NEW ISSUE – BOOK-ENTRY ONLY **RATING: Standard & Poor's: "A-"**
See "RATING" herein.

In the opinion of Nixon Peabody LLP, New York, New York, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Issuer and the University, described herein, interest on the Series 2019 Bonds (as defined herein) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Series 2019 Bonds is exempt from personal income taxes imposed by the State of New York and its political subdivisions. See "Tax Matters" herein regarding certain other tax considerations.

ADELPHI UNIVERSITY

$24,985,000
TOWN OF HEMPSTEAD
LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS, SERIES 2019
(ADELPHI UNIVERSITY PROJECT)

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

The above-referenced bonds (the "Series 2019 Bonds") are special obligations payable solely out of the revenues or other receipts, funds or monies of the Town of Hempstead Local Development Corporation (the "Issuer") pledged therefor or otherwise available to The Bank of New York Mellon, as trustee (the "Trustee"), for the payment thereof, including those derived under a Loan Agreement, dated as of May 1, 2019, between the Issuer and Adelphi University (the "University" or "Adelphi").

Capitalized terms used in this Official Statement (including this cover page) shall have the meanings ascribed to such terms in Appendix C hereto unless otherwise specified herein.

The Series 2019 Bonds are issuable only in fully registered form, without coupons, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Series 2019 Bonds will be made in book-entry only form, in the denomination of $5,000 or any integral multiple thereof. Purchasers of beneficial interests will not receive certificates representing their interest in the Series 2019 Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Series 2019 Bonds. See "THE SERIES 2019 BONDS - Book-Entry Only System" herein.

The Series 2019 Bonds will be dated and will bear interest from the date of delivery thereof. Interest on the Series 2019 Bonds will be payable semiannually on August 1 and February 1 of each year, commencing August 1, 2019. Principal of, Sinking Fund Payments for, Redemption Price of, and interest on the Series 2019 Bonds will be paid directly to DTC by The Bank of New York Mellon, as Trustee and Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein.

The Series 2019 Bonds are subject to optional redemption, mandatory sinking fund redemption and extraordinary redemption, without premium, prior to maturity. See "THE SERIES 2019 BONDS - Redemption to Prior Maturity" herein.

THE SERIES 2019 BONDS ARE SPECIAL OBLIGATIONS OF THE ISSUER AND NEITHER THE STATE OF NEW YORK, NOR ANY MUNICIPALITY OF THE STATE (INCLUDING WITHOUT LIMITATION, THE TOWN OF HEMPSTEAD, NEW YORK) IS OBLIGATED TO PAY, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW YORK OR ANY MUNICIPALITY OF THE STATE (INCLUDING THE TOWN OF HEMPSTEAD, NEW YORK) IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF, SINKING FUND PAYMENTS FOR, REDEMPTION PRICE OF, OR INTEREST ON THE SERIES 2019 BONDS. THE SERIES 2019 BONDS ARE PAYABLE SOLELY FROM AND ARE SECURED BY RECEIPTS AND REVENUES OF THE ISSUER UNDER THE LOAN AGREEMENT AND OTHER MONIES AVAILABLE THEREFOR AS DESCRIBED HEREIN. THE ISSUER HAS NO TAXING POWER.

The Series 2019 Bonds are offered when, as and if issued by the Issuer and accepted by the Underwriter subject to prior sale, withdrawal or modification of the offer without notice, and subject to the approval of legality by Nixon Peabody LLP, New York, New York, Bond Counsel. Certain legal matters will be passed upon for the University by its counsel, Farrell Fritz, P.C., Uniondale, New York, for the Issuer by its counsel, Ryan, Brennan & Donnelly LLP, Floral Park, New York and for the Underwriter by its counsel, Hawkins Delafield & Wood LLP, New York, New York. It is expected that the Series 2019 Bonds in definitive form will be available for delivery through the facilities of DTC on or about May 9, 2019, in New York, New York, against payment therefor.

TD Securities

Dated: May 3, 2019

$24,985,000
TOWN OF HEMPSTEAD LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS, SERIES 2019
(ADELPHI UNIVERSITY PROJECT)

MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIP NUMBERS

Due February 1	Principal Amount	Interest Rate	Price	Yield	CUSIP Number†
2020	$ 805,000	4.000%	101.639	1.720%	424682JV5
2021	840,000	4.000	103.810	1.750	424682JW3
2022	870,000	4.000	105.883	1.780	424682JX1
2023	905,000	4.000	107.820	1.820	424682JY9
2024	940,000	4.000	109.640	1.860	424682JZ6
2025	980,000	4.000	111.228	1.920	424682KA9
2026	1,020,000	4.000	112.662	1.980	424682KB7
2027	1,065,000	5.000	120.980	2.050	424682KC5
2028	1,120,000	5.000	122.744	2.130	424682KD3
2029	1,175,000	5.000	123.902	2.250	424682KE1
2030	1,230,000	5.000	122.628*	2.380*	424682KF8
2031	1,290,000	5.000	121.465*	2.500*	424682KG6
2032	1,355,000	5.000	120.507*	2.600*	424682KH4
2033	1,430,000	5.000	120.031*	2.650*	424682KJ0
2034	1,500,000	5.000	119.557*	2.700*	424682KK7

$8,460,000 4.000% Term Bond Due February 1, 2039, Price: 107.504%*, Yield: 3.100%*, CUSIP Number: 424682KL5†

† CUSIP data herein are provided by CUSIP Global Services ("CGS"), operated on behalf of the American Bankers Association (the "ABA") by S&P Global Market Intelligence, a division of S&P Global Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP numbers are included solely for the convenience of Bondholders of the Series 2019 Bonds. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financing products. The CUSIP numbers are subject to being changed after the issuance of the Series 2019 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of a maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by Bondholders that is applicable to all or a portion of the Series 2019 Bonds. Neither the University nor the Issuer is responsible for the selection or use of the CUSIP numbers, and no representation is made as to their correctness on the Series 2019 Bonds or as indicated above.

* Denotes price and yield calculated to February 1, 2029 call date.

TOWN OF HEMPSTEAD LOCAL DEVELOPMENT CORPORATION
(State of New York)
350 Front Street
Hempstead, New York 11556

Chairman	Florestano Girardi
Vice Chairman	James G. Marsh, Esq.
Treasurer	Gerilyn Smith
Secretary	Rev. Dr. Eric C. Mallette
Member	John A. Ardito, Esq.
Member	Jack Majkut

AGENCY COUNSEL
John E. Ryan, Esq.
Ryan, Brennan & Donnelly LLP
Floral Park, New York

BOND COUNSEL
Nixon Peabody LLP
New York, New York

TRUSTEE
The Bank of New York Mellon
New York, New York

UNDERWRITER
TD Securities (USA) LLC
New York, New York

No person has been authorized to give any information or to make any representations not contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer, the University, the Trustee or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2019 Bonds by any person in any jurisdiction in which such offer, solicitation or sale is not authorized or in which it is unlawful to make such offer, solicitation or sale. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2019 Bonds. The information set forth herein has been obtained from the Issuer, the University and other sources believed to be reliable but is not guaranteed as to accuracy or completeness by the Underwriter. Statements contained in this Official Statement which involve estimates, forecasts or other 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. This information and expressions of opinions herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the University since the date hereof. This Official Statement, including any supplement or amendment hereto, is intended to be deposited with one or more nationally recognized municipal securities information repositories.

If and when included in this Official Statement, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” “assumes” and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the amount of revenue collected by the University include, among others, changes in economic conditions and various other events, conditions and circumstances, many of which are beyond the control of the University. Such forward-looking statements speak only as of the date of this Official Statement. The Issuer and the University disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the University's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

THE SERIES 2019 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON THE EXEMPTIONS CONTAINED IN SUCH ACTS.

The order and placement of materials in this Official Statement, including the Appendices hereto, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.

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

IN CONNECTION WITH THE OFFERING OF THE SERIES 2019 BONDS, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2019 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE SERIES 2019 BONDS TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF, AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

TABLE OF CONTENTS

OFFICIAL STATEMENT

Relating to:
$24,985,000
TOWN OF HEMPSTEAD LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS, SERIES 2019
(ADELPHI UNIVERSITY PROJECT)

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the Table of Contents and the Appendices hereto, is to furnish certain information with respect to the issuance by the Town of Hempstead Local Development Corporation (the "Issuer") of its Revenue Bonds, Series 2019 (Adelphi University Project) in the aggregate principal amount of $24,985,000 (the "Series 2019 Bonds"). The Series 2019 Bonds are being issued pursuant to a certain Indenture of Trust, dated as of May 1, 2019 (the "Indenture"), to be entered into by and between the Issuer and The Bank of New York Mellon, as trustee (the "Trustee").

Reference is hereby made to the Indenture for a description of the property pledged, assigned and otherwise available for the payment of the Series 2019 Bonds, the provisions, among others, with respect to the nature and extent of the security for the Series 2019 Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Owners of the Series 2019 Bonds, and the terms upon which the Series 2019 Bonds are issued and secured. Capitalized terms used in this Official Statement but not otherwise defined shall have the meanings assigned thereto in "Appendix C - Schedule of Definitions and Summary of Documents."

The Series 2019 Bonds are authorized to be issued pursuant to the New York Membership Corporation Law as in effect in 1966, as superseded by Section 1411 of the New York Not-For-Profit Corporation Law (the "Act"), the inducement resolution of the Issuer adopted on March 28, 2019 and the authorizing resolution of the Issuer adopted on April 17, 2019 (collectively, the "Issuer Resolution").

The proceeds of the Series 2019 Bonds, together with other available funds of Adelphi University ("Adelphi" or the "University") will be used to: (i) defease the outstanding Town of Hempstead Local Development Corporation Revenue Bonds, Series 2009B (Adelphi University Project) (the "Series 2009B Bonds"), (ii) finance or refinance the acquisition, renovation, construction, equipping and furnishing of the Ruth S. Harley University Center (the "Student Center") located on the University's main campus and certain renovations and upgrades to the existing Student Center; and (iii) pay all or a portion of the costs incidental to the issuance of the Series 2019 Bonds, including issuance costs of the Series 2019 Bonds and any reserve funds as may be necessary to secure the Series 2019 Bonds (collectively, the "Series 2019 Project"). See "PLAN OF FINANCE" herein.

The Series 2019 Bonds are special obligations of the Issuer and are payable solely from the revenues, receipts and other payments derived from the Loan Agreement, dated as of May 1, 2019 (the "Loan Agreement"), between the Issuer and the University, and pledged to the Trustee under the terms of the Indenture and as otherwise provided in the Indenture. The Series 2019 Bonds are not secured by any mortgage lien on or security interest in the Series 2019 Project or in any other real or personal property of the University. The payment of the principal of, Sinking Fund Payments for, Redemption Price of and interest on the Series 2019 Bonds is an unconditional obligation of the University.

The principal of, Sinking Fund Payments for, Redemption Price of and interest on the Series 2019 Bonds shall not constitute or give rise to an obligation of the State of New York (the "State") or any municipality or subdivision thereof (including, without limitation, the Town of Hempstead, New York) and neither the State nor any municipality or political subdivision thereof (including, without limitation, the Town of Hempstead, New York) shall be liable thereon, and further such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute special obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from the Loan Agreement (except for Unassigned Rights).

The Series 2019 Bonds will bear interest payable on each August 1 and February 1, commencing August 1, 2019 (each a "Debt Service Payment Date") to the Owner in whose name each Series 2019 Bond is registered at the close of business on the Record Date with respect to such Debt Service Payment Date (1) by check or draft mailed on the Debt Service Payment Date to each registered Owner, or (2) by wire transfer on the Debt Service Payment Date to each Owner of at least $500,000 in aggregate principal amount of Bonds, upon written notice provided by the Owner to the Trustee not later than five (5) days prior to the Record Date for such Debt Service Payment Date. Except as provided in the Series 2019 Bonds and the Indenture, payment of interest upon redemption of any Series 2019 Bond shall be made only upon presentation and surrender of such Bond as provided in the Indenture, irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such Debt Service Payment Date. See "THE SERIES 2019 BONDS."

Pursuant to the Indenture, all payments due from the University to the Issuer under the Loan Agreement (except for Unassigned Rights and except for the moneys and investments from time to time in the Rebate Fund, established under the Indenture) are assigned by the Issuer to the Trustee to secure the payment of the principal or Redemption Price of and interest on the Series 2019 Bonds.

Payments under the Loan Agreement are to be made by the University to the Trustee in amounts sufficient, together with any moneys then held by the Trustee and available for such purpose, to pay the principal or Redemption Price of, and interest on the Series 2019 Bonds as the same become due, whether at maturity, upon redemption or by acceleration or otherwise. The payments under the Loan Agreement are an absolute and unconditional obligation of the University.

Pursuant to a Tax Regulatory Agreement, dated the date of issuance of the Series 2019 Bonds, between the University and the Issuer, the University has made various covenants in connection with (i) the preservation of the exclusion of the interest on the Series 2019 Bonds from gross income for federal income tax purposes and (ii) for purposes of compliance with the arbitrage rebate requirements set forth in the Treasury Regulations. See "TAX MATTERS."

Brief descriptions follow of the Issuer, the Plan of Finance, Estimated Sources and Uses of Funds, the Series 2019 Bonds, Debt Service Requirements, Security for the Series 2019 Bonds, the University, Tax Matters, Independent Auditor, Absence of Litigation, Underwriting, Rating, Legality for Investment, Legal Matters and Secondary Market Disclosure. Appendix A contains Information Pertaining to the University. Appendix B contains the Audited Financial Statements of the University for the years ended August 31, 2018 and 2017. Appendix C contains a Schedule of Definitions used herein and summaries of each of the Indenture and the Loan Agreement (collectively, referred to herein as the "Bond Documents"). Appendix D contains a form of the opinion of Bond Counsel, which Nixon Peabody LLP, New York, New York, proposes to render upon the delivery of the Series 2019 Bonds. Appendix E contains a form of the Continuing Disclosure Agreement to be entered into by the University and the Trustee. The descriptions and summaries previously listed do not purport to be comprehensive or definitive and are qualified in their entirety by reference to the respective documents and to "Appendix C - Schedule of Definitions and Summary of Documents." All such descriptions and summaries are further qualified in their entirety by reference to bankruptcy laws, insolvency or other laws or enactments now or hereafter enacted by the State or the United States relating to or affecting generally the enforcement of creditor's rights and the availability of equitable remedies, and to the extent, if any, that enforceability of the indemnification and contribution provisions of the Bond Documents may be limited by law. Insofar as any statements are made in this Official Statement involving matters of opinion, regardless of whether so stated, they are intended merely as such and not as representations of fact. Copies of the Bond Documents may be obtained, upon written request, from the Underwriter during the offering period and, after the initial delivery of the Series 2019 Bonds, at the corporate trust office of the Trustee located at 500 Ross Street, 12th Floor, Pittsburgh, Pennsylvania 15262 (the "Office of the Trustee").

The information appearing in this Official Statement relating to the Series 2019 Project, the use of the proceeds of the Series 2019 Bonds and the University has been furnished by the University, and neither the Issuer nor the Underwriter makes any representation or warranty as to the accuracy or completeness of such information.

THE ISSUER

The Issuer was established pursuant to and in accordance with the provisions of the New York Membership Corporation Law as in effect in 1966, as superseded by Section 1411 of the New York Not-For-Profit Corporation Law (collectively, the "Act"), and is empowered under the Act to undertake the providing of projects of a character such as the Series 2019 Project for the public purposes of the State for the purpose of promoting the economic welfare of the inhabitants of the Town of Hempstead and promoting, attracting, encouraging and developing economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration. The Town of Hempstead, New York (the "Town") is the sole member of the Issuer. The Town as the sole member of the Issuer, acting through the Town Board, appoints the Board of Directors of the Issuer.

As provided in the Act, the Issuer is authorized and empowered to (i) make a loan to the University pursuant to the Loan Agreement; (ii) issue, execute and deliver the Series 2019 Bonds; (iii) secure the Series 2019 Bonds by a pledge of the moneys payable by the University under the Series 2019 Loan Agreement; and (iv) enter into the Bond Documents in connection with the Series 2019 Bonds.

By adopting the Issuer Resolution, the Issuer has taken official action relating to the issuance of the Series 2019 Bonds. The Issuer has held the required public hearing, in compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the issuance of the Series 2019 Bonds, following the timely publication of notice of the hearing. In addition, the Supervisor of the Town of Hempstead, New York has approved the issuance of the Series 2019 Bonds, as required by the Code.

