Rebate Fund Principal Account exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Representative of the Issuer or the Institution, shall withdraw such excess amount and (1) prior to the Completion Date, shall transfer such excess to the Project Fund to be applied to the payment of Costs of the Project or (2) after the Completion Date, shall transfer such excess to the Bond Fund to be applied to the payment of the principal and interest and Sinking Fund Payments coming due on the Bonds on the next following Bond Payment Date.

The Trustee, upon the receipt of written instructions satisfactory to the Trustee from an Authorized Representative of the Institution, shall pay to the United States, from amounts on deposit in the Rebate Fund or from other moneys supplied by the Institution, (1) not less frequently than once every five (5) years after the date of original issuance of a Series of Tax-Exempt Bonds (or such other date as the Institution may choose, provided the Institution and the Trustee receive an opinion of Bond Counsel that such change will not cause interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes) and every five years thereafter until final retirement of the Bonds, an amount such that, together with prior amounts paid to the United States, the total amount paid to the United States is equal to ninety percent (90%) of the Rebate Amount with respect to the Bonds as of the date of such payment plus all amounts then held in the Rebate Fund Earnings Account, and (2) not later than thirty (30) days after the date on which all bonds of any particular Series of Tax-Exempt Bonds have been paid in full, one hundred percent (100%) of the Rebate Amount with respect to such Tax-Exempt Bonds as of the date of such payment plus all amounts relating thereto then held in the Rebate Fund Earnings Account.

The foregoing described provisions of the Indenture may be amended, without notice to or consent of the Bondholders, at the request of the Issuer or the Institution, to comply with the applicable regulations of the Treasury Department, upon the delivery by the Issuer or the Institution to the Trustee of an opinion of Bond Counsel that such amendment will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purposes of the interest payable on the Tax-Exempt Bonds which exists on the Closing Date.

Non-Presentment of Bonds *(Section 408)*

Subject to the provisions of the Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof or otherwise, or in the event any interest payment on a Bond shall be unclaimed, if moneys sufficient to pay such Bond or interest shall have been deposited with the Trustee for the benefit of the Holder thereof, such Bond shall be deemed cancelled, redeemed or retired on such date even if not presented on such date or such interest shall be deemed paid, as the case may be, and all liability of the Issuer to the Holder thereof for the payment of such Bond or interest shall forthwith cease, terminate and be completely discharged; and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Holder of such Bond or interest thereon who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Indenture or with respect to such Bond or interest.

Subject to any law to the contrary, if any Bond shall not be presented for payment or any interest payment shall not be claimed prior to the earlier of (1) two (2) years following the date when such Bond or interest becomes due, either at maturity or at the date fixed for redemption or otherwise, or (2) the Business Day prior to the date on which such moneys would escheat to the State, the Trustee shall, upon written request of the Institution, return to the Institution all funds held by the Trustee for the payment of such Bond or interest. Thereafter, (a) the Owner of such Bond shall be entitled to look only to the Institution for payment of such Bond or interest, and then only to the extent of the amount so repaid to the Institution, who shall not be liable for any interest thereon and shall not be regarded as a trustee of such money, (b) all liability of the Trustee with respect to such moneys shall terminate, and (c) such Bond shall, subject to the defense of any applicable statute of limitations, thereafter be an unsecured obligation of the Institution.

Final Disposition of Moneys *(Section 410)*

In the event there are no Bonds Outstanding, and subject to any applicable law to the contrary, after payment of all fees, charges and expenses, including, but not limited to reasonable attorney's fees, of the Issuer and the Trustee and all other amounts required to be paid under the Indenture and under the other Financing Documents and after payment of any amounts required to be rebated to the United States under the Indenture and under the Tax Compliance Agreement or any provision of the Code, all amounts remaining in any fund established under the Indenture shall be transferred to the Institution (except amounts held with respect to the Unassigned Rights, which amounts shall be paid to the Issuer, and except for moneys held for the payment or redemption of Bonds which have matured or been defeased or notice of the redemption of which has been duly given and any other unclaimed monies held under Section 408 of the Indenture, which shall be held for the benefit of the Owners of such Bonds).

No Modification of Security; Limitation on Liens *(Section 508)*

The Issuer covenants that it will not, without the written consent of the Trustee, alter, modify or cancel, or agree to alter, modify or cancel, the Loan Agreement or any other Financing Document to which the Issuer is a party, or which has been assigned to the Issuer, and which relates to or affects the security for the Bonds, except as contemplated by the Indenture or pursuant to the terms of such document. The Issuer further covenants that, except for the Financing Documents and other Permitted Encumbrances, the Issuer will not incur, or suffer to be incurred, any mortgage, Lien, charge or encumbrance on or pledge of any of the Trust Estate prior to or on a parity with the Lien of the Indenture.

Covenant Against Arbitrage Bonds *(Section 512)*

So long as any Tax-Exempt Bonds shall be Outstanding, the Issuer shall not use or direct or permit the use of the proceeds of the Tax-Exempt Bonds or any other moneys in its control (including, without limitation, the proceeds of any insurance settlement or Condemnation award with respect to the Project Facility) in such manner as would cause any of the Tax-Exempt Bonds to be an "arbitrage bond" within the meaning of such quoted term in Section 148 of the Code.

The Issuer shall not be responsible for the calculation or payment of any rebate amount required by Section 148 of the Code.

The Trustee shall not be responsible for the calculation, or the payment from its own funds, of any amount required to be rebated to the United States under Section 148 of the Code. The Trustee shall, however, make such transfers to the Rebate Fund and pay such amounts from the funds and accounts created under the Indenture and from the Institution's funds to the United States as the Institution, in accordance with the Indenture and the Tax Compliance Agreement, shall direct.

Events of Default *(Section 601)*

The Indenture provides that each of the following events will constitute an Event of Default:

(A) failure by the Issuer to make due and punctual payment of the interest or premium or Sinking Fund Payments on any Bond, or failure by the Issuer to make due and punctual payment of the principal of any Bond, whether at the Stated Maturity thereof, or upon proceedings for the redemption thereof, or upon the maturity thereof by declaration;

(B) subject to any right to waive the same as set forth in the Financing Documents, receipt by the Trustee of notice, or actual notice on the part of the Trustee, of the occurrence of an Event of Default under any of the other Financing Documents; or

(C) subject to the provisions of the Indenture, default in the performance or observance of any other covenant, agreement or condition on the part of the Issuer in the Indenture or in any Bond to be performed or observed and the continuance thereof for a period of thirty (30) days after written notice thereof is given to the Issuer and the Institution by the Trustee or by the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding.

Acceleration *(Section 602)*

Upon (1) the occurrence of an Event of Default described in paragraph (A) under the caption "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Events of Default" the Trustee shall, or (2) the occurrence of an Event of Default described in paragraphs (B) or (C) under the caption "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Events of Default" and so long as such Event of Default is continuing, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding, the Trustee shall, by notice in writing delivered to the Institution, with a copy of such notice being sent to the Issuer, declare the entire principal amount of all Bonds then Outstanding and the interest accrued thereon to be immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Upon any such declaration, the Trustee shall immediately declare an amount equal to all amounts then due and payable on the Bonds to be immediately due and payable under the Loan Agreement.

Upon the occurrence of any declaration by the Trustee as described in the preceding paragraph, the principal of the Bonds then Outstanding and the interest accrued thereon shall thereupon become and be immediately due and payable, and interest shall continue to accrue thereon until the date of payment.

Enforcement of Remedies *(Section 603)*

Upon the occurrence and during the continuance of any Event of Default, the Trustee shall exercise such of the rights and powers vested in the Trustee by the Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. In considering what actions are or are not prudent in the circumstances, the Trustee shall consider whether or not to take such action as may be permitted to be taken by the Trustee under any of the Financing Documents.

Upon the occurrence and during the continuance of any Event of Default, the Trustee may proceed forthwith to protect and enforce its rights under the Enabling Act, the Loan Agreement and the other Financing Documents by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient.

Upon the occurrence and during the continuance of any Event of Default, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce payment of and receive any amounts due or becoming due from the Issuer or the Institution under any of the provisions of the Indenture, the Loan Agreement and the other Financing Documents, without prejudice to any other right or remedy of the Trustee or the Bondholders. The Trustee may sue for, enforce payment of and receive any amounts due or becoming due from the Institution for principal, premium, interest or otherwise under any of the provisions of the Indenture or the other Financing Documents, without prejudice to any other right or remedy of the Trustee.

Regardless of the happening of an Event of Default, the Trustee may institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the Indenture and the other Financing Documents by any acts which may be unlawful or in violation of the Indenture or of any other Financing Document or of any resolution authorizing the Bonds, or to preserve or protect the interest of the Trustee and/or the Bondholders.

Rights of Bondholders to Direct Proceedings *(Section 607)*

The Holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right at any time, by an instrument in writing executed and delivered to the Trustee and upon offering the Trustee the security and indemnity provided for in the Indenture, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, the Loan Agreement or the other Financing Documents, or for the appointment of a receiver or any other proceedings thereunder, provided that such direction, in the opinion of Independent Counsel, is in accordance with the provisions of law and is not unduly prejudicial to the interests of the Bondholders not joining such direction.