The Board of Directors of the Issuer is presently composed of members appointed by the Town. The names and positions of the current members of the Issuer are as follows:

Position	Name
Chairman	Florestano Girardi
Vice Chairman	James G. Marsh, Esq.
Treasurer	Gerilyn Smith
Secretary	Rev. Dr. Eric C. Mallette
Member	John A. Ardito, Esq.
Member	Jack Majkut

The Chief Executive Officer and the Deputy Executive Director and Chief Financial Officer of the Issuer are appointed by the Board of Directors of the Issuer. The Chief Executive Officer of the Issuer is Frederick E. Parola, Esq. and the Deputy Executive Director and Chief Financial Officer of the Issuer is Edith M. Longo.

THE UNIVERSITY

The University is an independent not-for-profit institution of higher education, incorporated under a charter issued in 1896 by New York State, and is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Adelphi was one of the first coeducational colleges in New York State and became the first liberal arts college on Long Island when it moved to Garden City, New York, in 1929. The main campus, which has 29 buildings on approximately 74 acres of land, is situated in the Village of Garden City, a primarily residential community, approximately 25 miles from New York City. To accommodate regional needs, the University has expanded beyond its Garden City campus, with centers in Manhattan, Hauppauge and Poughkeepsie, New York. Currently, Adelphi maintains an enrollment of approximately 8,100 students from across the region, the country, and the world pursuing undergraduate and graduate degrees in its various schools and programs. For more information on the University, see "Appendix A — Information Pertaining to Adelphi University" attached hereto.

PLAN OF FINANCE

The Series 2019 Project consists of: (A) the defeasance of the outstanding Series 2009B Bonds issued on September 30, 2009 by the Issuer in the original aggregate principal amount of $25,000,000, approximately $20,520,000 of which are currently outstanding and the proceeds of which Series 2009B Bonds were used for financing the costs of the (i) construction, renovation, equipping and furnishing of a four-story residence facility currently named Residence Hall B, including, but not limited to, approximately 171 dormitory beds for students of the University, (ii) renovation and equipping of an existing building known as Woodruff Hall, which houses a health and physical education facility, to include the renovation of lab space, creation of administrative and office space and additional lockers and creation of additional space to include a multipurpose room and weight and fitness room, (iii) renovation, equipping and finishing of an existing building known as Hy Weinberg Center, which houses the Derner Institute of Advanced Psychological Studies and Speech and Hearing Department labs and offices, and (iv) design and architectural costs related to the expansion of the Swirbul Library; (B) the financing or refinancing of the acquisition, renovation, construction, equipping and furnishing of the Ruth S. Harley University Center (the "Student Center") consisting of (i) the construction and equipping of an addition to the existing Student Center including, but not limited to, expanded dining options, a new school spirit store, new and enlarged meeting spaces for student organizations, an enhanced art gallery, administrative space, and technology upgrades throughout, and (ii) certain renovations and upgrades to the existing Student Center; and (C) paying all or a portion of the costs incidental to the issuance of the Series 2019 Bonds, including issuance costs of the Series 2019 Bonds and any reserve funds as may be necessary to secure the Series 2019 Bonds.

On the date of issuance of the Series 2019 Bonds, a portion of the proceeds of the Series 2019 Bonds, together with other available funds of the University, is expected to be deposited pursuant to a Letter of Instructions dated as of such date of delivery (the "Letter of Instruction"), to be entered into among the Issuer, the University and U.S. Bank National Association, as trustee for the Series 2009B Bonds (the "Series 2009B Trustee"), and used to purchase certain direct obligations of the United States of America (the "Government Securities") which will earn interest at such rates and mature at such times so as to provide sufficient funds, together with other available funds of the University deposited with the Series 2009B Trustee, to pay the principal of and interest on the Series 2009B Bonds to and including June 3, 2019, and to redeem the outstanding Series 2009B Bonds in full on such date.

The adequacy of the mathematical computations supporting the adequacy of the maturing principal amount of and interest accruing on the Government Securities purchased by the Series 2009B Trustee to pay the principal of, redemption premium and interest on the Series 2009B Bonds, as and when due, will be verified by Precision Analytics Inc. See "VERIFICATION OF MATHEMATICAL ACCURACY" herein. A more detailed description of the use of proceeds of the Series 2019 Bonds and other moneys and receipts, including approximate amounts and purposes, is included herein under "ESTIMATED SOURCES AND USES OF FUNDS."

ESTIMATED SOURCES AND USES OF FUNDS

The table below sets forth the estimated sources and uses of funds. The payment of any additional costs related to the Series 2019 Project will be paid from the University's own funds.

Sources of Proceeds

Principal Amount of Bonds	$24,985,000
Plus Original Issue Premium	3,303,701
Total Sources	$28,288,701

Uses of Proceeds

Deposit for Refunding of the Series 2009B Bonds	$20,826,104
Deposit in Project Fund	7,000,000
Costs of Issuance*	462,597
Total Uses	$28,288,701

*Including, but not limited to, fees of the Issuer, attorneys' fees, rating agency fees, trustee fees, fees of the verification agent and the underwriter's discount.

THE SERIES 2019 BONDS

Description of the Series 2019 Bonds

The following is a summary of certain provisions of the Series 2019 Bonds and should not be considered a full statement thereof. Reference is made to the Indenture (including the form of Series 2019 Bond) for the detailed provisions thereof and the discussion herein is qualified by such reference.

General Provisions

The Series 2019 Bonds are dated the date of delivery. The Series 2019 Bonds mature on February 1 of the years and bear interest at the rates set forth on the inside front cover page hereof, and are issuable in the form of fully registered bonds without coupons in minimum denominations of $5,000 or integral multiples thereof. The Series 2019 Bonds will bear interest, computed on the basis of a 360 day year composed of twelve 30-day months, from the date of delivery, payable on each Debt Service Payment Date.

Interest on the Series 2019 Bonds due on any Debt Service Payment Date shall be payable to the Owner in whose name each Series 2019 Bond is registered at the close of business on the Record Date with respect to such Debt Service Payment Date by (1) check mailed on the Debt Service Payment Date to the Owner or (2) by wire transfer on the Debt Service Payment Date to each Owner of not less than $500,000 in aggregate principal amount of Series 2019 Bonds, upon written notice provided by each Owner to the Trustee not later than five (5) days prior to the Record Date for such Debt Service Payment Date, except that payment of interest upon redemption of any Series 2019 Bonds shall be made only upon presentation and surrender of such Series 2019 Bond as provided in the Indenture, irrespective of any transfer or exchange of such Series 2019 Bond subsequent to such Record Date and prior to such Debt Service Payment Date, unless the Issuer shall default in the payment of interest due on such Debt Service Payment Date. In the event of any such default, such defaulted interest shall be payable to the Person in whose name such Series 2019 Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by or on behalf of the Issuer to the Owners of Series 2019 Bonds not less than fifteen (15) days preceding such special record date. Such notices shall be mailed to the Persons in whose name the Series 2019 Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing. Payment of interest on Series 2019 Bonds by mail will be made to the registered address of the Person entitled thereto.

Payment of the principal and, in the case of any Series 2019 Bonds redeemed prior to maturity, payment of the Redemption Price, if any, and interest accrued to the Redemption Date, shall be made, upon presentation and surrender at the principal corporate trust office of the Trustee, or at the office designated for such payment by any successor trustee or paying agent or at such other place as may be agreed upon in advance by the Trustee and the Owner of a Series 2019 Bond. The principal of, Sinking Fund Payments for, Redemption Price of, and interest on the Series 2019 Bonds are payable in lawful money of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

Redemption Prior to Maturity

The Series 2019 Bonds are subject to optional, mandatory sinking fund and extraordinary redemption prior to their stated maturity as described below.

Optional Redemption. The Series 2019 Bonds maturing on or after February 1, 2030 are subject to redemption prior to maturity by the Issuer, at the option of the University, on or after February 1, 2029, in whole at any time or in part at any time, at the Redemption Prices equal to 100% of the principal amount thereof plus accrued interest.

Mandatory Sinking Account Redemption. The Series 2019 Bonds maturing on February 1, 2039 are subject to redemption prior to their stated maturity, in part, by lot, by operation of Sinking Fund Payments at a Redemption Price equal to the principal amount of the Series 2019 Bonds to be redeemed plus accrued interest to the Redemption Date.

Series 2019 Term Bond
Maturing February 1, 2039

Mandatory Sinking Account Payment Dates February 1	Mandatory Sinking Account Payment Amounts
2035	$1,560,000
2036	1,625,000
2037	1,690,000
2038	1,760,000
2039†	1,825,000

† Stated Maturity.

Extraordinary Redemption of Bonds. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Debt Service Payment Date, without premium or penalty, at a Redemption Price equal to 100% of the principal amount thereof, plus interest accrued to the Redemption Date upon the occurrence of any one of the following events:

(i) the Facility shall have been damaged or destroyed to such extent that, in the opinion of an Authorized Representative of the University (expressed in a certificate filed with the Issuer and the Trustee within sixty (60) days after such damage or destruction), (a) the Facility cannot be reasonably restored within a period of eighteen (18) consecutive months after such damage or destruction to the condition thereof immediately preceding such damage or destruction, (b) the University is thereby prevented or is reasonably expected to be thereby prevented from carrying on its normal operations within the Facility for a period of eighteen (18) consecutive months after such damage or destruction, or (c) the cost of restoration of the Facility would exceed the Net Proceeds of insurance carried thereon, plus the amount for which the University is self-insured, if any, as the result of permitted deductible amounts under the Loan Agreement; or

(ii) title to, or the use of, all or any material part of the Facility shall have been taken by Condemnation so that in the opinion of an Authorized Representative of the University, the University is thereby prevented from carrying on its normal operations therein for a period of eighteen (18) consecutive months after such taking.

Mandatory Taxability Redemption. The Series 2019 Bonds shall be redeemed in whole as soon as practicable after the occurrence of an Event of Taxability and the receipt by the Trustee of written notice of the occurrence of an Event of Taxability (but in no event later than one hundred twenty (120) days following the date a Responsible Officer of the Trustee is notified of an Event of Taxability) from any Owner or the University, at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest thereon to the Redemption Date.

Notice of Redemption

When the Series 2019 Bonds are to be redeemed pursuant to the Indenture, the Trustee shall give notice of the redemption of the Series 2019 Bonds in the name of the Issuer stating: (i) the Series 2019 Bonds to be redeemed; (ii) the Redemption Date; (iii) that such Series 2019 Bonds will be redeemed at the Office of the Trustee; (iv) that on the Redemption Date there shall become due and payable upon each Series 2019 Bond to be redeemed the Redemption Price thereof, together with interest accrued to the Redemption Date; and (v) that from and after the Redemption Date interest thereon shall cease to accrue. Any notice of redemption may be conditioned upon sufficient funds being on deposit with the Trustee on the Redemption Date to effect such redemption and, if sufficient funds are not on deposit with the Trustee on or before the Redemption Date, the notice of redemption shall be rescinded and be of no further force or effect.

Notice of redemption required by the Indenture shall be given by mailing at least thirty (30) days and not more than sixty (60) days prior to such Redemption Date to the Owner of each Series 2019 Bond to be redeemed at the address shown on the registration books; provided, however, that the failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of the Series 2019 Bonds.

Mutilated, Lost, Stolen or Destroyed Bonds

In the event any Series 2019 Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and, upon its request, the Trustee shall authenticate and deliver, a new bond of like maturity, interest rate and principal amount and bearing the same number (or such other number as the Trustee shall permit) as the mutilated, destroyed, lost or stolen Series 2019 Bond, in exchange for the mutilated Series 2019 Bond, or in substitution for the Series 2019 Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Issuer and to the Trustee (i) such security or indemnity as may be required by them to hold each of them harmless from all risks, however remote, and (ii) evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Series 2019 Bond and of the ownership thereof. Upon the issuance of any bond upon such exchange or substitution, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees, of the Issuer or the Trustee. In case any Series 2019 Bond which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Issuer and to the Trustee such security or indemnity as they may require to hold them harmless and evidence to the satisfaction of the Issuer and the Trustee of the mutilation, destruction, loss or theft of such Series 2019 Bond and of the ownership thereof.

All Series 2019 Bonds shall be held and owned upon the express condition that the above provisions are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost or stolen Series 2019 Bonds, and shall preclude all other rights or remedies, notwithstanding any law or statute existing or hereinafter enacted to the contrary.

Negotiability; Transfers and Exchanges of Bonds

All Series 2019 Bonds shall be negotiable, subject to the provisions for registration and transfer contained in the Indenture and in the Series 2019 Bonds themselves.

So long as any Series 2019 Bonds shall remain Outstanding, the Issuer shall maintain, at the Office of the Trustee, books for the registration and transfer of Series 2019 Bonds. The Trustee is the Bond Registrar for the Issuer for the purpose of registering and making transfers on such registration books. The Trustee, as Bond Registrar, shall register in such books and permit to be transferred thereon, under such reasonable regulations as the Trustee may prescribe, any Series 2019 Bond entitled to registration or transfer.

The Series 2019 Bonds shall be transferable only on the books of the Issuer, upon surrender thereof at the Office of the Trustee, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his attorney duly authorized in writing. Upon the transfer of any registered Series 2019 Bond, the Issuer shall issue in the name of the transferee a new Series 2019 Bond or Series 2019 Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Series 2019 Bond.

The Issuer, the Trustee and any Paying Agent may deem and treat the Person in whose name any Series 2019 Bond shall be registered upon the books of the Issuer as the absolute Owner thereof, whether such Series 2019 Bond shall be overdue or not for the purpose of receiving payment of the principal, Sinking Fund Payments or Redemption Price and, except as otherwise provided in the Indenture, interest on such Series 2019 Bond and for all other purposes. All such payments so made to any such registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability of the Issuer upon such Series 2019 Bond to the extent of the sum or sums so paid. Neither the Issuer, nor the Trustee nor any Paying Agent shall be affected by any notice to the contrary.

In all cases in which the privilege of exchanging or transferring Series 2019 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver Series 2019 Bonds in accordance with the provisions of the Indenture. All Series 2019 Bonds surrendered in any exchanges or transfers shall forthwith be cancelled in accordance with the provisions of the Indenture. For every exchange or transfer of Series 2019 Bonds, whether temporary or definitive, the Issuer or the Trustee may make a charge sufficient to reimburse it for (i) any tax, fee or other governmental charge required to be paid with respect to the delivery of definitive bonds in exchange for temporary bonds, (ii) the cost of preparing each new Series 2019 Bond, and (iii) any other expenses of the Issuer or the Trustee incurred in connection therewith.

Neither the Issuer nor the Trustee shall be obligated to exchange or transfer any Series 2019 Bond during the ten (10) days next preceding (i) any Debt Service Payment Date, or (ii) in the case of any proposed redemption of Bonds, the date of the first mailing of notice of such redemption.

Book-Entry Only System

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2019 Bonds, payment of interest and other payments on the Series 2019 Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Series 2019 Bonds and other related transactions by and between DTC, DTC Participants and Beneficial Owners is based on certain information furnished by DTC. Accordingly, neither the Issuer, the University, the Underwriter nor the Trustee makes any representations concerning these matters.

The Depository Trust Company ("DTC"), New York, New York will act as securities depository for the Series 2019 Bonds. The Series 2019 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 2019 Bond certificate will be issued for each maturity of the Series 2019 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 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 2019 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 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all 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 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 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 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 requirements as may be in effect from time to time.

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

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2019 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 the Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, Redemption Price, and interest payments on the Series 2019 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 payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, the University or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest 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 shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The Trustee and the Issuer may treat DTC (or its nominee) as the sole and exclusive registered owner of the Series 2019 Bonds registered in its name for the purposes of payment of the principal of or interest on the Series 2019 Bonds, giving any notice permitted or required to be given to registered owners, registering the transfer of the Series 2019 Bonds, obtaining consent or other action to be taken by registered owners and for all other purposes whatsoever. Conveyance of notices and other communications by DTC to Participants, by DTC to Indirect Participants and by Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

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

NEITHER THE ISSUER, THE UNIVERSITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (2) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT, SINKING FUND PAYMENT FOR, REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2019 BONDS; (3) THE DELIVERY BY DTC OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO HOLDERS OF BONDS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER OF SERIES 2019 BONDS.

DTC may discontinue providing its service with respect to the Series 2019 Bonds at any time by giving notice to the Trustee and the Issuer and discharging its responsibilities with respect thereto under applicable law, or the Issuer may terminate its participation in the system of book-entry transfer through DTC at any time by giving notice to DTC. In either event, the Issuer may retain another securities depository for the Series 2019 Bonds or may authenticate and deliver bonds in the form of fully registered bond certificates in accordance with instructions from DTC or its successor. If the Issuer delivers such bond certificates, principal of the Series 2019 Bonds, and any premium, if applicable, would be payable in lawful money of the United States of America at such office as may be designated by the Issuer and interest on the Series 2019 Bonds will be payable by wire transfer or by check mailed to the respective addresses of the registered owners thereof as shown on the registration books of the Issuer as of the close of business on the last day of the calendar month preceding the applicable Debt Service Payment Date.

DEBT SERVICE REQUIREMENTS

The following table sets forth, for each fiscal year of the University ending August 31, the amounts required to be made available in such year by the University for payment of the principal of, sinking fund installments and interest on its outstanding indebtedness. See "Appendix A — Information Pertaining to Adelphi University — Outstanding Indebtedness of the University" for a description of the University's outstanding bonds. The debt service amounts have been rounded to the nearest dollar. As a result, numbers in certain rows and columns may not foot to total.

Fiscal Year Ending August 31	Total Debt Service on Other Outstanding Bonds†	Principal and Sinking Fund Payments on Series 2019 Bonds	Interest Payments on the Series 2019 Bonds	Total Annual Debt Service
2019	$1,431,497	--	$250,795	$1,682,292
2020	7,479,731	$805,000	1,084,950	9,369,681
2021	7,477,631	840,000	1,052,050	9,369,681
2022	7,470,781	870,000	1,017,850	9,358,631
2023	7,476,306	905,000	982,350	9,363,656
2024	7,470,306	940,000	945,450	9,355,756
2025	7,472,581	980,000	907,050	9,359,631
2026	7,465,906	1,020,000	867,050	9,352,956
2027	7,462,706	1,065,000	820,025	9,347,731
2028	7,451,731	1,120,000	765,400	9,337,131
2029	7,465,469	1,175,000	708,025	9,348,494
2030	7,460,275	1,230,000	647,900	9,338,175
2031	7,451,213	1,290,000	584,900	9,326,113
2032	7,445,688	1,355,000	518,775	9,319,463
2033	5,587,413	1,430,000	449,150	7,466,563
2034	5,590,631	1,500,000	375,900	7,466,531
2035	5,591,625	1,560,000	307,200	7,458,825
2036	5,592,375	1,625,000	243,500	7,460,875
2037	2,988,625	1,690,000	177,200	4,855,825
2038	2,988,250	1,760,000	108,200	4,856,450
2039	2,987,500	1,825,000	36,500	4,849,000
2040	2,986,125	--	--	2,986,125
2041	2,988,750	--	--	2,988,750
2042	2,985,125	--	--	2,985,125
2043	2,985,000	--	--	2,985,000
2044	2,987,875	--	--	2,987,875
Total:	$144,741,116	$24,985,000	$12,850,220	$182,576,335

†Excludes the University's long term capital lease obligations. See "Appendix A — Information Pertaining to Adelphi University — Outstanding Indebtedness of the University."

SECURITY FOR THE SERIES 2019 BONDS

The principal, Sinking Fund Payments or Redemption Price of, and interest on the Series 2019 Bonds are payable solely from (i) the moneys payable by the University under the Loan Agreement and (ii) all moneys and obligations which are deposited or required to be deposited in the Bond Fund, the Project Fund, or any other fund established under the Indenture (except the Rebate Fund). The Series

2019 Bonds are not secured by any mortgage lien on or security interest in any real or personal property of the University.

Pursuant to the Indenture, the Issuer will pledge and assign to the Trustee a security interest in certain moneys due or to become due, and certain other rights and remedies of the Issuer, under or arising out of the Loan Agreement (except for certain rights specially reserved to the Issuer, the "Unassigned Rights"). The University's obligation to make payments under the Loan Agreement is an unconditional obligation of the University.

Special Obligations; Limited Resources

The Series 2019 Bonds are special obligations of the Issuer and are payable solely from the revenues, receipts and other payments derived from the Loan Agreement and the Indenture. Payments pursuant to the Loan Agreement are required to be made by the University directly to the Trustee and to be deposited in a separate Bond Fund held by the Trustee for the payment of the principal of, Sinking Fund Payments for, Redemption Price of, and interest on the Series 2019 Bonds.

THE SERIES 2019 BONDS ARE NOT OBLIGATIONS OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, WITHOUT LIMITATION, THE TOWN OF HEMPSTEAD, NEW YORK), AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, WITHOUT LIMITATION, THE TOWN OF HEMPSTEAD, NEW YORK) HAS ANY LIABILITY, LEGAL, MORAL OR OTHERWISE THEREUNDER. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, WITHOUT LIMITATION, THE TOWN OF HEMPSTEAD, NEW YORK) HAS BEEN PLEDGED TOWARDS THE PAYMENT OF THE SERIES 2019 BONDS. THE SERIES 2019 BONDS ARE SPECIAL OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SOURCES PROVIDED IN THE INDENTURE AND THE OTHER BOND DOCUMENTS. THE SERIES 2019 BONDS DO NOT NOW AND SHALL NEVER CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE ISSUER. NEITHER THE DIRECTORS, OFFICERS, MEMBERS, EMPLOYEES OF THE ISSUER, THE TRUSTEE NOR ANY PERSON EXECUTING THE SERIES 2019 BONDS SHALL BE LIABLE PERSONALLY OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF. THE ISSUER HAS NO TAXING POWERS.

ADDITIONAL INDEBTEDNESS

The University is subject to various covenants contained in the Loan Agreement, and in particular, to a covenant regarding its incurrence of additional indebtedness. For a further description of the conditions under which the University may incur indebtedness, see "Appendix C — Schedule of Definitions and Summary of Documents — Summary of Certain Provisions of the Loan Agreement — Additional Indebtedness." For a description of the additional covenants to which the University is subject, see "Appendix C — Schedule of Definitions and Summary of Documents — Summary of Certain Provisions of the Loan Agreement — Certain Additional Covenants."

CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS

Prospective purchasers of the Series 2019 Bonds should be aware of certain investment considerations and risk factors in evaluating an investment in the Series 2019 Bonds. Purchase of the Series 2019 Bonds involves investment risk. Accordingly, prospective purchasers should consider carefully the following investment considerations and risk factors, in addition to the other information concerning the University contained in this Official Statement, before purchasing the Series 2019 Bonds offered hereby.

Written or oral statements made by the Issuer, the University, the Underwriter or their respective representatives, including statements describing their respective objectives, estimate, expectations or predictions of the future may be "forwarding-looking statements," which can be identified by use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "estimates," "anticipates" or the negative thereof or other variations thereon. The Issuer, the University, and the Underwriter caution that, by their nature, forward-looking statements involve risk and uncertainty and that the actual results achieved by the University could differ materially from those expressed or implied in such forward-looking statements or could affect the extent to which a particular projection is realized. Some of the factors which may affect the actual results of the University are described below.

Limited Obligations of the Issuer

The Series 2019 Bonds are limited obligations of the Issuer payable exclusively from the Trust Estate and payments made to the Issuer by the University pursuant to the Loan Agreement, which payments are pledged under the Indenture. In addition, the Series 2019 Bonds are not a debt of the State or any other municipality of the State and neither the State nor any other municipality of the State, shall be liable on the Series 2019 Bonds. No owner of any Series 2019 Bond shall have the right to compel the taxing power of the State or any other municipality of the State to pay the principal of or interest on the Series 2019 Bonds. The Issuer has no taxing powers. See "SECURITY FOR THE SERIES 2019 BONDS."

Unsecured Obligations

The payment obligations of the University under the Loan Agreement constitute general unsecured debt obligations and no specific revenues, property or assets of the University are pledged to pay debt service on the Series 2019 Bonds. In the event of a default and the exercise by the Trustee of remedies available to it, the Trustee would be an unsecured creditor with no rights to any specific revenues, property or assets of the University. See "SECURITY FOR THE SERIES 2019 BONDS" and "CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS — University Revenues."

University Revenues

The University receives certain revenues each year in the form of tuition and fees from students. For the fiscal year ended August 31, 2018, net tuition revenues and fees accounted for approximately 80% of the total revenues of the University. The future financial condition of the University could be adversely affected if the amount received for student tuition and fees is reduced. The University competes with a number of other schools for its students. There can be no assurance that the University will be able to continue to attract the current number and quality of students. See "Appendix A — Information Pertaining to Adelphi University" and "Appendix B — Audited Financial Statements of the University for the Years Ended August 31, 2018 and 2017."

Damage or Destruction of the University's Facilities

The Adelphi campus and other facilities utilized by the University (collectively, the "University's Facilities") could be subject to damage or destruction, in whole or in part. If an event occurs that materially damages, or causes a material loss of the availability of, the University's Facilities, the resulting economic losses to the University, which might include a reduction of revenues from affected activities and programs of the University, might exceed its applicable insurance coverage. The amount of such insurance coverage might not be sufficient to replace or rebuild the University's Facilities. See "Appendix A — Information Pertaining to Adelphi University" and "Appendix B — Audited Financial Statements of the University for the Years Ended August 31, 2018 and 2017."

Construction Risks

Construction is subject to the usual risks associated with construction projects, including, but not limited to, strikes, shortages of materials, adverse weather conditions or delays in issuance of the required building permit or other necessary approvals or permits. It is anticipated that the proceeds from the sale of the Series 2019 Bonds and anticipated investment earnings on the proceeds of the Series 2019 Bonds will be sufficient to complete the construction and equipping of the Series 2019 Project based upon the guaranteed maximum price obtained from the contractor. Cost overruns for a project of this magnitude may occur, however, due to change orders and other factors. In addition, under the construction contract, the date of substantial completion may be extended by reason of changes authorized by the University, delays due to acts or neglect of the University or by independent contractors employed by the University, or by labor disputes, fire, unusual delay in transportation, adverse weather conditions not reasonably anticipated, unavoidable casualties or any other causes beyond the control of the University.

Investment Risks

The University derives a portion of its annual revenues from the investment of its endowment and quasi-endowment funds in various publically traded and private investment securities. Investment securities are exposed to various risks such as interest rate, market, legal and the operating performance of the underlying businesses, which impact investment valuations. Due to risks associated with investing in general, it is possible that changes in the values of investment securities could occur that might negatively impact the aggregate value of such endowment and quasi-endowment funds and the University's total assets. See "Appendix A — Information Pertaining to Adelphi University— Cash and Investments" and "Appendix B — Audited Financial Statements of the University for the Years Ended August 31, 2018 and 2017."

Additional Indebtedness

The University may issue, incur or assume additional indebtedness in accordance with certain requirements under the Loan Agreement. See "SECURITY FOR THE SERIES 2019 BONDS" and "Appendix C — Schedule of Definitions and Summary of Documents — Summary of Certain Provisions of the Loan Agreement — Additional Indebtedness." Any such indebtedness may be secured by a lien upon the University's revenues or assets or by a mortgage on or security interest in property of the University without granting to the Issuer any security interest in such property to secure the University's obligations under the Loan Agreement. In the event of a default under any debt instrument secured by such property, the holder or trustee under such debt instrument may have the right to foreclose the lien on such property, and apply the money so collected to the payment of amounts due under such debt instrument. Until any such senior debt is repaid in full, any money so collected and applied may not be available for satisfying any of the University's obligations under the Loan Agreement.

Matters Relating to Enforceability

The practical realization of any rights upon any default by the University will depend upon the exercise of various remedies specified in the Indenture and the Loan Agreement. Any attempt by the Trustee to enforce these remedies may require judicial action, which is often subject to discretion and delay. Under existing law, certain of the remedies specified in the Indenture and the Loan Agreement may not be readily enforceable. For example, a court may decide not to order the specific performance of the covenants contained in these documents if it determines that monetary damages will be an adequate remedy. In the event of a bankruptcy of the University, the federal bankruptcy laws may delay or prevent the enforcement by the Trustee and the Bondholders of their claim to the Trust Estate, which could delay or prevent payment of debt service on the Series 2019 Bonds.

All legal opinions with respect to the enforceability of legal documents will be expressly subject to a qualification that enforceability thereof may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditor's rights generally and by applicable principles of equity.

Changes in Law

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2019 Bonds and for federal or state income tax purposes, and thus on the value or marketability of the Series 2019 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2019 Bonds from gross income for federal or state income tax purposes, or otherwise. See "TAX MATTERS."

Secondary Markets and Prices

The Underwriter will not be obligated to repurchase any of the Series 2019 Bonds, and no representation is made concerning the existence of any secondary market for the Series 2019 Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Series 2019 Bonds and no assurance is given that the initial offering prices for the Series 2019 Bonds will continue for any period of time.

TAX MATTERS

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2019 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2019 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2019 Bonds. Pursuant to the Indenture, the Loan Agreement and the Tax Regulatory Agreement, the Issuer and the University have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2019 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Issuer and the University have made certain representations and certifications in the Indenture, the Loan Agreement and the Tax Regulatory Agreement. Bond Counsel will also rely on the opinion of Farrel Fritz, P.C., as to certain matters concerning the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under

Section 501(a) of the Code. Bond Counsel will not independently verify the accuracy of those representations and certifications or that opinion.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenants, and the accuracy of certain representations and certifications made by the Issuer and the University described above, interest on the Series 2019 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

State Taxes

Bond Counsel is also of the opinion that, under existing law, interest on the Series 2019 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision of the State of New York, including The City of New York, assuming compliance with the tax covenants and accuracy of the representations and certifications described above under "Federal Income Taxes." Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Series 2019 Bonds nor as to the taxability of the Series 2019 Bonds or the income therefrom under the laws of any state other than the State of New York.

Original Issue Premium

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

Ancillary Tax Matters

Ownership of the Series 2019 Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits and individuals seeking to claim the earned income credit. Ownership of the Series 2019 Bonds may also result in other federal tax consequences to taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Series 2019 Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2019 Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2019 Bonds may be subject to backup withholding if such interest is paid to a registered owner that

(a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinion attached as Appendix D. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2019 Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Federal Tax Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income on the Series 2019 Bonds for federal or state income tax purposes and thus on the value or marketability of the Series 2019 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2019 Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2019 Bonds may occur. Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2019 Bonds.

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Series 2019 Bonds will be passed upon by Nixon Peabody LLP, New York, New York, Bond Counsel for the Issuer, which opinion will be substantially in the form attached hereto as Appendix D. Certain legal matters will be passed upon for the University by its counsel, Farrell Fritz, P.C., Uniondale, New York, for the Issuer by its counsel, Ryan, Brennan & Donnelly LLP, Floral Park, New York and for the Underwriter by its counsel, Hawkins Delafield & Wood LLP, New York, New York.

ABSENCE OF LITIGATION

There is no litigation of any nature pending or threatened against the Issuer at the date of this Official Statement restraining or enjoining the issuance, sale, execution or delivery of the Series 2019 Bonds, or in any way contesting or affecting the validity of the Series 2019 Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or the security provided for the payment of the Series 2019 Bonds, or the existence or powers of the Issuer, or the use and operation of the Series 2019 Project.

There is no action, suit, investigation or proceeding pending or, to the knowledge of the University, threatened against the University or any properties or rights of the University before any court, arbitrator or administrative or governmental body which in the opinion of management of the University might result in any material adverse change in the business, condition or operations of the

University or which involves the possibility of materially adversely affecting the ability of the University to comply with the Loan Agreement.

RATING

Standard & Poor's has assigned a rating on the Series 2019 Bonds of "A-" with a stable outlook. Any desired explanation of the significance of such rating should be obtained from Standard & Poor's. There is no assurance that a particular rating will pertain for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of Standard & Poor's, circumstances so warrant. Any downward revision or withdrawal of any such rating could have an adverse effect on the market price of the Series 2019 Bonds. Neither the Underwriter, the Issuer, nor the University has undertaken any responsibility either to bring to the attention of the Owners of the Series 2019 Bonds any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

UNDERWRITING

TD Securities (USA) LLC (the "Underwriter") has agreed, subject to certain customary conditions precedent to closing, to purchase the Series 2019 Bonds at an aggregate underwriter's discount of $92,448.25 from the initial public offering prices set forth on the inside front cover of this Official Statement. The Underwriter will be obligated to purchase all such Bonds if any such Bonds are purchased. The Series 2019 Bonds may be offered and sold to certain dealers (including depositing the Series 2019 Bonds into investment trusts, which may be investment trusts sponsored by the Underwriter or such dealers) at prices lower than such public offering prices, and such public offering prices may be changed by the Underwriter from time to time following the initial offering without any requirement of public notice.