Application of Moneys *(Section 609)*

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances (including reasonable attorneys' fees) incurred or made by the Trustee, be deposited into the Bond Fund; and all moneys in the Bond Fund shall be applied, together with the other moneys held by the Trustee under the Indenture (other than amounts on deposit in the Rebate Fund and unclaimed funds held pursuant to the Indenture), as follows:

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

> FIRST - to the payment to the Persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;
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> SECOND - to the payment to the Persons entitled thereto of the unpaid principal of and any premium on the Bonds (other than Bonds called for redemption for the payment of which moneys shall be held pursuant to the provisions of the Indenture) which shall have become due, in order of their maturities, with interest from the date upon which they became due and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, and interest on the Bonds due on any particular date, then to the payment ratably, according to amounts due respectively for principal, interest and premium, if any, to the Persons entitled thereto, without any discrimination or privilege; and
>
> THIRD - to the payment to the Persons entitled thereto of the principal of, premium, if any, on, or interest on the Bonds which may thereafter become due and payable, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest and premium, if any, then due and owing thereon, payment shall be made ratably according to the amount of interest, principal and premium, if any, due on such date to the Persons entitled thereto, without any discrimination or privilege.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due and unpaid upon the Bonds, without preference or priority of principal and premium over interest or of interest over principal and premium, or of any installment of interest over any other installment of interest, or of any Bonds over any other Bonds, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the Persons entitled thereto without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions described in item (1) above, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for such application and the likelihood of additional moneys becoming available in the future. Whenever the Trustee shall apply such moneys under the provisions described in item (1) above, the Trustee shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. Whenever moneys are to be applied pursuant to the provisions described in item (2) above, such moneys shall be applied as soon as practicable upon receipt thereof. In either case, the Trustee shall give such notice as the Trustee may deem appropriate of the deposit with the Trustee of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee and a new Bond is issued or the Bond is cancelled if fully paid.

<u>Notice of Defaults; Opportunity to Cure</u> *(Section 614)*

Anything in the Loan Agreement to the contrary notwithstanding, no default described in paragraphs (B) or (C) under the caption "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Events of Default" shall constitute an Event of Default until the Trustee shall have received written notice thereof or shall have actual notice thereof and until actual notice of such default by registered or certified mail shall be given by the Trustee or by the Holders of not less than fifty-one (51%) percent of the aggregate principal amount of Bonds then Outstanding to the Issuer and the Institution (with a copy to the Trustee if given by the Holders), and the Issuer and the Institution shall have had thirty (30) days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided, however, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the Institution within the applicable period and diligently pursued until the default is corrected.

Acceptance of the Trusts *(Section 701)*

The Trustee has accepted the trusts imposed upon it by the Indenture and has agreed to perform said trusts upon the following terms and conditions:

The Trustee may execute any of the trusts or powers of the Indenture and perform any of its duties under the Indenture by or through attorneys, agents, receivers or employees, but shall not be answerable for the conduct of the same if appointed without gross negligence, and shall be entitled to advice of counsel concerning all matters of the trusts of the Indenture and the duties under the Indenture, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may be reasonably employed in connection with the trusts of the Indenture. The Trustee may act upon the opinion or advice of any attorney appointed without gross negligence, who may be the attorney or attorneys for the Issuer, and shall not be responsible for any loss or damage resulting from any action or nonaction in reliance upon any such opinion or advice.

The Trustee may become the Owner of Series 2024 Bonds secured by the Indenture with the same rights which it would have if not the Trustee. In addition, any national banking association, bank or trust company acting as a Trustee, Registrar or Paying Agent, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Series 2024 Bonds, and may join in any action which any Bondholder may be entitled to take with like effect as if such association, bank or trust company were not such Trustee, Registrar or Paying Agent.

Before taking any action under the Indenture (except declaring an Event of Default, a mandatory redemption or an acceleration of the Bonds pursuant to the Indenture), the Trustee may require that a security and indemnity reasonably satisfactory to it be deposited with it for the reimbursement of all fees, costs and expenses including, but not limited to, reasonable attorney's fees and expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

The Trustee shall not be required to take notice or be deemed to have notice of the occurrence of any Event of Default other than an Event of Default as described in paragraph (A) under the caption "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Events of Default" above, unless the Trustee shall have actual knowledge of such Event of Default or unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer or the Institution or the Owners of at least fifty-one percent (51%) in aggregate principal amount of Bonds Outstanding under the Indenture, and all notices or other instruments required by the Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Office of the Trustee, and, in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default, except as aforesaid.

Appointment of Successor Trustee by the Bondholders; Temporary Trustee *(Section 708)*

In case the Trustee under the Indenture shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting under the Indenture, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their duly authorized attorneys; provided, nevertheless, that in case of vacancy, the Issuer (at the written direction of the Institution) by an instrument executed and signed by the Chairperson, Vice Chairperson or Executive Director and attested by the Secretary or Assistant Secretary of the Issuer under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by such Bondholders in the manner above provided; and any such temporary Trustee so appointed by the Issuer (at the written direction of the Institution) shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders.

Every such successor or temporary Trustee appointed pursuant to the provisions of the paragraph above shall (1) be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, (2) be located within or outside the State, (3) be duly authorized to exercise trust powers in the State, (4) be subject to examination by a federal or state authority, and (5) maintain a reported capital and surplus of not less than $20,000,000 (or a combined capital and surplus in excess of $5,000,000 and the obligations of which, whether now in existence or hereafter incurred, are fully guaranteed by a corporation organized and doing business under the laws of the United States, and State or Territory thereof or of the District of Columbia, that has a combined capital and surplus of at least $50,000,000), if there be one able and willing to accept the trust on reasonable and customary terms.

<u>Supplemental Indentures not Requiring Consent of Bondholders</u> *(Section 801)*

The Issuer and the Trustee, without the consent of, or notice to, any of the Bondholders, may enter into an indenture or indentures supplemental to the Indenture and not inconsistent with the terms and provisions of the Indenture or, in the sole judgment of the Trustee, materially adverse to the interests of the Trustee or the Holders of the Bonds, for any one or more of the following purposes:

(1) to cure any ambiguity, inconsistency or formal defect or omission in the Indenture;

(2) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or any of them;

(3) to subject additional rights and revenues to the Lien of the Indenture, or to identify more precisely the Trust Estate;

(4) to obtain or maintain a rating on the Bonds from a Rating Agency;

(5) to comply with the provisions of the Code necessary to maintain the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes;

(6) to modify, amend or supplement the Indenture or any indenture supplemental to the Indenture in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939 or any similar Federal statute hereafter in effect or under any state blue sky law;

(7) to enable the issuance of Additional Bonds;

(8) to permit the Bonds to be converted to certificated securities to be held by the registered Owners thereof; or

(9) for any other purpose not materially adverse to the interests of the Holders of the Bonds.

<u>Supplemental Indentures Requiring Consent of Bondholders</u> *(Section 802)*

Other Supplemental Indentures modifying the Indenture may be approved by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided that no Supplemental Indenture is permitted which would permit (1) without the consent of the Holder of such Bond, (a) a reduction in the rate, or extension of the time of payment, of interest on any Bond, (b) a reduction of any premium payable on the redemption of any Bond, or an extension of time for such payment, or (c) a reduction in the principal amount payable on any Bond, or an extension of time in which the principal amount of any Bond is payable, whether at the stated or declared maturity or redemption thereof, (2) the creation of any Lien prior to or on a parity with the Lien of the Indenture (other than that parity Lien created to secure the Additional Bonds), (3) a reduction in the aforesaid aggregate principal amount of Bonds, the Holders of which are required to consent to any such Supplemental Indenture, without the consent of the Holders of all the Bonds at the time Outstanding which would be affected by the action to be taken, (4) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee, or (5) a privilege or priority of any Bond or Bonds over any other Bond or Bonds.

<u>Supplemental Indentures; Consent of the Institution</u> *(Section 803)*

Supplemental Indentures which affect the rights or liabilities of the Institution under the Indenture require the consent of the Institution.

<u>Amendments to the Loan Agreement or other Financing Documents not Requiring Consent of Bondholders</u> *(Section 901)*

The Issuer, the Institution and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Loan Agreement or any other Financing Document (other than the Indenture) as may be required (1) by the provisions of any Financing Document, (2) for the purpose of curing any ambiguity, inconsistency or formal defect therein or omission therefrom, (3) so as to identify more precisely the Trust Estate or the Project Facility, (4) in connection with any Supplemental Indenture entered into pursuant to Section 801 of the Indenture, or to effect any purpose for which there could be a Supplemental Indenture pursuant to Section 801 of the Indenture, (5) to obtain or maintain a rating on the Bonds from a Rating Agency, (6) to permit the issuance of Additional Bonds, (7) to comply with the provisions of the Code necessary to maintain the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes, or (8) in connection with any other Supplemental Indenture, but only if any such amendment, change or modification, in the sole judgment of the Trustee, is not materially adverse to the interests of the Trustee or the Bondholders.

<u>Amendments to Loan Agreement or other Financing Documents Requiring Consent of Bondholders</u> *(Section 902)*

Except for the amendments, changes or modifications as provided under the above caption, neither the Issuer, the Institution nor the Trustee shall consent to any other amendment, change or modification of the Loan Agreement or any other Financing Document (other than the Indenture) without mailing notice thereof to, and obtaining the written approval or consent thereto of, the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given as provided in the Indenture.

<u>Satisfaction and Discharge of Lien</u> *(Section 1001)*

If the Issuer (1) shall pay or cause to be paid, to the Holders and Owners of the Bonds, the principal of the Bonds and premium, if any, due on the Bonds, at the times and in the manner stipulated therein and in the Indenture, (2) shall pay or cause to be paid from any source, to the Holders and Owners of the Bonds, the interest to become due on the Bonds, at the times and in the manner stipulated therein and in the Indenture, (3) shall have paid all fees, costs and expenses including, but not limited to, reasonable attorney's fees of the Trustee and each paying agent, (4) shall pay or cause to be paid the entire Rebate Amount to the United States in accordance with the Tax Compliance Agreement and the Indenture, and (5) shall cause to be delivered an opinion of Independent Counsel stating that all conditions precedent with respect to the satisfaction and discharge of the Indenture have been met, then the Indenture and the trust and rights by the Indenture granted shall cease, terminate and be void, and thereupon the Trustee shall (a) cancel and discharge the Lien of the Indenture upon the Trust Estate and the Trustee's rights under the other Financing Documents and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy same, (b) reconvey to the Issuer the Loan Agreement and the trust conveyed by the Indenture, and (c) assign and deliver to the Institution any interest in Property at the time subject to the Lien of the Indenture and the other Financing Documents which may then be in its possession, except amounts held by the Trustee for the payment of principal of, and the interest and premium, if any, on, the Bonds.

All Outstanding Bonds shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid if, under circumstances which, in the opinion of Bond Counsel, do not adversely affect the exclusion under the Code of interest on the Tax-Exempt Bonds from the gross income of the Holders thereof for Federal income tax purposes, the following conditions shall have been fulfilled: (1) in case any of the Bonds are to be redeemed on any date prior to their maturity, the Institution shall have given to the Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Bonds on said date as provided in the Indenture; and (2) there shall be on deposit with the Trustee moneys, which shall be either cash or Defeasance Obligations, in an amount sufficient, without the need for further investment or reinvestment, but including any scheduled interest on or increment to such obligations, to pay when due the principal, premium, if any, and interest due and to become due on the Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, and to pay the Trustee for its Ordinary Services and Ordinary Expenses and for its Extraordinary Services and Extraordinary Expenses under the Indenture.

Defeasance *(Section 1002)*

So long as the Bonds remain outstanding, then, notwithstanding the provisions of Section 1001, the Bonds may not be defeased, unless no less than five (5) Business Days prior to the scheduled defeasance, the Trustee shall be notified and provided with draft copies of the proposed escrow agreement (the "Escrow Agreement"), a verification report from a verifier acceptable to the Trustee (in form and substance satisfactory to the Trustee) stating that the escrow is sufficient to meet the standards of Section 1001 of the Indenture (the "Verification Report"), and an opinion of Bond Counsel to the effect that all of the requirements of the Financing Documents for defeasance of the Bonds have been complied with.

Further substitutions of securities in the escrow are not permitted. The deposit in the escrow must be sufficient, without reinvestment, to pay all principal, premium, if any, and interest as scheduled on the Bonds to and including the date of redemption.

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The following summarizes certain provisions of the Loan Agreement to which reference is made for the detailed provisions thereof. The following should not be considered a full statement of the Loan Agreement.

Representations, Warranties and Covenants of the Issuer *(Section 2.1)*

The Issuer will make the following representations, warranties and covenants, among others:

(1) The Issuer is duly established under the provisions of the Act and has the power to enter into the Loan Agreement and to carry out its obligations thereunder. By proper official action, the Issuer has been duly authorized to execute, deliver and perform the Loan Agreement and the other Financing Documents to which the Issuer is a party.

(2) Subject to the limitations contained in the Loan Agreement, so long as the Series 2024 Bonds shall be Outstanding, the Issuer will not take any action (or omit to take any action required by the Financing Documents or which the Trustee or the Institution, together with Bond Counsel, advise the Issuer in writing should be taken) or allow any action to be taken, which action (or omission) would in any way cause (1) the proceeds from the sale of the Series 2024 Bonds to be applied in a manner contrary to that provided in the Financing Documents, or (2) adversely affect the exclusion of the interest paid or payable on the Series 2024A Bonds from gross income for federal income tax purposes. Notwithstanding the foregoing, there shall be no such obligation upon the Issuer with respect to the use or investment of its administrative fee, provided, however, that if the Institution is required to rebate any amount with respect to such administrative fee, the Issuer shall provide, upon the reasonable request of the Institution, such information concerning the investment of such administrative fee as shall be requested by the Institution and as shall be reasonably available to the Issuer.

Representations, Warranties and Covenants of the Institution *(Section 2.2)*

The Institution makes the following representations, warranties and covenants, among others, as the basis for the undertakings on its part contained in the Loan Agreement:

(1) The Institution is a not-for-profit education corporation duly organized and validly existing under the laws of the State, is duly authorized to do business in the State, has the power to enter into the Loan Agreement and the other Financing Documents to which the Institution is a party and to carry out its obligations thereunder, has been duly authorized to execute the Loan Agreement and the other Financing Documents to which the Institution is a party, and is qualified to do business in all jurisdictions in which its operations or ownership of Property so requires. The Loan Agreement and the other Financing Documents to which the Institution is a party, and the transactions contemplated by the Loan Agreement and the other Financing Documents, have been duly authorized by all necessary action on the part of the board of trustees of the Institution.

(2) The Institution will not take any action (or omit to take any action required by the Financing Documents or which the Trustee or the Issuer, together with Bond Counsel, advise the Institution in writing should be taken), or allow any action to be taken, which action (or omission) would in any way (1) adversely affect the exclusion of the interest paid or payable on the Series 2024A Bonds from gross income for federal income tax purposes, or (2) cause the proceeds of the Series 2024 Bonds to be applied in a manner contrary to that provided in the Financing Documents.

(3) The Project Facility and the operation thereof will comply in all material respects with all Applicable Laws, and the Institution will defend and save the Issuer and its trustees, members, directors, officers, agents, servants and employees harmless from all fines and penalties due to failure to comply therewith. The Institution shall cause all notices required by all Applicable Laws to be given, and shall comply or cause compliance in all material respects with all Applicable Laws, and the Institution will defend and save the Issuer and its trustees, members, directors, officers, agents, servants and employees harmless from all fines and penalties due to failure to comply therewith.

(4) The Institution will comply with all of the terms, conditions and provisions of the Tax Compliance Agreement. All of the representations, certifications, statements of reasonable expectation and covenants made by the Institution in the Tax Compliance Agreement are declared to be for the benefit of, among others, the Issuer and the Bondholders and are incorporated in the Loan Agreement by reference as though set forth in full in the Loan Agreement.

(5) All proceeds of the Series 2024 Bonds shall be used to pay the Costs of the Project related to the Series 2024 Project, and the total Cost of the Project, including all costs related to the issuance of the Series 2024 Bonds, shall not be less than the total Bond Proceeds advanced by the Trustee under the Indenture. In no event will "costs of issuance" (within the meaning of Section 147(g) of the Code) paid from the proceeds of the Series 2024A Bonds exceed two percent (2%) of the proceeds of the Series 2024A Bonds.

(6) The Institution will represent that (1) the Institution is an organization described in Section 501(c)(3) of the Code, or corresponding provisions of prior law; (2) the Institution has received a letter or other notification from the Internal Revenue Service to that effect; (3) such letter or other notification has not been modified, limited or revoked; (4) the Institution is in compliance with all terms, conditions and limitations, if any, contained in such letter or other notification; (5) 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 (6) it is exempt from federal income taxes under Section 501(a) of the Code. The Institution agrees that 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 a manner which will conform to the standards necessary to qualify the Institution as a charitable organization within the meaning of Section 501(c)(3) of the Code or any successor provision of federal income tax law.

Covenant with the Trustee and the Bondholders *(Section 2.3)*

The Issuer and the Institution agree that the Loan Agreement is executed in part to induce the purchase by others of the Series 2024 Bonds. Accordingly, all representations, covenants and agreements on the part of the Issuer and the Institution set forth in the Loan Agreement (other than the Unassigned Rights) are declared to be for the benefit of the Trustee and the owners from time to time of the Bonds.

Undertaking and Completion of the Series 2024 Project *(Section 3.1)*

The Institution will undertake the 2024 Capital Improvements Projects. The Institution is the owner of the Project Facility for federal income tax purposes, and the Project Facility is used and will be used by the Institution in activities which do not constitute an "unrelated trade or business" within the meaning of Section 513(a) of the Code.