The Underwriter and its respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriter and its respective affiliates, in the ordinary course of business, may engage in such activities with the Issuer and the University or any other party that may be involved in this transaction, and receive its customary fees and expenses. Furthermore, in the ordinary course of business, the Underwriter and its respective affiliates may, for its own account or the account of third-parties, have investment, trading, commercial banking and other relationships that may relate to the securities and/or other instruments of the Issuer and the University or any other party that may be involved in this transaction. The Underwriter and its respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Underwriter has entered into a negotiated dealer agreement (the "TD Dealer Agreement") with TD Ameritrade for the retail distribution of certain securities offerings, including the Series 2019 Bonds at the original issue price. Pursuant to the TD Dealer Agreement, TD Ameritrade may purchase Series 2019 Bonds from the Underwriter at the original issue prices less a negotiated portion of the selling concession applicable to any of the Series 2019 Bonds TD Ameritrade sells.

INDEPENDENT AUDITOR

The financial statements as of August 31, 2018 and 2017 and for the years then ended, included in this Official Statement, have been audited by Grant Thornton, LLP, independent certified public accountants, as stated in their report attached hereto as Appendix B.

VERIFICATION OF MATHEMATICAL ACCURACY

Precision Analytics, Inc. will deliver a report, dated the date of issuance of the Series 2019 Bonds verifying the accuracy of the mathematical computations of the adequacy of the maturing principal amounts of Government Securities purchased by the Series 2009 Trustee and the interest income to be realized thereon, together with an initial cash deposit, to pay the principal of, redemption premium and interest due on the Series 2009B Bonds on June 3, 2019.

LEGALITY FOR INVESTMENT

The Series 2019 Bonds are securities in which all public officers and bodies of the State and all municipalities and municipal subdivisions, all insurance companies and associations and all other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on banking business, may properly and legally invest funds, including capital in their control or belonging to them.

CERTIFICATE WITH RESPECT TO OFFICIAL STATEMENT

At the time of the original delivery and payment for the Series 2019 Bonds, the University will deliver a certificate of its President to the effect that he has examined this Official Statement (including the Appendices) and the financial and other data concerning the University contained herein and that (i) the Official Statement, both as of its date and as of the date of delivery of the Series 2019 Bonds, does not, with respect to the University, contain any untrue statement of a material fact or omit any statement of a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading and (ii) between the date of the Official Statement and the date of delivery of the Series 2019 Bonds, there has been no material change in the affairs (financial or other), financial condition or results of operations of the University except as set forth in or contemplated by the Official Statement.

SECONDARY MARKET DISCLOSURE

The University and the Trustee shall enter into an undertaking (the "Continuing Disclosure Agreement"), for the benefit of the holders of the Series 2019 Bonds, pursuant to the requirements of Securities and Exchange Commission Rule 15c2-12. The proposed form of Continuing Disclosure Agreement is contained in Appendix E.

ADDITIONAL INFORMATION

The references herein to the Indenture, the Loan Agreement, and other documents and the Act, the Code and other statutes are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to the full text of the originals for a full and complete statement of such provisions.

This Official Statement is not to be construed as a contract or an agreement between the University or the Issuer and the purchasers or holders of any of the Series 2019 Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as an opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no material change in the affairs of the University since the date hereof.

The information contained in this Official Statement relating to the Series 2019 Project, the Estimated Uses of Funds and the University has been supplied by the University, and neither the Issuer nor the Underwriter makes any representation or warranty as to the accuracy or completeness of such information.

The distribution of this Official Statement to prospective purchasers of the Series 2019 Bonds by the Underwriter has been duly authorized by the Issuer and the University. This Official Statement is made available only in connection with the sale of the Series 2019 Bonds and may not be used in whole or in part for any other purpose.

Additional copies of this Official Statement may be obtained upon request from the Underwriter.

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TOWN OF HEMPSTEAD LOCAL DEVELOPMENT CORPORATION

By: *_______/s/ Frederick E. Parola_______________*
Name: Frederick E. Parola
Title: Executive Director and Chief Executive Officer

ADELPHI UNIVERSITY

By: _______/s/ *Christine M. Riordan*______________
Name: Christine M. Riordan
Title: President

By: *_______/s/ James J. Perrino_________________*
Name: James J. Perrino
Title: Executive Vice President of Finance and Administration

APPENDIX A

INFORMATION PERTAINING TO ADELPHI UNIVERSITY

History of Adelphi University

Adelphi University ("Adelphi" or the "University"), an independent not-for-profit institution of higher education, offers the personalized focus of a liberal arts education with the academic rigors of nationally recognized undergraduate and graduate professional programs. Founded in Brooklyn, New York, in 1896, Adelphi has been creating opportunities for students through comprehensive education in the liberal arts and sciences, as well as the professions, for more than 122 years.

Founded with an enrollment of 57 students, Adelphi today attracts approximately 8,100 students from across the region, the country, and the world to pursue undergraduate and graduate degrees in its schools and programs: the College of Arts and Sciences; the Gordon F. Derner School of Psychology; the Honors College; the College of Education and Health Sciences; the Robert B. Willumstad School of Business; the College of Nursing and Public Health; the School of Social Work; and the College of Professional and Continuing Studies. To accommodate regional needs, the University has expanded beyond its 70-acre Garden City campus, opening centers in Manhattan, Hauppauge, and Poughkeepsie, New York.

Adelphi was one of the first coeducational colleges in New York State and became the first liberal arts college on Long Island when it moved to Garden City, New York in 1929. In July 2015, Dr. Christine M. Riordan was appointed the tenth president of Adelphi, ushering in a new era of growth and fiscal leadership. Dr. Riordan is the first woman to serve as the University's President.

The University is in the process of enhancing its main campus in Garden City. In the fall of 2016, it opened a new, state-of-the-art facility for its College of Nursing and Public Health. The $76 million, 100,000-square-foot Nexus Building also serves as a center for student services, admissions and alumni outreach. Recognized by the American Institute of Architects for its innovative design, the building earned LEED Silver Certification in December 2018. Adelphi has begun the transformation of the Ruth S. Harley University Center, expanding it to become a state-of-the-art center for academic and student life. Upon completion, expected by summer 2020, the building will have twice the dining space, flexible meeting and conference spaces, improved accessibility, and many other new features.

Adelphi's 115,000 alumni include leaders in their professions, their communities and the world. The University strives to prepare distinguished graduates in the arts, business, education, healthcare, social work and psychology. Adelphi faculty members have garnered numerous honors, including the Pulitzer Prize, Grammy nominations, Fulbright and Carnegie Foundation fellowships, and National Institutes of Health and National Science Foundation grants for their scholarship and artistic contributions. Adelphi students continue to stand out for their academics, athleticism, artistry, and service. The University is ranked as a "Best College" by *U.S. News & World Report,* a "Top College" by *Forbes,* and a "Best Northeastern College" by the *Princeton Review.* Adelphi University also received the 2018 *INSIGHT Into Diversity* Higher Education Excellence in Diversity (HEED) Award, one of the top 2% of universities nationwide to receive this recognition for initiatives in the field of diversity. Adelphi also received a 2019 Exemplary Models Award from the American Association of University Administrators for its method of personalizing the enrollment process.

Adelphi maintains a notable sports history. The women's lacrosse team has won eight national championships, which is the most in NCAA Division II history. Men's lacrosse has been similarly successful, having won seven NCAA Division II championships, and men's soccer has won one national title.

Adelphi continues to unite liberal arts and sciences with professional programs focused on preparing students to succeed personally and professionally. The University is an independent, comprehensive institution chartered by the University of the State of New York. It is accredited by the following major accrediting entities:

Middle States Association of Colleges and Schools
New York State Education Department
Association to Advance Collegiate Schools of Business
Commission on Collegiate Nursing Education
American Psychological Association
American Speech-Language-Hearing Association
Council for the Accreditation of Educator Preparation (CAEP)
Council on Social Work Education

Individual schools and programs within the University hold professional memberships specific to their respective areas of expertise. Programs in all five of the University's professional schools hold accreditation with national or international professional accreditation associations. The Derner School's Doctoral program in Clinical Psychology and Postgraduate Program in Psychoanalysis, as well as the School of Social Work and College of Nursing and Public Health, are accredited for the maximum allowable time.

In the past three years, Adelphi has launched nine new graduate-degree programs designed to prepare students for successful careers in industries that are critical to Long Island and New York's future, including an innovative Global M.B.A. to prepare students for careers in international business; master's degrees in Computer Science, Applied Mathematics and Statistics, Psychiatric Mental Health Nursing, Infant Mental Health and Development Practice, and Supply Chain Management, and Mental Health Counseling; and doctoral degrees in Nursing Practice (D.N.P.) and School Psychology (Psy.D.). Adelphi has also created accelerated dual degree programs in Environmental Studies and Business of Science, two advanced certificate programs and a new B.S. in Neuroscience.

Scholars throughout the University are making significant contributions to their disciplines. In the last five years, faculty members have received Fulbright scholarships, and government funded research has steadily increased.

Facilities

The main campus, which has 29 buildings on approximately 74 acres of land, is situated in the Village of Garden City, a primarily residential community, approximately 25 miles east of New York City. Adelphi draws on its proximity to New York City as a vast academic resource from which the city's artists, scholars and professionals frequently visit the campus to share their expertise with students.

The University currently rents space in three satellite center buildings within New York State: New York City, Hauppauge (approximately 50 miles from New York City) and Poughkeepsie (approximately 80 miles from New York City).

Governance

The Board of Trustees (the "Board") consists of not less than eighteen (18), nor more than thirty-five (35) persons ("Trustee"). Trustees are elected to a three year term, unless elected to fill an unexpired term, and are eligible for re-election to a maximum of twelve years. Young Alumni Trustees ("Young Alumni Trustees") serve a maximum of four years. Young Alumni Trustees shall have graduated within the past ten (10) years and shall have the same voting rights, be eligible to serve on any Committee of the Board and be subject to all of the same rights and responsibilities as all other Trustees. Notwithstanding the previous sentence, any individual who has previously served on the Board as a Young Alumni Trustee may be elected as a Trustee of the University following the completion of his or her term as a Young Alumni Trustee and once more than ten (10) years have passed since such person's graduation from the University, for a maximum of twelve (12) years of service. There is a required break of five (5) years after completion of the term as a Young Alumni Trustee and before election as a Trustee of the University. During this time, the individual may serve on other University councils or advisory boards.

The Board meets at least four times each year, including an Annual Meeting. The Executive Committee has the power of the Board (with certain exceptions) when the Board is not in session. The Executive Committee consists of the Chair of the Board, the Vice Chair of the Board, the Secretary, the Immediate Past Chair if such person is a current Trustee, and the Chairs of at least two committees of the Board as selected by the Board Chair. The standing Board of Trustees committees consist of the Executive Committee, Academic Affairs/Student Life Committee, Advancement and External Relations Committee, Audit Committee, Enrollment and University Marketing Committee, Facilities and Logistics Committee, Finance and Investment Committee, and the Work/Life Committee.

The current Board of Trustees of the University and certain of their professional affiliations are listed below. Alumni are indicated by an *.

Ronald B. Lee*
Chair, Board of Trustees
Founder and Chairman Emeritus
Lee, Nolan and Koroghlian, LLC

Susan Murphy, Ph.D.
Vice-Chair, Board of Trustees
Vice President Emerita
Cornell University

Lois C. Schlissel, J.D.
Secretary, Board of Trustees
Secretary of Board of Trustees
Of Counsel
Meyer, Suozzi, English & Klein, P.C.

Christine M. Riordan, Ph.D.
Ex-Officio
President
Adelphi University

Michael J. Campbell*
Chair Emeritus, Board of Trustees
Managing Director, Client Advisor
Dominick & Dominick | Div. of Wunderlich Wealth Mgt.

Steven N. Fischer
Chair Emeritus, Board of Trustees
Former Chairman and Chief Executive Officer
Mechanical Technology Inc.

Steven L. Isenberg
Chair Emeritus, Board of Trustees
Former Publisher
New York *Newsday*

Thomas F. Motamed*
Chair Emeritus, Board of Trustees
Retired Chairman and Chief Executive Officer
CNA Financial Corporation

Robert B. Willumstad
Chair Emeritus, Board of Trustees
Partner
Brysam Global Partners

Leonard C. Achan*
Chief Innovation Officer and Senior Vice President of Innovation and Business Development
Hospital for Special Surgery

Arun K. Agrawal*
Founder, President, and CEO
Garden City Medical Services

Frank Angello*
Former Chief Financial Officer
Lighthouse International
Former Chief Financial Officer
JPMorgan Treasury & Securities Services Group

Michael A. L. Balboni*
President and Managing Director
Redland Strategies, Inc.

Loretta Cangialosi*
Senior Vice President and Controller
Pfizer, Inc.

William Fuessler*
Vice President and Partner, Global Leader, Finance, Risk and Fraud
IBM Global Business Services

Angela M. Jaggar*
Retired Professor
New York University
School of Education

Kanishka Kelshikar*
Vice President, Investment Banking
Nomura

Laurence Kessler*
Founder and Co-owner
Kessler Restaurants

Carmen M. Ortiz*
Counsel
Anderson & Kreiger LLP

Humera Qazi*
Managing Director
KPMG

Paul Salerno*
Retired Managing Partner, Melville Office
PricewaterhouseCoopers LLP

Marc S. Strachan*
Chairman
ADCOLOR

Helene Sullivan*
Retired Chief Financial Officer
Save the Children

William Tenet*
Medical Director
NYU Langone Cardiovascular Associates
Clinical Associate Professor of Medicine,
NYU School of Medicine

Michael J. Tiedemann*
Managing Director
Wells Fargo Securities

Charles Tolbert
Attorney
Tolbert Counsel

Administration

The University is administered on a day-to-day basis by the President and other officers of the University. The President directs the general affairs of the University and is responsible to the Board as the executive leader of the University. The President is elected by the Board; other administrative officers are appointed by the President and serve at the pleasure of the President with the concurrence of the Board.

The principal administrative officers of the University are listed below:

Christine M. Riordan, Ph.D., *President*

Dr. Christine M. Riordan was appointed as Adelphi's 10th President in 2015. Her expertise includes leadership development, team building, and diversity and inclusion, and she endeavors to further her initiatives to personalize and transform the higher education experience. Since beginning her appointment, Dr. Riordan has launched a strategy that has resulted in Adelphi enrolling the largest first-year classes in its history in the falls of 2016, 2017 and 2018.

Dr. Riordan has published more than 60 academic and business press articles, is authoring a book on leadership and is a frequent speaker on leadership and overcoming challenges. She serves on the board of directors of RE/MAX Holdings, Inc. (NYSE:RMAX), is chair of the nominating and governance committee and serves on the compensation committee. She previously served on the audit committee. She is on the board of directors of the Long Island Association (LIA), a leading business organization on Long Island, and has been appointed chair of the LIA Women's Collaborative. She is also a trustee of the Long Island Regional Advisory Council on Higher Education (LIRACHE) and is a member of the President's Advisory Council at the Georgia Institute of Technology. Dr. Riordan was voted one of the top 25 women in higher education by Diverse, a news magazine focusing on matters of access and opportunity for all in higher education, in 2018.

Steve Everett, D.M.A., *Executive Vice President and Provost*

Dr. Everett was appointed Provost of Adelphi commencing July 1, 2018. Prior to joining Adelphi, he was dean of the College of Architecture, Design, and the Arts and professor of music at the University of Illinois at Chicago ("UIC"). In that role, he oversaw four schools with numerous programs as well as the Gallery 400 art gallery, the Jane Addams Hull-House Museum and the university's UIC Innovation Center—an interdisciplinary research center and incubation hub bridging education with industry. Before assuming his role at UIC, he had spent the previous 23 years at Emory University, where he served as assistant vice provost for academic affairs, among other leadership positions. In 1998, Dr. Everett received the Mayor's Fellowship in the Arts, awarded by the City of Atlanta, the city's highest recognition of artistic achievement.