Issuance of the Series 2024 Bonds; Loan of the proceeds thereof. *(Section 3.2)*

In order to make the Loan for the purposes of financing the Costs of the Project relating to the Series 2024 Project, together with other costs and incidental expenses in connection therewith, the Issuer agrees that it will use its best efforts to (a) issue and deliver the Series 2024A Bonds in the aggregate principal amount of $22,055,000 and the

Series 2024B Bonds in the aggregate principal amount of $24,880,000, and (b) cause the Series 2024 Bonds to be delivered to the Underwriter, as original purchaser of the Series 2024 Bonds, all as provided in the Bond Resolution, the Certificate of Determination, the Purchase Contract and the Indenture.

As provided in the Indenture, the proceeds from the sale of the Series 2024 Bonds shall be loaned by the Issuer to the Institution and paid as follows: (1) a sum equal to any accrued interest, if any, paid by the Underwriter as original purchaser shall be shall be deposited by the Issuer with the Trustee and deposited by the Trustee into the Bond Fund, and (2) the balance of the proceeds from the sale of the Series 2024 Bonds shall be deposited by the Issuer with the Trustee and deposited by the Trustee into the Series 2024A Project Account and Series 2024B Project Account of the Project Fund. As provided in the Purchase Contract, the Underwriter will advance the proceeds of the sale of the Series 2024 Bonds to the Trustee in a single advance for deposit in accordance with the provisions of the Indenture. Pending disbursement pursuant to the Loan Agreement and the Indenture, the proceeds of the Series 2024 Bonds deposited in accordance with the provisions of the Indenture, together with any investment earnings thereon, shall constitute a part of the Trust Estate assigned by the Issuer to the payment of Debt Service Payments as provided in the Indenture.

Application of Proceeds of the Series 2024 Bonds *(Section 3.3)*

The proceeds of the sale of the Series 2024 Bonds shall be deposited by the Issuer with the Trustee as provided in the Indenture for deposit in the Series 2024 Project Account of the Project Fund.

Any disbursements from the Project Fund for the payment of the costs relating to the Series 2024 Project shall be made by the Trustee only upon the written order of the Authorized Representative of the Institution.

Any moneys relating to the Series 2024 Bonds remaining in the Series 2024A Project Account and Series 2024B Project Account of the Project Fund after the Completion Date and the payment, or provision for payment, in full of the Costs of the Project, at the direction of the Authorized Representative of the Institution, promptly shall be:

(1) used for the purchase of Series 2024 Bonds in the open market for the purpose of cancellation at prices not exceeding the full market value thereof plus accrued interest thereon to the date of payment therefor;

(2) paid into the Bond Fund to be applied to the redemption of the Series 2024 Bonds; or

(3) used for a combination of the foregoing as is provided in that direction.

In all such cases, any payments made pursuant to the preceding paragraph shall be made only to the extent that such use or application will not, in the opinion of Bond Counsel or under a ruling of the Internal Revenue Service, result in the interest on the Series 2024A Bonds becoming included in the gross income of the Holders thereof for federal income tax purposes.

Completion of the 2024 Capital Improvements Projects *(Section 3.4)*

The Institution will proceed with due diligence to commence and complete the 2024 Capital Improvements Projects.

Completion by the Institution *(Section 3.5)*

In the event that the proceeds of the Series 2024 Bonds are not sufficient to pay in full all costs of the Series 2024 Project, the Institution agrees to complete the Series 2024 Project and to pay all such sums as may be in excess of the moneys available therefor in the Series 2024 Project Account of the Project Fund.

Investment of Fund Moneys *(Section 3.6)*

At the written request of the Authorized Representative of the Institution, any moneys held as part of any Fund created under the Indenture shall be invested or reinvested by the Trustee in Authorized Investments. The Institution covenants that the Institution will restrict that investment and reinvestment and the use of the proceeds of the Series 2024A Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of delivery of and payment for the Series 2024A Bonds, so that the Series 2024A Bonds will not constitute arbitrage bonds under Section 148 of the Code.

Rebate Fund *(Section 3.7)*

The Institution agrees to make such payments to the Trustee as are required of it under Section 407 of the Indenture and to pay the costs and expenses of the independent certified public accounting firm or firm of attorneys engaged in accordance with Section 407 of the Indenture. The obligation of the Institution to make such payments shall remain in effect and be binding upon the Institution notwithstanding the release and discharge of the Indenture.

Remedies to be Pursued Against Contractors, Subcontractors, Materialmen and Their Sureties *(Section 3.8)*

In the event of a default by any contractor, subcontractor, materialman or other Person under any contract made by it in connection with the 2024 Capital Improvements Project or in the event of a breach of warranty or other liability with respect to any materials, workmanship or performance guaranty, the Institution at its expense, either separately or in conjunction with others, may pursue any and all remedies available to it against the contractor, subcontractor, materialman or other Person so in default and against any surety for the performance of such contract. Any amount recovered from any contractor, subcontractor, materialman or other Person shall be expended to complete reconstruction and/or installation of the 2024 Capital Improvements Project and the excess of the recovery less the amount expended to complete the 2024 Capital Improvements Project, if any (the “Excess Recovery”), shall be transferred to the Trustee for deposit in the Bond Fund; provided, however, that the Institution shall be required to transfer the Excess Recovery to the Trustee only to the extent that such contractor, subcontractor, materialman or other Person was paid out of the proceeds of Tax-Exempt Bonds.

Loan Payments and other Amounts Payable *(Section 5.1)*

Upon the terms and conditions of the Loan Agreement, the Issuer will make the Loan to the Institution. In consideration of and in repayment of the Loan, the Institution shall make, as Loan Payments, payments sufficient in amount to pay when due the Debt Service Payments due and payable on the Bonds. The Institution shall pay Loan Payments as follows:

(1) on or before the fifth (5th) Business Day immediately preceding each Interest Payment Date, the Institution shall cause immediately available funds to be delivered to the Trustee for deposit into the Bond Fund, in an amount equal to the amount due as interest on the Bonds on the next succeeding Interest Payment Date, so that the amount on deposit in the Bond Fund and available for the payment of interest on the fifth (5th) Business Day next preceding such Interest Payment Date, when added to the amount in the Bond Fund and available to the Trustee for such purpose, shall equal the interest payable on the Bonds on such Interest Payment Date;

(2) on or before the fifth (5th) Business Day immediately preceding each Bond Payment Date upon which a Sinking Fund Payment is due on the Bonds, the Institution shall cause immediately available funds to be delivered to the Trustee for deposit into the Bond Fund, in an amount equal to the amount due as a Sinking Fund Payment on the Bonds on such Bond Payment Date; and

(3) on or before the fifth (5th) Business Day immediately preceding each Bond Payment Date upon which a principal payment is due on the Bonds, the Institution shall cause immediately available funds to be delivered to the Trustee for deposit into the Bond Fund, in an amount equal to the amount due as principal on the Bonds on such Bond Payment Date;

provided, however, that the obligation of the Institution to make any payment under the Loan Agreement shall be deemed satisfied and discharged to the extent of the corresponding payment made by the Institution to the Trustee under the Bonds.

The Institution shall pay as additional Loan Payments under the Loan Agreement any premium when due on the Bonds and the following:

(1) Within thirty (30) days after receipt of a written demand therefor from the Trustee, the Bond Registrar or any Paying Agent, the Institution shall pay to the Trustee, the Bond Registrar or any Paying Agent, as the case may be, the following amounts: (a) the reasonable fees, costs and expenses of the Trustee, the Bond Registrar or Paying Agent for performing the obligations of the Trustee under the Indenture and the other Financing Documents; (b) the sum of the expenses of the Trustee, the Bond Registrar or Paying Agent reasonably incurred in performing the obligations of (i) the Institution under the Loan Agreement, or (ii) the Issuer under the Bonds, the Indenture or the Loan Agreement; and (c) the reasonable attorneys' fees of the Trustee, the Bond Registrar or Paying Agent incurred in connection with the foregoing and other moneys due the Trustee, the Bond Registrar or Paying Agent pursuant to the provisions of any of the Financing Documents.

(2) (a) On the Closing Date, the Institution shall pay to the Issuer, (i) a lump sum payment in an amount equal to $168,837.50, representing the Issuer's administration fee for the issuance of the Series 2024 Bonds; plus (ii) an additional lump sum payment in an amount equal to the fees and expenses of Bond Counsel to the Issuer relating to the Series 2024 Project.

(b) Within thirty (30) days after receipt of a demand therefor from the Issuer, the Institution shall pay to the Issuer the sum of the reasonable expenses (including, without limitation, reasonable attorney's fees and expenses) of the Issuer and the trustees, members, directors, officers, agents, servants and employees thereof incurred by reason of the Issuer's making of the Loan, the financing and/or refinancing of the Series 2024 Project, the issuance and delivery of any Bonds, the marketing or remarketing of any Bonds or in connection with the carrying out of the Issuer's duties and obligations under the Loan Agreement or any of the other Financing Documents, and any other fee or expense of the Issuer with respect to the Series 2024 Project, the Project Facility, the Bonds or any of the other Financing Documents, the payment of which is not otherwise provided for under the Loan Agreement.

In the event of an application of moneys in the Project Fund toward prepayment of the principal of the Bonds pursuant to Section 404(D) of the Indenture, there shall be no abatement or reduction in the amounts payable by the Institution under Section 5.1 of the Loan Agreement.

The Institution shall be entitled to a credit against the Loan Payments next required to be made to the extent that the balance of the Bond Fund is then in excess of amounts required (1) for payment of Bonds theretofore matured or theretofore called for redemption, (2) for payment of interest for which checks or drafts have been drawn and mailed by the Trustee, and (3) for deposit in the Bond Fund for use other than for the payment of Debt Service Payments on the Interest Payment Date next following the applicable date such Loan Payments are due. In any event, however, if on any Bond Payment Date, the balance in the Bond Fund is insufficient to make required payments of Debt Service Payments on the Bonds, the Institution forthwith will pay to the Trustee, for the account of the Issuer and for deposit into the Bond Fund, any deficiency.

Nature of Obligations of the Institution Under the Loan Agreement *(Section 5.2)*

The obligations of the Institution to make the payments required to be made under the Loan Agreement and to perform and observe any and all of the other covenants and agreements on its part contained in the Loan Agreement shall be general obligations of the Institution and shall be absolute and unconditional irrespective of any defense or any right of set-off, recoupment, counterclaim or abatement that the Institution may otherwise have against the Issuer or the Trustee. The Institution agrees that it will not suspend, discontinue or abate any payment required by, or fail to observe any of its other covenants or agreements contained in, the Loan Agreement, or terminate the Loan Agreement for any cause whatsoever.

Prepayment of Loan Payments *(Section 5.3)*

At any time that the Bonds are subject to redemption under the Indenture, the Institution may, at its option, prepay, in whole or in part, the Loan Payments payable under the Loan Agreement by causing there to be moneys in an amount equal to the Redemption Price of the Bonds being redeemed, or the Purchase Price of Bonds being purchased in lieu of redemption, on deposit with the Trustee no later than the date such moneys are to be applied to the redemption of such Bonds under the Indenture.

Maintenance and Modification of Facility by the Institution *(Section 6.1)*

So long as any of the Bonds are Outstanding, and during the term of the Loan Agreement, the Institution shall keep and maintain or make arrangements with others to keep and maintain the Project Facility in accordance with (1) the requirements of the Financing Documents, and (2) the purposes and requirements of the Act and the Code. The Institution further agrees that it shall pay at its own expense all extraordinary costs of maintaining, repairing and replacing the Project Facility except insofar as funds are made available therefor from proceeds of insurance, condemnation or eminent domain awards as provided in the Loan Agreement.

So long as any of the Series 2024A Bonds are Outstanding, and during the term of the Loan Agreement, the Institution shall keep and maintain or make arrangements with others to keep and maintain the Series 2024 Project Facility in accordance with purposes and requirements of the Code necessary to preserve the adversely affect the exclusion from gross income for federal income tax purposes of the interest paid and payable on the Series 2024A Bonds.

Taxes, Assessments And Utility Charges *(Section 6.2)*

The Institution is required to pay and discharge (1) all taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the New Money Project Facility, (2) all utility and other charges, including “service charges”, incurred or imposed for the operation, maintenance, use, occupancy, upkeep and improvement of the New Money Project Facility, and (3) all assessments and charges of any kind whatsoever lawfully made against the New Money Project Facility by any Governmental Authority for public improvements, that may be lawfully assessed against the New Money Project Facility, if any.

Insurance Required *(Section 6.3)*

The Institution is required 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 Institution, 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 Institution shall at all times also maintain worker’s compensation coverage and disability benefits insurance coverage as required by the laws of the State

Damage, Destruction and Condemnation of the Project Facility *(Section 7.1 and Section 7.2)*

In the case of damage to or the destruction or Condemnation of the Project Facility, the Institution, but not the Issuer, will have an obligation to replace, repair, rebuild or restore the Project Facility, using insurance or Condemnation proceeds for this purpose to the extent available, unless the Institution elects not to replace, repair, rebuild or restore the Project Facility and to cause defeasance and/or redemption of the Series 2024 Bonds in accordance with the Indenture. If the Institution opts to defease and/or redeem the Series 2024 Bonds and if the Net Proceeds collected under any and all policies of insurance or of any Condemnation award are less than the amount necessary to defease and/or redeem the Series 2024 Bonds in full and pay any and all amounts payable under the Financing Documents to the Issuer and the Trustee, the Institution will be required to pay to the Trustee the difference between such amounts and the Net Proceeds of all insurance settlements and Condemnation awards so that all the Series 2024 Bonds then Outstanding will be defeased and/or redeemed in full and any and all amounts payable under the Financing Documents to the Issuer and the Trustee will be paid in full.

Termination *(Section 8.15)*

Upon (1) payment in full of the Loan evidenced by the Series 2024 Bonds, (2) termination of the Pledge and Assignment, (3) payment in full of all other Indebtedness evidenced by the Loan Agreement and (4) performance by the Institution of all other obligations of the Institution to the Issuer pursuant to the provisions of the Loan Agreement (collectively, the "Termination Preconditions"), the Loan Agreement shall terminate except as provided in Section 11.8 of the Loan Agreement. Upon satisfaction of the Termination Preconditions, the Issuer agrees to execute and deliver to the Institution that certain document terminating the Loan Agreement.

Use of the Tax-Exempt Project Facility *(Section 8.16)*

Subsequent to the Closing Date, (A) the Institution shall not use the Tax-Exempt Project Facility, or permit the Tax-Exempt Project Facility to be used, by any nonexempt person or in any "unrelated trade or business", within the meaning of Section 513(a) of the Code, in such manner or to such extent as would cause the interest paid or payable on the Tax-Exempt Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes or loss of the Institution's status as an exempt organization under Section 501(c)(3) of the Code, and (B) the Institution shall be entitled to use the Tax-Exempt Project Facility as an educational facility and other directly and indirectly related activities for use by the Institution, but not (1) as facilities used or to be used primarily for sectarian instruction or as a place of religious worship or (2) primarily as in connection with any part of a program of a school or department of divinity for any religious denomination.

Assignments *(Section 9.1)*

The Loan Agreement may not be assigned by the Institution, in whole or in part, without the prior written consent of the Issuer and the Trustee.

Merger of the Issuer *(Section 9.2)*

Nothing contained in the Loan Agreement shall prevent the consolidation of the Issuer with, or merger of the Issuer into, or assignment by the Issuer of its rights and interests under the Loan Agreement to, any other public instrumentality or a political subdivision of the State or the County which has the legal authority to perform the obligations of the Issuer under the Loan Agreement, provided that (1) the exclusion of the interest payable on the Tax-Exempt Bonds from gross income for Federal income tax purposes shall not be adversely affect thereby; and (2) upon any such consolidation, merger or assignment, the due and punctual performance and observance of all of the agreements and conditions of the Loan Agreement, the Bonds and the Indenture to be kept and performed by the Issuer shall be expressly assumed in writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Issuer's rights and interests under the Loan Agreement shall be assigned. Events of Default Defined *(Section 10.1)*

The following shall be "Events of Default" under the Loan Agreement:

(1) A default by the Institution in the due and punctual payment of the amounts specified to be paid pursuant to Section 5.1(A) of the Loan Agreement.

(2) The Institution shall fail to deliver to the Trustee, or cause to be delivered on its behalf, the moneys needed to redeem any outstanding Bonds in the manner and upon the date requested in writing by the Trustee as provided in Article III of the Indenture.

(3) A default in the performance or observance of any other of the material covenants, conditions or agreements on the part of the Institution in the Loan Agreement and the continuance thereof for a period of thirty (30) days after written notice is given by the Issuer or the Trustee to the Institution (with a copy to the Trustee, if given by the Issuer), or, if such covenant, condition or agreement is capable of cure but cannot be cured within such thirty (30) day period, the failure of the Institution to commence to cure within such thirty (30) day period and to thereafter prosecute the same with due diligence and, in any event, to cure such default within sixty (60) days after such written notice is given.

(4) The occurrence of an "Event of Default" under any of the other Financing Documents.

(5) Any material representation or warranty made by the Institution in the Loan Agreement or in any other Financing Document proves to have been materially false at the time it was made.

(6) The Institution shall generally not pay its debts as such debts become due or admits its inability to pay its debts as they become due.

(7) (a) The filing by the Institution (as debtor) of a voluntary petition under the Bankruptcy Code or any other federal or state bankruptcy statute; (b) the failure by the Institution within sixty (60) days to lift any execution, garnishment or attachment of such consequence as will impair the Institution's ability to carry out its obligations under the Loan Agreement; (c) the commencement of a case under the Bankruptcy Code against the Institution as the debtor or commencement under any other federal or state bankruptcy statute of a case, action or proceeding against the Institution and continuation of such case, action or proceeding without dismissal for a period of sixty (60) days; (d) the entry of an order for relief by a court of competent jurisdiction under the Bankruptcy Code or any other federal or state bankruptcy statute with respect to the debts of the Institution; or (e) in connection with any insolvency or bankruptcy case, action or proceeding, appointment by final order, judgment or decree of a court of competent jurisdiction of a receiver or trustee of the whole or a substantial portion of the Property of the Institution, unless such order, judgment or decree is vacated, dismissed or dissolved within sixty (60) days of such appointment.