James J. Perrino, ***Executive Vice President of Finance and Administration***

James J. Perrino became Adelphi's first Executive Vice President of Finance and Administration in September 2017. In this critical role, which was created following the realignment of several departments, Mr. Perrino oversees financial and capital matters as well as operations, including facilities, human resources, employee relations, information technology and public safety. He also leads two new groups, the Operational Excellence Council and the Risk Management Council. A Certified Public Accountant, Mr. Perrino came to Adelphi from the accounting and advisory firm CohnReznick LLP, where he was a partner and led the firm's not-for-profit advisory practice. Earlier in his career, he was Senior Vice President for Finance and Administration at St. John's University and was a partner at KPMG LLP for more than 10 years.

Perry Greene, Ph.D., ***Vice President for Diversity & Inclusion***

Dr. Perry Greene became Adelphi's first-ever Vice President for Diversity & Inclusion in July 2017 after six years as the University's associate provost for faculty affairs and institutional diversity. His many successes overseeing the University's diversity initiatives, policies and planning include: a marked increase in hiring of faculty members of color, supported by a sustainable professional development program; a diversity certificate program, which has since been adopted by two local school districts; a mentoring program for students of color, veterans and LGBTQ students; and a Confidential Allies program for vulnerable Deferred Action for Childhood Arrivals (DACA) recipients. Dr. Greene had previously served as an associate dean at New York University and Montclair State University.

Brady Crook, ***Vice President for University Advancement***

Brady Crook joined Adelphi in July 2017, bringing with him more than 25 years of experience as a fundraiser in higher education. His achievements include expansion of new donor campaigns, large-scale gifts, and corporate philanthropy. He oversaw numerous capital campaigns at the University of Illinois at Chicago, helping triple the amount of giving to the 11 units reporting to him in 2017. He had similar success in his previous position at Washington State University, where he helped increase giving by 1,100% and coordinated the campaign to launch the university's medical school.

Maggie Yoon Grafer, ***Chief of Staff and Associate Vice President of External Affairs***

Maggie Yoon Grafer was appointed Chief of Staff, office of the president, in June 2016. She performs a wide range of duties in this role, including serving as a liaison between the president and internal and external stakeholders, leading crisis communications, managing all projects related to the office of the president and overseeing strategic initiatives, and acting as an advisor to the president and senior management. In July 2018, she also assumed leadership responsibility for the University's External Affairs area as an Associate Vice President. She had previously served as Adelphi's senior director of strategic engagement, director of community relations, and in other leadership roles at the University.

Kristen Capezza, ***Vice President for Enrollment Management***

Kristen Capezza was appointed Vice President for Enrollment Management in October 2018 after having served in a number of leadership roles in Adelphi university admissions. In her current position, she is responsible for leadership and development of university admissions, high school and pre-college programs, student financial services, and data analytics. Ms. Capezza is also a past president of the New York State Association for College Admission Counseling.

Joanna Templeton, ***Associate Vice President for Brand Strategy and University Communications***

Joanna Templeton joined Adelphi in January 2017 to guide the University's brand strategy and communications. She has overseen the creation of a new brand identity, new reputation-building publications, and new promotional campaigns, including one for admitted students that boosted deposits by 10% in 2018. She has also helped double media placements, tripling the number in Top 100 media outlets. She came to Adelphi after a career in advertising, having served as a creative director and writer at Young & Rubicam for 20 years and a writer and associate creative director at DDB NY, earning numerous awards including Cannes Lions in 2015 and 2016 for pro-bono clients.

Strategic Planning and Investments

In 2015, the Board of Trustees approved *Momentum:* The Strategic Plan for Adelphi University, 2015-2021 to serve as the guide by which tactical decisions are made, progress is measured and new initiatives are introduced. The plan, organized around the University's core values, lays out strategic goals in six areas: academics, student success, diversity and inclusion, community engagement, financial and operational strength, and national reputation.

Adelphi is well on its way to reaching its *Momentum* goals. It has launched nine new graduate programs; greatly increased the number of internships offered students and introduced co-curricular programs to make students career-ready; won prestigious national awards for its commitment to diversity and inclusion; increased its presence in Manhattan; turned an operating deficit of approximately $500,000 in 2014 to a surplus of approximately $8.3 million in 2018, and created an Operational Excellence Council and an Office of Risk Management; and risen in all national rankings of colleges and universities.

The University has also added an important element to its campus during this period — the 100,000 square foot Nexus building, home of the College of Nursing and Public Health and a thriving center for student services, admissions and alumni outreach. The approximately $75 million building was financed with a combination of tax-exempt bonds of approximately $45 million, university operating reserves of approximately $27.5 million, and grants of approximately $42.5 million. As previously stated, Adelphi is currently in the process of renovating and expanding its Ruth S. Harley University Center, turning it into a state-of-the-art center for academic and student life.

Academic Structure of the University

The University's academic departments are organized into seven degree-granting units.

The College of Arts & Sciences offers the Bachelor of Arts, the Bachelor of Science, the Bachelor of Fine Arts, Post-Baccalaureate certificate programs, the Master of Arts, Master of Fine Arts and the Master of Science degrees. The College also hosts the General Studies program, a one-year program which offers intensive liberal arts curriculum and academic support service for students who do not meet Adelphi's admission requirements but who show academic promise. Students who successfully complete the one-year program continue their second year in a traditional undergraduate degree program.

The Honors College offers a highly challenging and enriched program for Adelphi's best-prepared and most motivated undergraduates. Degrees for the Honors College are granted through the College of Arts and Sciences. The 259 honors students have average Scholastic Achievement Test ("SAT") scores of approximately 1,370 and usually come from the top 10% of their high school class. Rigorous honors courses are distributed throughout the four years of study and fulfill the students' general education requirements. Additional requirements include regular attendance at cultural events and a year-long senior thesis project. The Honors College offers a wide array of extracurricular and co-curricular activities, including many events at the Dean's home and cultural institutions of New York City.

The Honors College prepares students to compete advantageously in their chosen paths after graduation, whether they begin work immediately or, more commonly, continue with professional or graduate education. Honors College students have recently been accepted for law school at Columbia, University of Pennsylvania, Cornell, Emory, Fordham, Georgetown and Harvard; for medical schools at New York University, Columbia, Rochester, Syracuse, and State University of New York Stony Brook; for dental school at the University of Pennsylvania, Yale, Columbia, Tufts, New York University, and State University of New York Stony Brook; for veterinary school at the University of Pennsylvania and Tufts; and for Ph.D programs (often with full tuition and stipends) at Yale, M.I.T., New York University, Boston University, Fordham, City University of New York, University of Virginia, University of Texas at Austin, Northwestern, University of North Carolina at Chapel Hill and many others.

The Robert B. Willumstad School of Business grants the Bachelor of Business Administration, the Bachelor of Science, the Master of Business Administration and the Master of Science degrees as well as various Post-graduate Certificates. The School offers a variety of courses within eight disciplines, including Economics. In addition, the Robert B. Willumstad School of Business offers, in conjunction with the College of Nursing and Public Health, a joint M.B.A. and a Master of Science in Nursing; in conjunction with the School of Social Work, a Post-Master's Certificate in Human Resource Management; and in conjunction with the College of Arts & Sciences, an accelerated B.S. / M.B.A. in the Business of Science.

The Gordon F. Derner School of Psychology offers the Bachelor of Arts in Psychology, a Bachelor of Science in Neuroscience, and a 5-Year B.A./M.A. in Psychology; Master of Arts degrees in Psychology, Mental Health Counseling and School Psychology; and a Doctor of Philosophy degree in Clinical Psychology and Psy.D. in School Psychology. It also offers Postdoctoral Certificates in six areas: psychoanalysis and psychotherapy; child, adolescent and family psychotherapy; group psychotherapy; couple therapy; psychodynamic school psychology; and human resource management.

The College of Education and Health Sciences contains three units: the Ruth S. Ammon School of Education, Health and Sport Sciences, and Communication Science and Disorders. The College grants the Bachelor of Arts, the Bachelor of Fine Arts, the Bachelor of Science, the Master of Arts, the Master of Science, the Doctor of Audiology, and Post-graduate Certificates. In 1995, the then School of Education established the Scholar Teacher Education Program ("STEP"), a five-year combined baccalaureate/master's program to prepare students to teach at the childhood (grades pre–K to 6) or adolescent (grades 7 to 12) levels. The College is responsible for the Learning Disabilities Program, the Literacy Clinic, the Early Learning Center, and the Hy Weinberg Center for Communication Disorders.

The College of Nursing and Public Health offers the Bachelor of Science, an R.N. to Bachelor of Science, the Master of Science, the Master of Public Health, the Doctor of Philosophy (Ph.D.), the Doctorate in Nursing Practice (D.N.P.) and Post-graduate Certificate programs. The Master of Science is offered for programs in adult health nursing, adult gerontology primary care nurse practitioner, nursing education, nursing administration, and psychiatric-mental health nurse practitioner.

The School of Social Work offers the Bachelor of Social Work (B.S.W.), the Master of Social Work (M.S.W.), an Online M.S.W., and the Doctor of Philosophy (Ph.D.) degrees. The School also offers an evening program that leads to a B.S.W, and a variety of non-degree professional education programs.

The College of Professional and Continuing Studies accepts adult students aged 21 or older. Course scheduling as well as support services are available evenings and weekends. Students can earn an Associate of Arts, a Bachelor of Arts, or a Bachelor of Science degree through the programs offered. The College also offers a cooperative program with the Department of Art and Art History to earn a Bachelor of Fine Arts degree, and a Master of Science in Emergency Management. The College also offers a Post-Baccalaureate Certificate in Basic Science for Health Professions, a Graduate Certificate in Emergency Management, and an Advanced Certificate in Health Informatics.

Degrees Conferred

The following table sets forth the number of academic degrees conferred by the University over the past five academic years:

Academic Year	Undergraduate	Graduate/ Post-Baccalaureate	Doctoral/ Postdoctoral	Total Degrees
2013-14	1,214	1,176	46	2,436
2014-15	1,247	1,066	33	2,346
2015-16	1,407	1,044	24	2,475
2016-17	1,282	1,018	34	2,334
2017-18	1,259	1,096	36	2,391

Faculty

The number of full-time Adelphi faculty positions has increased over the past decade from 312 in 2009 to 356 in 2018, while the part-time faculty (full-time equivalents) increased from 317 to 349 during the same period. The percentages of course sections taught by full-time faculty has been relatively stable since 2014 — from 53% in 2014 to 54% in 2017. The University's strategic plan sets the institutional goal of raising the overall proportion of instruction by full-time faculty to 60% by 2021.

Resources available to support faculty development have continued to expand over the past decade, reflecting the increasing focus and interest surrounding student-centered, high-impact learning. The Faculty Center for Professional Excellence (FCPE) supports faculty with resources to excel in teaching and scholarship. The center works closely with the Office of Information Technology and is available to full- and part-time faculty. The center focus is on creating a culture of innovation and creativity related to new technologies and pedagogies and promoting faculty collaboration. The FCPE also provides support for instructional development of online and blended courses.

Adelphi also introduced a new Faculty Leadership Fellows Program in Spring 2017, providing hands-on experience to faculty members who want to take on leadership roles as department chairs, deans, provosts or administrators.

During the University's Fall 2018 semester, the University had approximately 350 full-time faculty, approximately 62% of whom were tenured. In excess of 89% of the full-time faculty members hold the highest degree awarded in their respective fields of study. The full-time faculty is augmented by a part-time faculty of approximately 680 adjuncts. The student/faculty ratio for the academic year 2018-19 is approximately 10:1.

Average compensation for full-time faculty is as follows:

Full-Time Faculty
Average Compensation
For Academic Year 2018-19

	Number	Average Base	Average Fringe Benefits	Average Total
Professors	90	$143,971	$39,304	$183,275
Associate Professors	128	109,858	29,991	139,849
Assistant Professors	73	90,609	24,736	115,345
Clinical	32	103,729	28,318	132,047
Visiting	12	78,378	21,397	99,775
Lecturers	17	76,031	20,756	96,787
Total/Average	352	$111,324	$30,391	$141,715

Other Staff Members

In addition to the full-time and part-time faculty noted above, as of September 2018, the University had approximately 830 full-time/permanent part-time and approximately 280 hourly employees. Of the 830 full-time employees, approximately 275 custodians, public safety, maintenance and clerical employees are represented by labor unions. The University maintains favorable relationships with the unions and does not foresee any labor difficulties that would materially adversely affect its operations.

Labor Relations

The University has five collective bargaining agreements covering the faculty, office and professional employees, maintenance, custodian and security employees, as detailed in the following table:

Unions	Represented By	Contract Expiration Date
Office and Professional Employees	International Union (Local 153) AFL-CIO	August 31, 2022
Custodians	RWDSU/UFCW (Local 1102)	June 30, 2019
Security Employees	Benevolent Association	June 30, 2021
Faculty	American Association of University Professors	August 31, 2021
Maintenance Employees	Adelphi Physical Plant Workers Labor Union	December 31, 2021

Pension Program

The University has a contributory defined contribution retirement plan, which covers substantially all full-time employees. It is the University's policy to fund pension costs accrued. The University's contributions are determined in accordance with the related provisions of the union contracts and at the discretion of management for all non-union employees. Total pension costs under the plans for the years ended August 31, 2018 and August 31, 2017 amounted to $7,933,026 and $7,579,140, respectively.

Enrollment

Adelphi has experienced a 12% increase in enrollment over the past three years. The University welcomed its three largest — and most diverse — classes in history over that period. Overall, enrollment has increased by a little more than 10% since the 2008-2009 academic year, with an increase of approximately 17% at the undergraduate level. For the Fall 2018 semester, the number of new undergraduates enrolled as freshmen and transfers rose 10% over the number enrolled in Fall 2008, while freshmen enrollments alone rose 29%. The University's overall financial aid discount rate continues to be a manageable 27.2% for the year ended August 31, 2018.

Freshmen applications for the Fall 2018 were more than 13,000, up 90% since 2008. The University's acceptance rate is approximately 74% and the enrollment rate of students accepted is approximately 13%.

The following table presents annualized student enrollment figures representing full-time equivalents ("FTE's") enrolled in degree programs for the past five years:

	Undergraduate	Graduate/ Post-Baccalaureate	Total
2013-14	4,548	2,061	6,609
2014-15	4,580	1,942	6,522
2015-16	4,427	1,809	6,236
2016-17	4,665	1,817	6,482
2017-18	4,788	1,967	6,755

In addition to the enrollments indicated above, the University has two Summer sessions. Approximately 2,600 students enrolled for the Summer 2018.

Applications and Admissions

The following table sets forth applications, acceptances and enrollments for first-time freshmen and graduate/post-baccalaureate students for the Fall semester of the years noted:

	2014	2015	2016	2017	2018
First-time Freshman					
Applications	8,806	9,367	11,863	11,851	13,006
Acceptances	6,377	6,762	8,339	8,666	9,648
Enrollments *(headcounts)*	975	868	1,226	1,131	1,245
Percent Accepted	72%	72%	70%	73%	74%
Percent Enrolled	15%	13%	15%	13%	13%
Mean Freshman SAT	1,189	1,192	1,183	1,155	1,175
Graduate/ Post-Baccalaureate					
Applications	3,345	3,054	3,183	3,316	3,836
Acceptances	1,692	1,680	1,714	1,782	2,007
Enrollments *(headcounts)*	929	837	858	994	1,017
Percent Accepted	51%	55%	54%	54%	52%
Percent Enrolled	55%	50%	50%	56%	51%

Freshman Geographic Profile

The following table sets forth the geographic origin of the University's entering freshman class, expressed as a percentage of total freshman enrollments, for the last five academic years. The "Northeast Region" category indicated below includes freshman students from states from Maine to Virginia (but excluding New York).

Entering Fall Semester	New York State	Northeast Region	Other U.S. and Foreign
2014	90%	6%	4%
2015	86%	6%	8%
2016	89%	5%	6%
2017	88%	5%	7%
2018	89%	4%	7%

In Fall 2018, approximately 1,300 students resided in University housing on the Garden City Campus.