(8) Any provision of the Loan Agreement or any of the other Financing Documents shall at any time for any reason cease to be valid and binding on the related obligor thereunder or shall be declared to be null and void by any court or Governmental Authority or agency having jurisdiction over the Institution, or the validity or the enforceability thereof shall be contested by the Institution, the Issuer or the Trustee, in a judicial or administrative proceeding or the Institution shall revoke or attempt to revoke the Indenture.

(9) Any Financing Document shall cease to be in full force and effect, or any Lien created or purported to be created in any collateral pursuant to any Financing Document shall fail to be valid, enforceable and perfected Lien in favor of the secured party or parties named in such Financing Document, having the priority purported to be given such Lien under such Financing Documents, or the Institution, the Trustee or any Governmental Authority shall assert any of the foregoing, unless such failure of validity, enforceability or perfection is caused by the negligence or intentional act of the Trustee or the Issuer.

Notwithstanding the foregoing, if by reason of force majeure (as hereinafter defined) either party to the Loan Agreement shall be unable, in whole or in part, to carry out its obligations under the Loan Agreement and if such party shall give notice and full particulars of such force majeure in writing to the other party and to the Trustee within a reasonable time after the occurrence of the event or cause relied upon, the obligations under the Loan Agreement of the party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of the inability, which shall include a reasonable time for the removal of the effect thereof. The suspension of such obligations for such period pursuant to this provision shall not be deemed an Event of Default under the Loan Agreement. Notwithstanding anything to the contrary in this provision, an event of force majeure shall not excuse, delay or in any way diminish certain obligations of the Institution to make certain payments, to obtain and continue in full force and effect certain insurance, to provide certain indemnity required by the Loan Agreement and to comply with certain other provisions of the Loan Agreement. The term "force majeure" as used in the Loan Agreement shall include acts outside of the control of the Issuer and the Institution, including but not limited to acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, orders of any kind of any Governmental Authority or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fire, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accident to machinery, transmission pipes or canals, and partial or entire failure of utilities, or any other cause or event not reasonably within the control of the party claiming such inability. It is agreed that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the party having difficulty, and the party having difficulty shall not be required to settle any strike, lockout or other industrial disturbances by acceding to the demands of the opposing party or parties.

<u>Remedies on Default</u> *(Section 10.2)*

Whenever any Event of Default shall have occurred and be continuing, the Issuer and/or the Trustee may, to the extent permitted by law, take any one or more of the following remedial steps:

(1) declare, by written notice to the Institution, to be immediately due and payable, whereupon the same shall become immediately due and payable, (a) all unpaid Loan Payments payable pursuant to Section 5.1(A) of the Loan Agreement, and (b) all other payments due under the Loan Agreement or any of the other Financing Documents;

(2) take any other action at law or in equity which may appear necessary or desirable to collect any amounts then due or thereafter to become due under the Loan Agreement and to enforce the obligations, agreements or covenants of the Institution under the Loan Agreement

(3) terminate disbursement of the Bond Proceeds; or

(4) exercise any remedies available pursuant to any of the other Financing Documents.

<u>No Recourse under the Loan Agreement</u> *(Section 11.10)*

All covenants, stipulations, promises, agreements and obligations of the Issuer contained in the Loan Agreement, in the Series 2024 Bonds, in the other Financing Documents executed by the Issuer and in the other documents and instruments connected herewith or therewith, and in any documents supplemental thereto (collectively, the "Financing Documents") shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any member, director, officer, agent, servant or employee of the Issuer in his individual capacity, and no recourse under or upon any obligation, covenant or agreement in the Financing Documents contained or otherwise based upon or in respect of the Financing Documents, or for any claim based on the Indenture or the other Financing Documents or otherwise in respect of the Indenture of the other Financing Documents, shall be had against any past, present or future member, director, officer, agent, servant or employee, as such, of the Issuer or of any successor entity or political subdivision or any Person executing any of the Financing Documents on behalf of the Issuer, either directly or through the Issuer or any successor entity or political subdivision or any Person so executing any of the Financing Documents on behalf of the Issuer, it being expressly understood that the Financing Documents and the Series 2024 Bonds issued thereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, director, officer, agent, servant or employee of the Issuer or of any successor entity or political subdivision or any Person so executing any of the Financing Documents on behalf of the Issuer because of the creation of the indebtedness thereby authorized, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, director, officer, agent, servant or employee because of the creation of the indebtedness authorized by the Financing Documents, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom, are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution by the Issuer of the Financing Documents and the issuance, sale and delivery of the Series 2024 Bonds.

The obligations and agreements of the Issuer contained in the Loan Agreement and in the Financing Documents shall not constitute or give rise to an obligation of the State or the County, and neither the State nor the County shall be liable hereon or thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from the Loan Agreement and the other Financing Documents (except for revenues derived by the Issuer with respect to the Unassigned Rights).

No order or decree of specific performance with respect to any of the obligations of the Issuer under the Loan Agreement shall be sought or enforced against the Issuer unless (1) the party seeking such order or decree shall first have requested the Issuer in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Issuer shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request within such ten (10) day period) or failed to respond within such notice period, (2) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Issuer an amount or undertaking sufficient to cover such reasonable fees and expenses, and (3) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it or any of its trustees, members, directors, officers, agents, servants or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify, defend and hold harmless the Issuer and its trustees, members, directors, officers, agents, servants and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Issuer, furnish to the Issuer satisfactory security to protect the Issuer and its trustees, members, directors, officers, agents, servants and employees against all liability expected to be incurred as a result of compliance with such request. Any failure to provide the indemnity and/or security required as described in this paragraph shall not affect the full force and effect of an Event of Default under the Loan Agreement.

SUMMARY OF CERTAIN PROVISIONS OF THE PLEDGE AND ASSIGNMENT

The following is a brief summary of the Pledge and Assignment and should not be considered a complete statement thereof. Reference is made to the Pledge and Assignment for complete details of the terms thereof.

Pursuant to the Pledge and Assignment, to further secure the payment of the Series 2024 Bonds, the Issuer will pledge, assign, transfer and set over to the Trustee, and grant the Trustee a lien on and security interest in, all of the Issuer's right, title and interest in the Loan Agreement and any and all moneys due or to become due and any and all other rights and remedies of the Issuer under or arising out of the Loan Agreement, except for the Unassigned Rights.

FORM OF APPROVING OPINION OF BOND COUNSEL

Upon delivery of the Series 2024 Bonds in definitive form, Barclay Damon LLP, Bond Counsel to the Issuer, proposes to render its approving opinion in substantially the following form:

June 27, 2024

Schenectady County Capital Resource Corporation
c/o Schenectady Metroplex Development Authority
433 State Street
Schenectady, New York 12305

Re: Schenectady County Capital Resource Corporation
$22,055,000 Tax-Exempt Revenue Bonds (Union College Project), Series 2024A
$24,880,000 Taxable Revenue Bonds (Union College Project), Series 2024B

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance on the date hereof by the Schenectady County Capital Resource Corporation (the "Issuer") of its Tax-Exempt Revenue Bonds (Union College Project), Series 2024A (the "Series 2024A Bonds") and its Taxable Revenue Bonds (Union College Project), Series 2024B (the "Series 2024B Bonds," and together with the Series 2024A Bonds, the "Series 2024 Bonds").

The Series 2024 Bonds are authorized to be issued pursuant to (i) Section 1411 of the Not-for-Profit Corporation Law of the State of New York (the "State"), as amended; (ii) a certain trust indenture dated as of June 1, 2024 (the "Indenture") by and between the Issuer and Manufacturers and Traders Trust Company, as trustee (the "Trustee"); (iii) a resolution adopted by the Issuer on May 15, 2024 (the "Bond Resolution"); and (iv) a certificate of determination dated the date hereof (the "Certificate of Determination") executed by the Chairman of the Issuer. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

The Series 2024 Bonds are being issued in connection with a project (the "Series 2024 Project") undertaken by the Issuer at the request of The Trustees of Union College in the Town of Schenectady in the State of New York (the "Institution"), a New York not-for-profit education corporation, consisting of the following: (A) (1) the renovation and upgrading of various buildings and capital infrastructure (collectively, the "2024 Capital Improvements Projects") located on the Institution's main campus of 807 Union Street, in the City of Schenectady, County of Schenectady, New York; (2) the refunding of the Institution's $28,325,000 Taxable Fixed Rate Refunding Bonds, Series 2015A maturing July 1, 2024 through July 1, 2031 (the "Refunded Series 2015 Bonds"); and (3) the issuance of the Series 2024A Bonds in an aggregate principal amount sufficient to finance the (x) 2024 Capital Improvements Projects, (y) refunding of the Refunded Series 2015 Bonds, and (z) costs incidental to the issuance of the Series 2024A Bonds, including costs of issuance; and (B) (1) the payment of the initial lease payment (the "Lease Payment") due from the Institution to West Yard Properties, LLC pursuant to a Lease Agreement dated as of January 23, 2024 (the "Lease Agreement") pursuant to which the Institution has the right to use the approximately 98,000 square foot building, together with related amenities and improvements including parking spaces on an approximately 3.58 acre parcel of land located at 101 Harborside Drive, in the City of Schenectady, New York together with the various fixtures, machinery, equipment, and other tangible personal property installed therein (collectively, the "Event Center"), such Event Center to be used as a community event center by, among others, the Institution's hockey programs; (2) the refunding of the

Issuer's $64,335,000 Tax-Exempt Revenue Bonds (Union College Project), Series 2017 maturing on January 1, 2025 and January 1, 2026 (the "Refunded Series 2017 Bonds"); and (3) the issuance of the Series 2024B Bonds in an aggregate principal amount sufficient to finance the (x) Lease Payment, (y) refunding of the Refunded Series 2017 Bonds, and (z) costs incidental to the issuance of the Series 2024B Bonds, including costs of issuance.

The Series 2024 Bonds are dated the date hereof, are issued as fully registered bonds without coupons, and mature and bear interest as set forth therein. The Series 2024 Bonds are subject to redemption and purchase in lieu of optional redemption prior to maturity in the manner and upon the terms and conditions set forth therein and in the Indenture.

Pursuant to the Loan Agreement dated as of June 1, 2024 (the "Loan Agreement") by and between the Issuer and the Institution, the Issuer will make a loan of the proceeds of the Series 2024 Bonds to the Institution to be used to finance the Series 2024 Project. The principal of and interest on the Series 2024 Bonds are payable from payments to be made by the Institution under the Loan Agreement and from certain funds and accounts held by the Trustee under the Indenture. The Issuer has assigned its interest in the Loan Agreement (other than the Unassigned Rights) to the Trustee as provided in the Indenture and in a pledge and assignment dated as of June 1, 2024 (the "Pledge and Assignment").

We have examined a specimen of each Series of the Series 2024 Bonds and executed counterparts of the Indenture, the Loan Agreement, the Pledge and Assignment, and a certain tax compliance agreement dated the date hereof (the "Tax Compliance Agreement") executed by the Institution and the Issuer relating to the Series 2024A Bonds.

With respect to the due authorization, execution and delivery by the Institution of the agreements to which it is a party, we are relying on the opinion of Bond Schoeneck & King PLLC, special counsel to the Institution ("Institution Counsel"). With respect to the due authorization, execution and delivery by Manufacturers and Traders Trust Company (in its corporate capacity as signatory of the Indenture and in its capacity as Trustee) of the agreements to which it is a party, we are relying on the opinion of Hodgson Russ LLP, counsel to the Trustee. No opinion as to such matters is expressed herein.

As Bond Counsel, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates and documents (including documents contained in the record of proceedings with respect to the issuance of the Series 2024 Bonds) as we have deemed necessary or appropriate for the purposes of the opinions rendered below. In such examination, we have assumed the genuineness of all signatures, the authenticity and due execution of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion, without having any independent investigation, we have relied upon, and assumed the accuracy and truthfulness of, the aforesaid instruments, certificates and documents.

We have not reviewed the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Series 2024 Bonds and we express no opinion relating thereto.

Based upon the foregoing, it is our opinion that:

(i) The Issuer is a duly created and validly existing not-for profit corporation organized and existing under the laws of the State.

(ii) The Issuer has the right and power under the Act to (a) issue, execute, sell and deliver the Series 2024 Bonds in connection with the Series 2024 Project; (b) assign its interest in the Loan Agreement (other than the Unassigned Rights) to the Trustee as provided in the

Indenture and the Pledge and Assignment; and (c) enter into and perform its obligations under the Indenture, the Loan Agreement, the Pledge and Assignment and the Tax Compliance Agreement.

(iii) The Bond Resolution has been duly and lawfully adopted by the Issuer and is in full force and effect.

(iv) The Indenture, the Loan Agreement, the Pledge and Assignment and the Tax Compliance Agreement have been duly authorized and lawfully executed and delivered by the Issuer and (assuming the authorization, execution and delivery by the other respective parties thereto) are valid and legally binding obligations of the Issuer enforceable against it in accordance with their respective terms.

(v) The Series 2024 Bonds have been duly authorized, executed, delivered and issued for value by the Issuer in conformity with all applicable laws and the provisions of the Indenture and the Bond Resolution and constitute valid and legally binding special obligations of the Issuer enforceable against it in accordance with their terms. The Series 2024 Bonds are payable solely from payments to be made by the Institution pursuant to the Loan Agreement. The Indenture creates a valid pledge of and a valid Lien upon the Trust Revenues, except as set forth therein, and subject only to the provisions of the Indenture permitting the use and payment thereof for or to the purposes and on the terms and conditions set forth in the Indenture.

(vi) The Series 2024 Bonds do not constitute a debt of the State or of any political subdivision thereof, including, without limitation, the County of Schenectady, and neither the State nor any political subdivision thereof, including, without limitation, the County of Schenectady, will be liable thereon.

(vii) Under existing law, and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by the Issuer, the Institution, and others, interest on the Series 2024A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). We are further of the opinion that interest on the Series 2024A Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code; however, interest on the Series 2024A Bonds that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code.

The Code imposes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2024A Bonds in order that interest on the Series 2024A Bonds be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the use of proceeds of the Series 2024A Bonds and the facilities financed or refinanced by such proceeds, restrictions on the investment of such proceeds and other amounts and the rebate of certain earnings in respect of such investments to the United States. The Issuer, the Institution and others have made certain representations, certifications of fact, and statements of reasonable expectations and the Issuer and the Institution have given certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2024A Bonds from gross income under Section 103 of the Code. Our opinion assumes continuing compliance with such covenants as well as the accuracy and completeness of such representations, certifications of fact, and statements of reasonable expectations. In addition, we have relied on the opinion of Institution Counsel regarding, among other things, all matters concerning the current status of the Institution as an organization described in Section 501(c)(3) of the Code, and the operation of the facilities financed and refinanced by the Series 2024A Bonds as being in furtherance of the Institution's exempt purposes. In the event of the inaccuracy or incompleteness of any such representation, certifications of facts or statements of reasonable expectations, or of the failure by the Issuer or the Institution to comply with any such covenant, including failure of the Institution to maintain its status as an organization described in Section 501(c)(3) of the Code or to operate the facilities financed and refinanced with the Series 2024A Bonds in a manner that is in furtherance of the Institution's exempt purposes, the interest on the Series 2024A Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024A Bonds, regardless of the date on which the event causing such inclusion occurs.

(viii) Interest on the Series 2024B Bonds is not excluded from gross income for federal income tax purposes.

(ix) Under existing law, interest on the Series 2024 Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

In rendering our opinion, we wish to advise you that:

(a) The enforceability against the Issuer of the Series 2024 Bonds, the Indenture, the Loan Agreement, the Pledge and Assignment and the Tax Compliance Agreement may be limited by any applicable bankruptcy, insolvency or other similar law or enactment now existing or hereafter enacted by the State or the federal government affecting the enforcement of creditors' rights generally.

(b) Equitable remedies with respect to any of the documents described in paragraph (a) above (and with respect to any other documents) lie in the discretion of a court and may not be available.

(c) We express no opinion regarding any other federal, state or local tax consequences with respect to the Series 2024 Bonds except as set forth in paragraphs (vii), (viii) and (ix) above. Our opinion speaks as of the date hereof and does not contain or provide any opinions or assurances regarding the future activities of the Issuer or the Institution or about the effect of future changes in the Code, the applicable regulations, rulings, judicial decisions, the interpretation thereof or the enforcement thereof by the Internal Revenue Service.

(d) Certain requirements and procedures contained or referred to in the Indenture and certain other documents delivered in connection with the issuance of the Series 2024 Bonds may be changed, and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice, or with the approving opinion of Bond Counsel. We express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, the exclusion of interest on the Series 2024A Bonds from gross income for federal income tax purposes.

(e) We have not been requested to examine and have not examined any documents or information relating to the Issuer or the Institution other than the documents contained in the record of proceedings hereinabove referred to, and no opinion is expressed as to any financial information, or the adequacy thereof, which has been or may be supplied to the Trustee, the initial purchasers of the Series 2024 Bonds or any other person.

(f) This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

(g) This opinion is rendered to the addressee named above, and may not be relied upon by any other person without our prior, express written consent.

We have examined an executed Series 2024A Bond and an executed Series 2024B Bond and, in our opinion, the forms of said Series 2024A Bond and Series 2024B Bond and their execution are regular and proper.

Very truly yours,

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This CONTINUING DISCLOSURE AGREEMENT (the "Disclosure Agreement") is executed and delivered by The Trustees of Union College in the Town of Schenectady in the State of New York (the "College") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Dissemination Agent"), in connection with the issuance of the Schenectady County Capital Resource Corporation Tax-Exempt Revenue Bonds (Union College Project), Series 2024A (the "Series 2024A Bonds") and the Schenectady County Capital Resource Corporation Taxable Revenue Bonds (Union College Project), Series 2024B (the "Series 2024B Bonds," and together with the Series 2024A Bonds, the "Series 2024 Bonds"). The Series 2024 Bonds are being issued pursuant to a Trust Indenture, dated as of June 1, 2024 (the "Indenture"), between the Schenectady County Capital Resource Corporation (the "Issuer") and Manufacturers and Traders Trust Company (the "Trustee"), and the proceeds of the Series 2024 Bonds are being loaned by the Issuer to the College pursuant to a Loan Agreement, dated as of June 1, 2024, between the Issuer and the College (the "Loan Agreement"). The College and the Dissemination Agent covenant and agree as follows.