Student Fees and Competition

Tuition and fees charged to full-time undergraduate students were as follows for the last five years:

	2014-15	2015-16	2016-17	2017-18	2018-19
Tuition and Fees	$32,340	$34,034	$35,740	$37,170	$38,660

The University competes for qualified students with many other colleges and universities, including various SUNY and CUNY institutions across Long Island and New York State. On the basis of enrollment and applicant information, the University believes that, among private colleges and universities, its most significant competitors are the institutions included in the following table:

Institution	Annual Tuition and Fee Rates for the 2018-19 Academic Year
Fordham University	$52,684
Hofstra University	45,700
St. John's University	41,510
Adelphi University	**38,660**
Long Island University-C.W. Post	37,613
Molloy College	31,490

Student Financial Assistance

During the 2017-18 academic year, approximately 93% of the University's full-time traditional undergraduate students received some form of financial assistance. The sources of assistance include University grants and scholarships, state and federal grants, loans and work-study and funding from private organizations. The following table shows the principal sources and amounts of grants, federal guaranteed loans (excluding PLUS loans) and work-study assistance received by all undergraduate and graduate students for the five years indicated:

	(IN THOUSANDS)				
	2013-14	**2014-15**	**2015-16**	**2016-17**	**2017-18**
Grants:					
University					
Unrestricted Operations	$46,354	$50,459	$51,901	$61,926	$66,353
Endowment/Restricted	600	650	650	1,245	1,336
Total	46,954	51,109	52,551	63,171	67,689
Federal	6,586	6,946	6,649	7,707	7,585
State and other	7,903	8,791	8,052	8,032	9,059
Total Grants	61,443	66,846	67,252	78,910	84,333
Total Loans	47,488	45,958	42,932	42,942	46,440
Total Work-Study	450	650	650	650	750
Total	$109,381	$113,454	$110,834	$122,502	$131,523

In addition to the financial aid noted above, the University annually distributes approximately $6.5 million of graduate assistantships and tuition remission awards.

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Revenues and Expenses of the University

The revenues and expenses of the University for the fiscal years ended August 31, 2018, 2017, 2016, 2015 and 2014 are as follows:

	(IN THOUSANDS)				
Revenues	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**
Tuition and Fees	$205,185	$212,425	$214,768	$235,694	$254,870
Less: scholarships and fellowship	(48,785)	(52,494)	(54,681)	(64,865)	(69,287)
Net Tuition and Fees	156,400	159,931	160,087	170,829	185,583
Contributions	4,828	5,342	3,724	3,176	3,229
Government Grants and Contracts	4,257	4,294	4,645	7,500	5,585
Investment Income (Loss)	24,918	(8,069)	9,411	21,480	16,304
Sales & Services of Educational Departments	1,672	1,445	1,579	2,532	2,893
Sales & Services of Auxiliary Enterprises	14,473	14,565	14,567	14,836	15,294
Other Sources	4,140	5,001	5,006	4,238	3,891
Total Revenues	210,688	182,509	199,019	224,591	232,779
Expenses					
Instruction	89,410	90,407	91,428	95,357	100,273
Research and Public Service	7,459	8,167	8,310	9,064	9,045
Academic Support	19,779	20,783	21,459	22,854	23,012
Student Services	28,631	28,850	30,778	34,186	34,431
Institutional Support	28,213	29,198	30,228	31,467	34,876
Auxiliary Enterprises	14,269	13,913	14,316	15,964	15,003
Total Expenses	187,761	191,318	196,519	208,892	216,640
Increase (Decrease) in Net Assets before Nonrecurring Items	$22,927	$ (8,809)	$2,500	$15,699	$16,139

Endowment

The University's endowment is invested to support the University's future operations and capital needs, and is detailed in the following table, as of August 31 of each year:

	(IN THOUSANDS)				
	2014	**2015**	**2016**	**2017**	**2018**
Endowment					
True Endowment	$41,833	$42,095	$43,067	$49,047	$52,782
Quasi-Endowment	132,645	123,569	123,125	130,715	135,797
Total Endowment	$174,478	$165,664	$166,192	$179,762	$188,579

The endowment is managed by the Board of Trustees Finance and Investment Committee that meets at least 4 times each year, with guidance from an outside consultant – Aon. The endowment is well diversified, and currently has allocations to 13 money managers. The allocations include investments in U.S. and foreign equities, fixed income and alternative asset managers. There is a Board of Trustees-approved Investment Policy, which includes target ranges for each asset class. Management reviews the allocations on a monthly basis and rebalancing of the portfolio occurs each year. The University's spending policy authorizes annual distributions from the endowment not to exceed 4.5% of a five-year moving average value to supplement current operations.

Cash and Investments

Amounts invested as of August 31 for each of the past five years were as follows:

	(IN MILLIONS)				
	2014	**2015**	**2016**	**2017**	**2018**
Cash & Short-term Investments	$ 10.6	$ 22.9	$ 27.6	$ 29.0	$ 43.2
Investments	208.7	178.4	164.9	178.3	187.5
TOTAL	$219.3	$201.3	$192.5	$207.3	$230.7

Investments are carried at market value. Assets are invested in accordance with a policy established by the Board of Trustees.

State Aid

As an independent institution of higher education, the University has benefited from the New York State Direct Institutional Aid program, known as Bundy Aid, which pays aid, unrestricted as to use, based on the number and kinds of academic degrees conferred each year. The amount of aid received over the last five years is as follows:

Fiscal Year	Bundy Aid
2013-14	$899,000
2014-15	713,000
2015-16	675,000
2016-17	702,000
2017-18	676,000

Private Gifts

Gifts to the University for the five most recent fiscal years were as follows:

	Unrestricted	Restricted	Endowment	Total
2013-14	$989,000	$1,138,000	$2,701,000	$4,828,000
2014-15	1,086,000	1,493,000	2,763,000	5,342,000
2015-16	1,144,000	2,072,000	508,000	3,724,000
2016-17	940,000	811,000	1,426,000	3,177,000
2017-18	558,000	845,000	1,826,000	3,229,000

Plant Values

The following table details the original cost of the land, buildings and equipment and accumulated depreciation as of August 31 in each of the five most recent fiscal years:

	(IN THOUSANDS)				
	2014	**2015**	**2016**	**2017**	**2018**
Land and Improvements	$2,159	$2,159	$2,159	$2,159	$2,159
Buildings	268,793	271,435	272,562	354,446	356,036
Construction in Progress	23,894	60,062	78,372		1,289
Equipment, Library Books and Software	38,851	35,217	37,650	38,731	39,241
	333,697	368,873	390,743	395,336	398,725
Accumulated Depreciation	(124,917)	(127,829)	(134,614)	(143,032)	(151,011)
TOTAL	$208,780	$241,044	$256,129	$252,304	$247,714

The University presently carries a blanket insurance policy in an amount of approximately $621 million on its buildings and their contents.

Management Discussion

The University has maintained a robust statement of financial position over the past five fiscal years. Total assets increased to approximately $504 million at the end of August 31, 2018, compared to approximately $408 million at the end of August 31, 2013, an increase of approximately $96 million. This significant increase in total assets is largely attributable to the increase in the endowment fund of approximately $40 million, as well as an increase in Land, Building and Equipment of approximately $55 million, the result of construction of the new Nexus Building and Welcome Center.

The University continued its strong history of operating results in fiscal year 2018 with an increase in net assets of approximately $16 million, which was consistent with an increase of approximately the same amount in fiscal year 2017. The increase in fiscal year 2018 can be attributed to the surplus from operations and investment gains on the endowment fund. Unrestricted net assets at August 31, 2018 were approximately $258 million, which was an increase of 5.3% from the prior fiscal year.

Net tuition and fee revenue for fiscal year 2018 increased by $14.8 million, or 8.6%, from the prior fiscal year. While increasing net tuition revenue, the University's institutional financial aid discount rate was 27.2% for 2018, slightly lower than the 27.5% discount rate in 2017.

A. Growth of the University's Endowment

From 2013 to 2018, the University's endowment has increased by approximately $40 million, from approximately $149 million to approximately $189 million. This has been accomplished primarily through prudent fiscal management, operating surpluses, new endowment gifts and significant investment gains.

B. Increase in Net Assets

During the past five fiscal years, the total net assets increased from approximately $269 million to approximately $319 million. The total increase was approximately $50 million, an increase every year with the exception of fiscal year 2015, in which losses on the endowment investments resulted in a loss in unrestricted net assets of approximately $8.8 million.

C. Investment in Capital Facilities and Equipment

Since 2013, in addition to the increases in the Endowment Fund, the University has invested more than $95 million in its campus and infrastructure, with approximately $45 million financed through long-term tax-exempt bonds and approximately $50 million financed with University operating reserves.

The facilities improvements have included:

- Nexus Building and Welcome Center – completed and opened the 100,000 square foot building, home of the College of Nursing and Public Health and a thriving center for student services, admissions and alumni outreach
- Alumnae Hall – full interior renovation, created new Archaeology Lab
- Baseball Field – new locker room addition on existing home dugout
- Blodgett Hall – replaced roof and skylights, modernized 3 classrooms
- Campus Garden – created a native plant and butterfly garden
- Center for Recreation and Sports – renovated Men's lacrosse locker room
- Early Learning Center – replaced fence between practice field and playground
- Earle Hall – modernized 3 classrooms in the Honors College and created new office suite for the Bridges to Adelphi Program

- Eddy Hall – replaced carpeting in lounges and corridors, created living/learning community lounge and instructional space.
- Hagedorn Hall – modernized 4 classrooms, and renovated suite for School of Business
- Harvey Hall – full interior renovation
- Levermore Hall – renovated 1st floor offices for Public Safety and Provost, modernized 3 classrooms
- Linen Hall – full interior renovation of lounges, lobby, and corridors, created new lab space for Communication Sciences and Disorders Program
- Manhattan Center – full interior renovation
- Motamed Field – replaced the turf field and repaired roof
- Performing Arts Center – replaced stage floor in Olmstead Theater
- Post Hall – created new office suite for Student Access Services, renovated 2nd floor for Adelphi International Program and International Student Services
- Fire Lane and Bus Stop areas – corrected certain safety and ADA access issues
- Residence Hall A – created IT training center on the lower level, Adelphi Panther Pantry, and added new Archives Storage Room
- Science Building – replaced HVAC system for animal research facility, modernized HVAC system and fume hood exhaust system building-wide, re-built cooling towers, created new labs for biology, and chemistry instruction and research, developed new office suite for Environmental Studies department, created a new 4,400 square foot addition for the Math and Computer Science department
- Social Work – modernized two classrooms
- Swirbul Library – renovated all restrooms in the building
- Woodruff Hall – modernized Central Boiler/ Power plant to include 4 new boilers

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D. Fundraising

During the last five fiscal years, total fundraising amounted to approximately $20 million consisting of endowment gifts of approximately $9 million, restricted gifts of approximately $6 million and unrestricted gifts of approximately $5 million.

E. Enrollment

Prior to President Riordan's appointment as President, the University had experienced enrollment declines in fiscal years 2014-15 and 2015-16. The recruitment of new students was highly centralized in the local region and engagement began in the spring of their junior year and the fall of their senior year of high school. In 2015, the University implemented several brand new strategies for engaging students early beginning in their sophomore year of high school and included a multichannel marketing strategy. Recruitment also grew to encompass a much more regional and national strategy gaining exposure for the University across the count. As a result, the pool of interested students has grown. Additionally, prior to 2015, the process for awarding scholarships and aid did not maximize the use of institutional funds. An optimization model was implemented that allocated funds in a more efficient way maximizing not only enrollments but also net tuition revenue. As a result of these initiatives, Adelphi has experienced a significant increase in enrollment over the last three years, and enrolled its three largest classes in history.

Outstanding Indebtedness of the University

Long-term debt outstanding, as of August 31, 2018 and 2017, consisted of the following:

		2018	2017
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $31,075,000 with maturities through 2039, with interest at an average annual rate of 4.65%, plus unamortized premiums of $193,861 in 2018 and $203,093 in 2017.	(a)	$ 21,343,861	$ 21,953,093
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $25,000,000 with maturities through 2032, with interest at an average annual rate of 4.51%, plus unamortized premiums of $209,282 in 2018 and $224,456 in 2017.	(b)	19,074,282	20,044,456
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $45,080,000 with maturities through 2043, with interest at an average annual rate of 4.7%, plus unamortized premiums of $776,453 in 2018 and $806,902 in 2017.	(c)	44,996,453	45,886,902
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $33,535,000 with maturities through 2035, with interest at an average annual rate of 3.6%, plus unamortized premiums of $2,346,113 in 2018 and $2,483,446 in 2017.	(d)	35,131,113	36,018,446
		$ 120,545,709	$ 123,902,897
Less: Unamortized bond issuance costs		(1,861,070)	(1,958,953)
		$ 118,684,639	$ 121,943,944

Interest expense for the years ended August 31, 2018 and 2017 amounted to $5,597,499 and $5,780,933, respectively.

Bond issuance costs are amortized over the life of the bonds. Amortization expense for the bond issuance costs, calculated using the effective interest method, totaled $97,883 for the years ended August 31, 2018 and 2017.

A. Town of Hempstead Local Development Corporation

In September 2009, the Town of Hempstead Local Development Corporation (the "LDC") issued $31,075,000 of Civic Facility Revenue Bonds ("2009 Bonds"), with maturities through 2039, at an average interest rate of 4.65%, plus a premium of $732,584. The proceeds from the 2009 Bonds were used to refund the outstanding 1999 Bonds and to partially finance the construction of a new 171-bed residence hall.

In accordance with the terms of the bond agreement, the 2009 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require twenty-nine annual principal payments, which commenced on February 1, 2011 and sixty semi-annual interest payments, which commenced February 1, 2010.

A portion of the proceeds from the sale of the Series 2019 Bonds will be used to defease the University's 2009B Bonds, currently outstanding in the amount of $20,520,000.

B. Town of Hempstead Local Development Corporation

In June 2011, the LDC issued $25,000,000 of Civic Facility Revenue Bonds ("2011 Bonds"), with maturities through 2032, at an average interest rate of 4.51%, plus a premium of $318,662. The proceeds from the 2011 Bonds were used to refund the outstanding 2002 Bonds and to finance the construction of the 171-bed residence hall, softball field facility and various other renovations and electrical upgrades.

In accordance with the terms of the bond agreement, the 2011 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require twenty-one annual principal payments, which commenced on June 1, 2012 and forty-two semi-annual interest payments, which commenced December 1, 2011.

C. Town of Hempstead Local Development Corporation

In November 2013, the LDC issued $45,080,000 of Revenue Bonds, Series 2013 ("2013 Bonds"), with maturities through 2043, at an average interest rate of 4.70%, plus a premium of $923,624. The proceeds from the 2013 Bonds are being used to finance: (i) construction of a new Nexus and Welcome Center building; (ii) underground parking; and (iii) other capital improvements and maintenance projects.

In accordance with the terms of the bond agreement, the 2013 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require twenty-seven annual principal payments, which commence on September 1, 2017 and sixty semi-annual interest payments, which commenced March 1, 2014.

D. Town of Hempstead Local Development Corporation

In September 2014, the LDC issued $33,535,000 of Revenue Bonds, Series 2014 ("2014 Bonds"), with maturities through 2035, at an average interest rate of 3.6% plus a premium of $2,884,001. The proceeds of the 2014 Bonds were used for the purpose of advance refunding all remaining outstanding bonds issued in 2005 by the Town of Hempstead Industrial Development Agency.

In accordance with the terms of the bond agreement, the 2014 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require nineteen annual principal payments, which will commence on October 1, 2017 and forty-two semi-annual interest payments, which commenced April 1, 2015.

Insurance

The University maintains a comprehensive risk management program of both property and casualty insurance through several different carriers. Such coverage includes (1) comprehensive all-risk for buildings and their contents at a total replacement value of over $600 million, (2) comprehensive general liability insurance against personal injury and property damage with limits of $1 million per occurrence and $3 million aggregate, (3) umbrella liability policies with limits of $35 million, (4) workers' compensation insurance as required by statute, (5) a crime policy with limits of $2 million, (6) automobile liability insurance, (7) fiduciary liability and educators legal liability insurance, (8) cyber insurance with limits of $5 million, and (9) various specialized insurance limits covering items such as business interruption, boilers and machinery and fine arts. The University conducts an annual review of its insurance and risk management program with an independent insurance consultant in an effort to maintain insurance coverage at reasonable costs.

Litigation

There is no litigation pending or threatened against the University which would have any material adverse consequences on the financial condition of the University.