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the College and the Dissemination Agent for the benefit of the Bondowners and in order to assist the Underwriter (defined below) in complying with the Rule (defined below). The College and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Bondowner, with respect to any such reports, notices or disclosures.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the College pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Bondowner" shall mean the registered owner of a Bond and any beneficial owner thereof, as established to the reasonable satisfaction of the Trustee or College.

"Dissemination Agent" shall mean Digital Assurance Certification, L.L.C, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the College pursuant to the contract with the College, dated September 29, 2014, which shall be amended to include the Series 2024 Bonds.

"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.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Agreement. Filing information relating to the MSRB is set forth in Exhibit B hereto.

"Underwriter" shall mean Barclays Capital Inc., the original underwriter of the Series 2024 Bonds required to comply with the Rule in connection with offering of the Series 2024 Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Dissemination Agent, not later than November 15 of each year commencing November 15, 2024 (the "Filing Deadline"), shall provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. Not later than five (5) Business Days prior to said date, the College (if it is not the Dissemination Agent) shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the College may be submitted separately from, and at a later date than, the balance of the Annual Report if such audited financial statements are not available as of the date set forth above. If the Dissemination Agent submits the audited financial statements of the College at a later date, it shall provide unaudited financial statements by the above-specified deadline and shall provide the audited financial statements as soon as practicable after the audited financial statements become available. The College shall submit the audited financial statements to the Dissemination Agent as soon as practicable after they become available and the Dissemination Agent shall submit the audited financial statements to the MSRB as soon as practicable thereafter. The College shall provide a copy of the Annual Report to the Issuer.

(b) The Dissemination Agent shall file a report with the College certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided (the "Compliance Certificate"); such report shall include a certification from the College that the Annual Report complies with the requirements of this Disclosure Agreement.

(c) If the Dissemination Agent has not provided the Annual Report to the MSRB by the Filing Deadline, the College shall send, or cause the Dissemination Agent to send, a notice to the MSRB substantially in the form of Exhibit A.

SECTION 4. Content of Annual Reports. The College's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements.

(b) Financial information and operating data consisting of quantitative information for the most recently completed fiscal year of the type presented in APPENDIX A to the Issuer's Official Statement, dated June 17, 2024, in each of the tables found under the headings captioned "OPERATING INFORMATION — Admissions," "— Enrollment," "— Tuition and Other Student Charges," "— Financial Aid," "— Faculty and Staff," "FINANCIAL INFORMATION — Statements of Financial Position," "— Statements of Activities – Unrestricted Activity Only," "— Fundraising", "—Endowment," "— Investments," "— Liquidity," "— Outstanding Long-Term Indebtedness" and "— Line of Credit".

In the event the College's audited financial statements provided pursuant to Sections 3 and 4 of this Disclosure Agreement contain any of the information described in clause (b) above, the requirement of this Section 4 shall be deemed to be satisfied with respect to including such information in the College's Annual Report.

The financial statements provided pursuant to Sections 3 and 4 of this Disclosure Agreement shall be prepared in conformity with generally accepted accounting principles, as in effect from time to time. Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the College is an "obligated person" (as defined by the Rule), which (i) are available to the public on the MSRB Internet Web site, or (ii) have been filed with the Securities and Exchange Commission. The College shall clearly identify each such other document so incorporated by reference.

The description contained in clause (b) above of financial information and operating data to be included in the Annual Report is of general categories of financial information and operating data. When such description includes information that is no longer regularly maintained or available or that can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any Annual Report containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events:

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 of determinations with respect to the tax status of the Series 2024A Bonds, or other material events affecting the tax status of the Series 2024A Bonds;
7. Modifications to rights of Bondowners, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Series 2024 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the College;[*]
13. The consummation of a merger, consolidation, or acquisition involving the College or the sale of all or substantially all of the assets of the College, 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; and
14. Appointment of a successor or additional trustee or the change of name of the Trustee, if material.
15. Incurrence of a Financial Obligation of the College, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the College, any of which affect security holders, if material; and

[*] For the purposes of this Listed Event, the Listed Event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the College 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 College, 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 College.

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

(b) Upon the occurrence of a Listed Event, the College shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file or cause to be filed a notice of such occurrence with the MSRB. The College shall provide a copy of each such notice to the Issuer. The Dissemination Agent, if other than the College, shall have no duty to file a notice of an event described hereunder unless it is directed in writing to do so by the College, and shall have no responsibility for verifying any of the information in any such notice or determining the materiality of the event described in such notice.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The College's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Series 2024 Bonds or upon delivery to the Dissemination Agent of an opinion of counsel expert in federal securities laws selected by the College to the effect that compliance with this Disclosure Agreement no longer is required by the Rule. If the College's obligations under the Loan Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the College and the original College shall have no further responsibility hereunder.

SECTION 8. Resignation of Dissemination Agent. The Dissemination Agent may resign upon 30 days' written notice to the College.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the College and the Dissemination Agent may amend this Disclosure Agreement (and, subject to the last sentence of this Section 9, the Dissemination Agent shall agree to any amendment so requested by the College) 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 the College to the effect that such amendment or waiver would not, in and of itself, violate the Rule. Without limiting the foregoing, the College and the Dissemination Agent may amend this Disclosure Agreement if (a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the College or of the type of business conducted by the College, (b) this Disclosure Agreement, as so amended, would have complied with the requirements of the Rule at the time the Series 2024 Bonds were issued, taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (c) (i) the Dissemination Agent receives an opinion of counsel expert in federal securities laws to the effect that, the amendment does not materially impair the interests of the Bondowners or (ii) the amendment is consented to by the Bondowners as though it were an amendment to the Indenture pursuant to Section 802 of the Indenture. The annual financial information containing any amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. The Dissemination Agent shall not be required to accept or acknowledge any amendment of this Disclosure Agreement if the amendment adversely affects its respective rights or immunities or increases its respective duties hereunder.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the College from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the College chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the College shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the College or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of Bondowners representing at least 25% in aggregate principal amount of Outstanding Bonds, shall), take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the College or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. Without regard to the foregoing, any Bondowner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the College or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or the Series 2024 Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the College or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the College agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the College under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2024 Bonds. The College covenants that whenever it is serving as Dissemination Agent, it shall take any action required of the Dissemination Agent under this Disclosure Agreement. The Dissemination Agent shall not have a duty to review the Annual Report, nor shall it be deemed to have notice of the contents of such Annual Report or a default based on such content, nor shall they have a duty to verify the accuracy of such Annual Report. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Issuer, the College, the Holders of the Series 2024 Bonds or any other party.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the College, the Dissemination Agent, the Underwriter and the Bondowners, and shall create no rights in any other person or entity.

SECTION 14. Disclaimer. No Annual Report or notice of a Listed Event filed by or on behalf of the College under this Disclosure Agreement shall obligate the College to file any information regarding matters other than those specifically described in Section 4 and Section 5 hereof, nor shall any such filing constitute a representation by the College or raise any inference that no other material events have occurred with respect to the College or the Series 2024 Bonds or that all material information regarding the College or the Series 2024 Bonds has been disclosed. The College shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

SECTION 15. Notices. Unless otherwise expressly provided, all notices to the Issuer, the College and the Dissemination Agent shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered or sent by facsimile during business hours to such parties (a) with respect to the College, to the respective address specified in Section 1103 of the Indenture and (b) with respect to the Dissemination Agent, the address provided in the contract with the College, dated September 29, 2014, or, as to all of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the party giving notice.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 17. Governing Law. This instrument shall be governed by the laws of the State of New York.

[Signatures follow on the next page]

APPENDIX E

Date: June 27, 2024

THE TRUSTEES OF UNION COLLEGE
IN THE TOWN OF SCHENECTADY IN THE
STATE OF NEW YORK

By: ______________________________
Name:
Title:

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

By: ______________________________
Name:
Title:

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Schenectady County Capital Resource Corporation
Name of Bond Issue:	Tax-Exempt Revenue Bonds (Union College Project), Series 2024A and Taxable Revenue Bonds (Union College Project), Series 2024B
Name of Obligated Person:	The Trustees of Union College in the Town of Schenectady in the State of New York
Date of Issuance:	June 27, 2024

NOTICE IS HEREBY GIVEN that The Trustees of Union College in the Town of Schenectady in the State of New York (the "College") has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated June 27, 2024 between the College and Digital Assurance Certification L.L.C.

Dated: ____________________

THE TRUSTEES OF UNION COLLEGE IN THE TOWN OF SCHENECTADY IN THE STATE OF NEW YORK

EXHIBIT B

Filing information relating to the Municipal Securities Rulemaking Board is as follows:

Municipal Securities Rulemaking Board
http://emma.msrb.org

UNION

COLLEGE

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

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Schenectady County Capital Resource Corporation • Tax-Exempt Revenue Bonds (Union College Project), Series 2024A and Taxable Revenue Bonds (Union College Project), Series 2024B