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CONSOLIDATED FINANCIAL STATEMENTS TOGETHER WITH REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

ADELPHI UNIVERSITY

For the years ended August 31, 2018 and 2017

C O N T E N T S

Grant Thornton

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
Adelphi University:

We have audited the accompanying consolidated financial statements of Adelphi University and subsidiary (collectively, the "University"), which comprise the consolidated statements of financial position as of August 31, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Adelphi University and subsidiary as of August 31, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

Melville, New York
November 29, 2018

ADELPHI UNIVERSITY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF AUGUST 31, 2018 AND 2017

	NOTES	2018	2017
ASSETS			
Cash and Cash Equivalents	**1**	$ 30,475,654	$ 27,237,495
Short-Term Investments, at fair value	**1**	12,718,368	1,762,503
Accounts Receivable, net	**2**	2,305,377	1,888,759
Grants Receivable	**1**	713,492	666,000
Prepaid Expenses and Other Assets		8,470,839	8,300,701
Contributions Receivable, net	**1, 3**	4,250,327	5,736,203
Notes Receivable, net	**4**	7,119,971	7,052,964
Investments, at fair value	**1, 5**	187,518,068	178,251,473
Amounts Held in Trust	**1, 7, 10**	2,658,236	2,279,276
Land, Buildings, and Equipment, net	**1, 8**	247,713,577	252,304,601
TOTAL ASSETS		$ 503,943,909	$ 485,479,975
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts Payable and Accrued Expenses	**1, 9**	$ 21,816,671	$ 20,378,291
Deferred Revenues	**1**	38,754,235	34,919,498
U.S. Government Grants Refundable	**4**	6,192,712	6,002,896
Long-Term Debt	**10**	118,684,639	121,943,944
Total Liabilities		185,448,257	183,244,629
COMMITMENTS AND CONTINGENCIES	**5, 14**		
NET ASSETS			
Unrestricted Net Assets:	**1, 6**		
Operations and Designated		3,095,488	2,684,589
Long-Term Investment		137,162,898	132,040,289
Plant		118,059,784	110,594,664
Total Unrestricted Net Assets		258,318,170	245,319,542
Temporarily Restricted Net Assets	**1, 6**	23,569,571	22,883,423
Permanently Restricted Net Assets	**1, 6**	36,607,911	34,032,381
Total Net Assets		318,495,652	302,235,346
TOTAL LIABILITIES AND NET ASSETS		$ 503,943,909	$ 485,479,975

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

ADELPHI UNIVERSITY

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2018 (WITH SUMMARIZED COMPARATIVE FINANCIAL INFORMATION FOR THE YEAR ENDED AUGUST 31, 2017)

		2018									
		UNRESTRICTED									
		UNRESTRICTED OPERATIONS									2017 TOTAL
	NOTES	OPERATIONS	DESIGNATED	TOTAL	LONG-TERM INVESTMENT	PLANT	TOTAL	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	(Details provided on next page)
REVENUES											
Tuition and Fees		$ 254,869,512	$ -	$ 254,869,512	$ -	$ -	$ 254,869,512	$ -	$ -	$ 254,869,512	$ 235,693,920
Less: Scholarships and Fellowships	1	(69,286,715)	-	(69,286,715)	-	-	(69,286,715)	-	-	(69,286,715)	(64,865,036)
Net Tuition and Fees		185,582,797	-	185,582,797	-	-	185,582,797	-	-	185,582,797	170,828,884
Contributions	1	530,526	-	530,526	-	27,244	557,770	844,736	1,826,148	3,228,654	3,176,164
Government Grants and Contracts	1	5,584,765	-	5,584,765	-	-	5,584,765	-	-	5,584,765	7,499,961
Investment Gain	5	6,178,209	-	6,178,209	6,420,676	254	12,599,139	3,660,092	44,824	16,304,055	21,479,597
Sales and Services of Educational Departments		2,893,670	-	2,893,670	-	-	2,893,670	-	-	2,893,670	2,531,980
Sales and Services of Auxiliary Enterprises		15,293,872	-	15,293,872	-	-	15,293,872	-	-	15,293,872	14,835,825
Other Sources		2,766,192	-	2,766,192	102,809	207,508	3,076,509	811,460	2,830	3,890,799	4,238,363
		218,830,031	-	218,830,031	6,523,485	235,006	225,588,522	5,316,288	1,873,802	232,778,612	224,590,774
Net Assets Released from Restrictions and Reclassifications		3,050,417	4,000	3,054,417	660,000	213,995	3,928,412	(4,630,140)	701,728	-	-
TOTAL REVENUES		221,880,448	4,000	221,884,448	7,183,485	449,001	229,516,934	686,148	2,575,530	232,778,612	224,590,774
EXPENSES	13										
Instruction		94,741,553	-	94,741,553	-	5,531,055	100,272,608	-	-	100,272,608	95,357,131
Research and Public Service		8,217,632	59,546	8,277,178	-	767,460	9,044,638	-	-	9,044,638	9,063,798
Academic Support		21,780,742	-	21,780,742	-	1,231,219	23,011,961	-	-	23,011,961	22,854,199
Student Services		30,276,654	-	30,276,654	-	4,154,642	34,431,296	-	-	34,431,296	34,185,385
Institutional Support		32,923,110	-	32,923,110	679,412	1,273,740	34,876,262	-	-	34,876,262	31,467,350
Auxiliary Enterprises		11,704,424	-	11,704,424	-	3,298,859	15,003,283	-	-	15,003,283	15,964,129
TOTAL EXPENSES		199,644,115	59,546	199,703,661	679,412	16,256,975	216,640,048	-	-	216,640,048	208,891,992
CHANGE IN NET ASSETS, before transfers and amounts designated		22,236,333	(55,546)	22,180,787	6,504,073	(15,807,974)	12,876,886	686,148	2,575,530	16,138,564	15,698,782
TRANSFERS											
Mandatory Transfer for Debt Service		(8,608,893)	-	(8,608,893)	-	8,608,893	-	-	-	-	-
Matching and Other Contributions		(40,413)	-	(40,413)	40,413	-	-	-	-	-	-
Faculty Research		(64,964)	64,964	-	-	-	-	-	-	-	-
Property, Plant and Equipment		(5,242,324)	-	(5,242,324)	-	5,242,324	-	-	-	-	-
Transfer from Board-Designated Funds		-	-	-	(1,421,877)	1,421,877	-	-	-	-	-
CHANGE IN NET ASSETS, before amounts designated		8,279,739	9,418	8,289,157	5,122,609	(534,880)	12,876,886	686,148	2,575,530	16,138,564	15,698,782
AMOUNTS DESIGNATED											
Strategic Planning Initiatives		(8,279,739)	279,739	(8,000,000)	-	8,000,000	-	-	-	-	-
CHANGE IN NET ASSETS, before postretirement changes		-	289,157	289,157	5,122,609	7,465,120	12,876,886	686,148	2,575,530	16,138,564	15,698,782
Postretirement Changes Other than Net Periodic Benefit Costs	9	121,742	-	121,742	-	-	121,742	-	-	121,742	-
CHANGE IN NET ASSETS		121,742	289,157	410,899	5,122,609	7,465,120	12,998,628	686,148	2,575,530	16,260,306	15,698,782
NET ASSETS, BEGINNING OF YEAR		99,449	2,585,140	2,684,589	132,040,289	110,594,664	245,319,542	22,883,423	34,032,381	302,235,346	286,536,564
NET ASSETS, END OF YEAR		$ 221,191	$ 2,874,297	$ 3,095,488	$ 137,162,898	$ 118,059,784	$ 258,318,170	$ 23,569,571	$ 36,607,911	$ 318,495,652	$ 302,235,346

The accompanying notes are an integral part of this consolidated financial statement

ADELPHI UNIVERSITY

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2017

		UNRESTRICTED								
		UNRESTRICTED OPERATIONS								
	NOTES	OPERATIONS	DESIGNATED	TOTAL	LONG-TERM INVESTMENT	PLANT	TOTAL	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
REVENUES										
Tuition and Fees		$ 235,693,920	$ -	$ 235,693,920	$ -	$ -	$ 235,693,920	$ -	$ -	$ 235,693,920
Less: Scholarships and Fellowships	1	(64,865,036)	-	(64,865,036)	-	-	(64,865,036)	-	-	(64,865,036)
Net Tuition and Fees		170,828,884	-	170,828,884	-	-	170,828,884	-	-	170,828,884
Contributions	1	831,298	-	831,298	-	108,292	939,590	810,777	1,425,797	3,176,164
Government Grants and Contracts	1	4,999,961	-	4,999,961	-	2,500,000	7,499,961	-	-	7,499,961
Investment Gain	5	6,227,976	-	6,227,976	10,412,049	95	16,640,120	4,708,393	131,084	21,479,597
Sales and Services of Educational Departments		2,531,980	-	2,531,980	-	-	2,531,980	-	-	2,531,980
Sales and Services of Auxiliary Enterprises		14,835,825	-	14,835,825	-	-	14,835,825	-	-	14,835,825
Other Sources		2,757,810	-	2,757,810	137,534	188,502	3,083,846	1,151,938	2,579	4,238,363
		203,013,734	-	203,013,734	10,549,583	2,796,889	216,360,206	6,671,108	1,559,460	224,590,774
Net Assets Released from Restrictions and Reclassifications		3,804,864	1,500	3,806,364	-	(959,141)	2,847,223	(4,106,353)	1,259,130	-
TOTAL REVENUES		206,818,598	1,500	206,820,098	10,549,583	1,837,748	219,207,429	2,564,755	2,818,590	224,590,774
EXPENSES	13									
Instruction		89,221,092	-	89,221,092	-	6,136,039	95,357,131	-	-	95,357,131
Research and Public Service		8,178,272	68,696	8,246,968	-	816,830	9,063,798	-	-	9,063,798
Academic Support		21,522,861	-	21,522,861	-	1,331,338	22,854,199	-	-	22,854,199
Student Services		29,805,205	-	29,805,205	-	4,380,180	34,185,385	-	-	34,185,385
Institutional Support		29,878,374	-	29,878,374	65,257	1,523,719	31,467,350	-	-	31,467,350
Auxiliary Enterprises		11,785,985	-	11,785,985	-	4,178,144	15,964,129	-	-	15,964,129
TOTAL EXPENSES		190,391,789	68,696	190,460,485	65,257	18,366,250	208,891,992	-	-	208,891,992
CHANGE IN NET ASSETS, before transfers and amounts designated		16,426,809	(67,196)	16,359,613	10,484,326	(16,528,502)	10,315,437	2,564,755	2,818,590	15,698,782
TRANSFERS										
Mandatory Transfer for Debt Service		(7,075,749)	-	(7,075,749)	-	7,075,749	-	-	-	-
Matching and Other Contributions		(37,095)	-	(37,095)	37,095	-	-	-	-	-
Faculty Research		(29,757)	29,757	-	-	-	-	-	-	-
Property, Plant and Equipment		(6,763,947)	-	(6,763,947)	-	6,763,947	-	-	-	-
Transfer from Board-Designated Funds		-	-	-	(2,800,000)	2,800,000	-	-	-	-
CHANGE IN NET ASSETS, before amounts designated		2,520,261	(37,439)	2,482,822	7,721,421	111,194	10,315,437	2,564,755	2,818,590	15,698,782
AMOUNTS DESIGNATED										
Strategic Planning Initiatives		(2,520,261)	2,520,261	-	-	-	-	-	-	-
CHANGE IN NET ASSETS		-	2,482,822	2,482,822	7,721,421	111,194	10,315,437	2,564,755	2,818,590	15,698,782
NET ASSETS, BEGINNING OF YEAR		99,449	102,318	201,767	124,318,868	110,483,470	235,004,105	20,318,668	31,213,791	286,536,564
NET ASSETS, END OF YEAR		$ 99,449	$ 2,585,140	$ 2,684,589	$ 132,040,289	$ 110,594,664	$ 245,319,542	$ 22,883,423	$ 34,032,381	$ 302,235,346

The accompanying notes are an integral part of this consolidated financial statement

ADELPHI UNIVERSITY

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2018 AND 2017

	2018	2017
***Cash Flows from Operating Activities*:**		
Change in Net Assets	$ 16,260,306	$ 15,698,782
Adjustments to Reconcile Change in Net Assets to Net Cash Flows Provided by (Used in) Operating Activities:		
Nonoperating Items:		
Realized Gain on Investments	(11,540,458)	(7,482,178)
Contributions and Investment Income Restricted for Long-Term Investment	(2,228,303)	(1,693,164)
Noncash Items:		
Depreciation, Accretion, and Amortization	8,669,732	8,853,517
Amortization of Bond Premium	(192,188)	(192,188)
Net Unrealized Gain on Investments	(4,224,366)	(13,794,314)
Loss on Disposals of Equipment	4,350	-
Cancellations of Notes Receivable	254,155	186,106
Increase in Allowance for Doubtful Accounts	157,500	126,168
Change In Operating Assets and Liabilities:		
Increase in Short-Term Investments	(10,955,865)	(1,206,917)
Increase in Accounts Receivable	(574,118)	(232,944)
Increase in Grants Receivable	(47,492)	(329,641)
Increase in Prepaid Expenses and Other Assets	(170,138)	(387,120)
Decrease in Contributions Receivable	1,503,126	160,108
Increase in Amounts Held in Trust	(378,960)	(230,533)
Increase (Decrease) in Accounts Payable and Accrued Expenses	1,337,547	(3,780,276)
Increase in Deferred Revenues	3,834,737	1,591,808
Increase in U.S. Government Grants Refundable	189,816	200,172
Net Cash Flows Provided by (Used In) Operating Activities	1,899,381	(2,512,614)
***Cash Flows from Investing Activities*:**		
Proceeds from Sale of Investments	37,424,509	35,507,088
Purchase of Investments	(30,943,529)	(27,673,050)
Student Notes Receivable:		
New Loans Made	(1,169,196)	(1,328,772)
Principal Collected	848,033	811,115
Expenditures for Plant Facilities	(3,884,342)	(4,834,136)
Net Cash Flows Provided by Investing Activities	2,275,475	2,482,245
***Cash Flows from Financing Activities*:**		
From Borrowings:		
Retirement of Debt	(3,165,000)	(1,515,000)
Proceeds from Contributions and Investment Earnings Restricted for:		
Investment in Endowment	1,917,555	1,554,765
Plant Improvements	309,277	136,786
Student Loan Funds	1,471	1,613
Net Cash Flows (Used In) Provided by Financing Activities	(936,697)	178,164
Net Increase in Cash and Cash Equivalents	3,238,159	147,795
Cash and Cash Equivalents:		
Beginning of Year	27,237,495	27,089,700
End of Year	$ 30,475,654	$ 27,237,495
Supplemental Disclosures:		
Interest Paid	$ 4,404,945	$ 5,561,697

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

1. Summary of Significant Accounting Policies

a. Nature of Operations

Adelphi University (the "University") is an independent not-for-profit institution of higher education with programs at the undergraduate and graduate levels. The University's main campus is located in Garden City, New York. The University is tax exempt under Section 501(c)(3) of the Internal Revenue Code.

Black Cat Advertising, a wholly-owned subsidiary of the University, began operations in 2004 and is consolidated in the accompanying financial statements.

b. Basis of Presentation

The consolidated financial statements of the University have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") using the accrual basis of accounting. All intercompany transactions have been eliminated in consolidation.

The University follows the provisions of ASC 958, *"Not-For-Profit Entities"* ASC 958 specifies that financial statements provided by not-for-profit organizations include statements of financial position, activities, and cash flows and that net assets be classified as unrestricted, temporarily restricted or permanently restricted based on the existence or absence of donor-imposed restrictions. A description of the three net asset classifications is as follows:

Unrestricted net assets include the following:

Operations: Operations include the revenues and expenses associated with the principal educational mission of the University.

Amounts Designated: The amounts designated to support (i) certain research activities; and (ii) strategic planning initiatives.

Long-Term Investment: Long-term investment includes amounts designated by the Board of Trustees to act as endowment, cumulative realized and unrealized gains on board-designated endowment funds, and the University's required matching contribution on government student loan funds.

Plant: Plant net assets include: (i) transfers from operations designated by the University to fund future capital projects and debt service payments; (ii) amounts held in trust for payment of outstanding long-term debt; (iii) the deficit of construction expenditures in excess of fundraising; and (iv) amounts invested in land, buildings and equipment net of accumulated depreciation. Contributions restricted for the acquisition of land, buildings and equipment are reported as temporarily restricted revenues. These contributions are reclassified to unrestricted net assets - plant upon acquisition of the assets. In the accompanying consolidated statements of activities, expenses represent primarily interest on debt service and depreciation.

Temporarily restricted net assets generally result from contributions whose use by the University is limited by donor-imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations and/or that expire by the passage of time. When donor restrictions expire, that is, when a restriction is fulfilled or a time restriction ends, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statements of activities as net assets released from restrictions. When a temporarily restricted contribution is received and the restriction is fulfilled in the same period, the corresponding revenue is recorded as unrestricted in the accompanying consolidated statements of activities.

Permanently restricted net assets generally represent the historical cost of contributions whose use is limited by donor-imposed stipulations requiring that the original principal be maintained permanently by the

University. Generally, the donors of these assets permit the University to use all or part of the investment return on these assets for specific purposes or general University operations. Such assets primarily include the University's permanent endowment funds.

c. Cash and Cash Equivalents

Cash and cash equivalents include assets with an original maturity of three months or less at the time of purchase.

Cash and investments are exposed to various risks, such as interest rate, market and credit risks. To minimize such risks, the University maintains its cash in various bank deposit accounts which, at times, may exceed federally insured limits, and in a diversified investment portfolio. At August 31, 2018 and 2017, the University's cash and investments were placed with high credit quality financial institutions and, accordingly, the University does not expect nonperformance.

d. Short-Term Investments

Short-term investments include assets with original maturities greater than three months at the time of purchase.

Investment income on cash and short-term investments, included in unrestricted net assets, amounted to $538,977 and $203,011 for the years ended August 31, 2018 and 2017, respectively.

e. Deferred Revenues

The University derives its revenue primarily from student tuition and fees. Revenue is recorded on the accrual basis of accounting. Deferred revenues primarily represent payments received from students relating to registrations for the following fall semester. Such amounts are recognized as revenue during the subsequent fiscal year.

On February 4, 2013, the University entered into a transaction, whereby the University provided a 360 month assignment of its interest in and rent revenue associated with five operating leases between the University and certain cell phone providers. The University, in providing the 360 month assignment, received $3,000,000, which has been recorded as deferred revenue within the consolidated statements of financial position and will be amortized into revenue over the life of the assignment. The total amount of revenue with a related interest expense component recognized for the years ended August 31, 2018 and 2017 totaled $102,809 and $137,532, respectively, and has been recorded in other sources within the accompanying consolidated statements of activities.

f. Land, Buildings and Equipment, Net

Land, buildings and equipment, net, are based on the following valuations:

- Land and improvements - at appraised value in 1958, plus subsequent improvements at cost.
- Buildings - at approximate fair value in accordance with a survey by the Home Insurance Company made in February 1967, plus a six percent estimate for excavations, foundations and underground facilities; additions subsequent to February 1967 are recorded at cost.
- Equipment and Library Books - recorded at cost.

Donated assets are stated at fair value as of the date of the gift.

The University follows the guidance of ASC 360, *"Accounting for the Impairment or Disposal of Long-lived Assets."* The University reviews long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Some factors the University considers important, which could trigger an impairment review, include: (i) significant underperformance compared to expected historical or projected future operating results; (ii) significant changes in the University's use of the acquired assets or the strategy for its overall business; and (iii) significant negative industry or economic trends.

Depreciation on land, buildings and equipment has been computed on the straight-line basis over the estimated useful lives of the assets as follows:

Buildings and additions	75 years
Building improvements and renovations	15 years
Furniture and equipment	5-10 years
Software	5 years
Library books	20 years

Depreciation, accretion and amortization expense on buildings and equipment for the years ended August 31, 2018 and 2017 amounted to $8,669,732 and $8,853,517, respectively. Upon retirement or disposal, the asset cost and related accumulated depreciation and amortization are eliminated from the respective accounts and the resulting gain or loss, if any, is included in the accompanying consolidated statements of activities. During the years ended August 31, 2018 and 2017, the University disposed of fully depreciated assets totaling approximately $500,000 and $250,000, respectively.

g. Investments

Investments consist primarily of equities, publicly traded fixed income funds and alternative investments.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the consolidated statements of activities in the period in which the securities are sold. Dividends are accrued based on the ex-dividend date. Interest is recognized as earned.

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

h. Fair Value Measurements

The fair values of all financial instruments, other than contributions receivable, investments, long-term debt and loans receivable from students under government loan programs, approximate carrying values because of the short maturity of these instruments.

A reasonable estimate of the fair value of loans receivable from students under government loan programs cannot be made because the notes are not saleable and can only be assigned to the U.S. Government or its designees.

The University follows *Fair Value Measurements* guidance which establishes a framework for measuring fair value, expands disclosures about fair value measurements and provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The guidance also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date. Assets and liabilities measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. The type of investments in Level 1 include listed equities held in the name of the University, and exclude listed equities and other securities held indirectly through commingled funds.

Level 2 - Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments.

Level 3 - Pricing inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value require significant management judgment or estimation.

The categorization of a financial instrument within the fair value hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the University's perceived risk of that instrument. As permitted by Accounting Standards Update ("ASU") 2015-07, the University has excluded investments that are measured at fair value using the net asset value ("NAV") per share as a practical expedient from the fair value hierarchy.

i. Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for receivable's, valuation of alternative investments, actuarial assumptions related to the postretirement plan, useful lives of plant assets and certain accrued liabilities. Actual results could differ from those estimates.

j. Tuition, Fees and Tuition Discounting

Tuition revenues are recognized in the academic semester to which they relate. The University maintains a policy of offering qualified applicants admission to the University without regard to financial circumstances. The University provides institutional financial aid to those admitted on the basis of merit or need in the form of direct grants or employment during the academic year. Tuition and fees have been reduced by institutional directed grants in the amount of $69,286,715 and $64,865,036 for the years ended August 31, 2018 and 2017, respectively.

k. Sales and Services of Educational Departments

Sales and service of educational departments include program revenue from activities other than auxiliary activities, athletic and theatre tickets and various student activities.

l. Sales and Services of Auxiliary Enterprises

Auxiliary services include revenues and expenses primarily related to student housing, the campus bookstore, and student dining facilities. An auxiliary service exists to furnish goods or services to students, faculty, staff, or incidentally to the general public, and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services.

m. Contributions and Government Grants and Contracts

Contributions received, including unconditional promises to give (pledges), are reported as revenues in the period received or pledged at fair value. Contributions are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

Fundraising costs of $2,484,002 and $1,968,577 have been included in institutional support expenses within the accompanying consolidated statements of activities for the years ended August 31, 2018 and 2017, respectively.

Revenues from government grants and contracts for specific programs are recognized in the period when expenditures have been incurred in compliance with the respective contract. Amounts received in advance are recorded as deferred revenue. Contracts awarded for the acquisition of long-lived assets are reported as unrestricted revenue during the fiscal year in which the assets are acquired. Contract and grants receivables are written-off when deemed uncollectible. Governmental grants and contracts are subject to audit and potential disallowance. It is management's opinion that any potential disallowances will not have a material effect on the accompanying consolidated financial statements.

n. Temporarily Restricted and Permanently Restricted Net Assets

Temporarily restricted net assets, at August 31, 2018 and 2017, were available for the following purposes:

	2018	2017
Education	$ 5,505,747	$ 5,886,970
Endowment Cumulative Gain on Donor Restricted Net Assets	14,318,146	12,540,305
Annuity Trust Agreements	1,966,314	2,583,870
Building Renovations	1,779,364	1,872,278
	$ 23,569,571	$ 22,883,423

Permanently restricted net assets, at August 31, 2018 and 2017, consisted of the following:

Endowment - Corpus	$ 36,497,336	$ 33,923,277
Loan Fund	110,575	109,104
	$ 36,607,911	$ 34,032,381

o. Conditional Asset Retirement Obligations

The University recognizes the cost associated with the eventual remediation and abatement of asbestos located within its facilities. The cost of the abatement was estimated using historical construction and renovation documents.

The University recognized accretion expense relating to these obligations of $100,833 and $97,344 for the years ended August 31, 2018 and 2017, respectively. These obligations were reduced by remediation costs of $46,301 and $40,157 for the years ended August 31, 2018 and 2017, respectively. The obligation amounted to $1,707,530 and $1,652,998 at August 31, 2018 and 2017, respectively, and is included within accounts payable and accrued expenses in the accompanying consolidated statements of financial position.

p. Income Taxes

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

The University is exempt from federal income taxation by virtue of being an organization described in Section 501(c)(3) of the Internal Revenue Code. Nevertheless, the University may be subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. Management has determined that there are no material uncertain tax positions within its consolidated financial statements.

q. New Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers: Deferral of the Effective Date,* which deferred the effective date of ASU 2014-09 by one year. The guidance is effective for annual periods beginning on or after December 15, 2017 (i.e., the University's fiscal year 2019). The guidance permits the use of either a retrospective or cumulative effect transition method. The University is currently evaluating the new guidance and has not determined the impact this standard may have on the consolidated financial statements nor decided upon the method of adoption.

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958)*: *Presentation of Financial Statement of Not-for-Profit Entities*. The new guidance improves and simplifies the current net asset classification requirements and information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance and cash flows. ASU 2016-14 is effective for annual periods beginning after December 15, 2017 (i.e., the University's fiscal year 2019). ASU 2016-14 is to be applied retroactively with transition provisions. The University is in the process of evaluating the impact this standard will have on the consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made,* which requires organizations to determine whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. If the agreement (or a referenced document) includes both, the recipient is not entitled to the transferred assets (or a future transfer of assets) until it has overcome the barriers in the agreement. For recipients, the effective date of the amendments is for annual periods beginning after June 15, 2018 (i.e., the University's fiscal year 2019). The University is currently evaluating the new guidance and has not determined the impact this standard may have on the consolidated financial statements nor decided upon the method of adoption.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (*Topic 842*), which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statements of financial position for leases with terms exceeding 12 months. ASU No. 2016-

02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for annual periods beginning on or after December 15, 2018 (i.e., the University's fiscal year 2020). The University is in the process of evaluating the impact this standard will have on the consolidated financial statements.

r. Reclassification

Certain information in the fiscal 2017 consolidated financial statements has been reclassified to conform to the fiscal 2018 presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses or changes in net assets as reflected in the fiscal 2017 consolidated financial statements.

2. Accounts Receivable, net

Accounts receivable primarily consist of amounts due from students and are recorded net of an allowance for doubtful accounts of $1,100,000 and $950,000 at August 31, 2018 and 2017, respectively. The carrying value of receivables has been reduced by an appropriate allowance for uncollectible accounts, based on historical collection experience, and therefore, approximates net realizable value. Receivables are written off in the period in which they are deemed to be uncollectible. Accounts receivable are expected to be collected within one year.

3. Contributions Receivable, net

Contributions receivable consisted of the following:

	2018	2017
Amounts expected to be collected:		
Within 1 year	$ 903,296	$ 963,719
1 to 5 years	1,276,765	1,967,186
Thereafter	-	30,000
	2,180,061	2,960,905
Less: allowance for doubtful pledges	(95,650)	(95,650)
Less: discount to present value (rates ranging from 0.92% - 2.83%)	(72,539)	(100,909)
	2,011,872	2,764,346
Bequests	-	123,682
Split-Interest Agreements	2,238,455	2,848,175
	$ 4,250,327	$ 5,736,203

The University is a beneficiary of irrevocable split-interest agreements held by others. At the dates these split-interest agreements are either established or the University becomes aware of their existence, contribution revenue and receivables are recognized at the present value of the estimated future benefits to be received when the assets are distributed, at discount rates ranging from approximately 1.2% to 6.2%. The receivable is adjusted during the term for changes in the value of assets, accretion of the discount, and other changes in the estimates of future benefits. The income on the investments within split-interest agreements for the years ended August 31, 2018 and 2017 amounted to $17,250 and $38,648, respectively, and is included in investment gain in the accompanying consolidated statements of activities. The University's interest in the split-interest agreements is considered to be Level 3 under the fair value hierarchy.

Assets and liabilities under split-interest agreements are as follows for the year ended August 31:

	2018	
	Assets	Liabilities
Split-Interest Agreements, beginning of year	$ 2,848,175	$ 1,274,078
Contributions	80,000	53,384
Investment return	93,585	76,334
Disbursements to annuitants	(123,305)	(123,305)
Change in obligation to annuitants	(660,000)	-
Split-Interest Agreements, end of year	$ 2,238,455	$ 1,280,491

	2017	
	Assets	Liabilities
Split-Interest Agreements, beginning of year	$ 2,251,777	$ 871,621
Contributions	594,055	438,763
Investment return	101,600	62,951
Disbursements to annuitants	(99,257)	(99,257)
Split-Interest Agreements end of year	$ 2,848,175	$ 1,274,078

4. Student Loans Receivable, net and U.S. Government Grants Refundable

The University makes uncollateralized loans to students based on financial need under the Perkins Federal Loan program, Nursing Student Loan program and the Nurse Faculty Student Loan program. Student loans are funded through Federal government loan programs or institutional resources. Student loans represented approximately 1.4% and 1.5% of total assets for the years ended August 31, 2018 and 2017, respectively. At August 31, 2018 and 2017, gross student loans receivable for Federal government programs totaled $7,283,021 and $7,216,764, respectively. Of these amounts, as of August 31, 2018 and 2017, $4,997,749 and $3,393,500, respectively, were not in repayment status.

Amounts due under the Federal loan programs are guaranteed by the government and therefore, no reserves are placed on any past due balances under the program. The University does have an allowance for doubtful accounts of approximately $173,000 relating to the institutional share of these loan programs for each of the years ended August 31, 2018 and 2017.

At August 31, 2018 and 2017, the following amounts were past due under the student loan programs.

August 31,	In default < 240 days (monthly installments) or 270 days (other installments)	In default > 240 days (monthly installments) or 270 days (other installments) and < 2 years	In default > 2 years, up to 5 years	In default > 5 years	Total past due
2018	$ 38,068	$ 115,718	$ 358,719	$ -	$ 512,505
2017	156,997	87,858	112,409	24,705	$ 381,969

The availability of funds for loans under the Perkins Federal loan program is dependent on reimbursement to the pool from repayments on outstanding loans. Funds advanced by the Federal government of $6,192,712 and

$6,002,896 at August 31, 2018 and 2017, respectively, are ultimately refundable to the government and are classified as liabilities in the accompanying consolidated statements of financial position. Outstanding loans cancelled under the program result in a reduction of the funds available for loan and a decrease in the liability to the government.

On September 30, 2015, the Perkins Federal Loan Program expired. It was then extended on December 18, 2015 under The Perkins Loan Extension Act of 2015 to permit institutions to issue new loans, under amended guidelines, until September 30, 2017. No new Perkins loans can be issued under this Act subsequent to September 30, 2017. In addition, as part of this Act, prior to October 1, 2017, the University is required to annually return the federal share of excess liquid capital, as defined, to the federal government. Beginning on October 1, 2017, the federal share of all Perkins funds, including future collections of principal and interest, must be returned to the federal government.

5. Investments

Investments are recorded at fair value. At August 31, 2018 and 2017, the composition of investments was as follows:

	2018	2017
Money Market Funds	$ 297,827	$ 1,650,726
Equity Investments	52,298,433	48,121,364
Distressed Debt	2,252,975	979,684
Fixed Income Investments	44,907,989	45,603,512
Pooled Equity Funds	87,749,974	81,884,620
Pooled Commodity Funds	10,870	11,567
	$ 187,518,068	$ 178,251,473

The following summarizes the return on investments and its classification in the accompanying consolidated statements of activities:

	2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and Dividends				
(Net of Expenses)	$ 3,106,485	$ 940,664	$ 7,328	$ 4,054,477
Net Realized and Unrealized Gains	8,934,876	2,727,023	31,198	11,693,097
	$ 12,041,361	$ 3,667,687	$ 38,526	$ 15,747,574

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and Dividends				
(Net of Expenses)	$ 2,373,829	$ 710,535	$ 6,171	$ 3,090,535
Net Realized and Unrealized Gains	14,014,602	4,013,436	119,271	18,147,309
	$ 16,388,431	$ 4,723,971	$ 125,442	$ 21,237,844

Interest and dividends are net of investment manager fees of $434,388 and $421,489 for the years ended August 31, 2018 and 2017, respectively. These fees exclude manager fees for approximately 63% and 65% of the investment portfolio for the years ended August 31, 2018 and 2017, respectively, as those fees are netted with the investment return reported by the manager.

The following table summarizes the University's fair value hierarchy for its investments, measured at fair value, as of August 31, 2018 and 2017:

2018	Level 1	Level 2	Level 3	Total
Equity Investments	$ 52,298,433	$ -	$ -	$ 52,298,433
Fixed Income Investments	43,989,486	-	-	43,989,486
Equity Funds	72,373,964	-	-	72,373,964
Commodity Funds	10,870	-	-	10,870
Subtotal	$ 168,672,753	$ -	$ -	168,672,753
Money Market Funds				297,827
Alternative Investments at NAV				18,547,488
				$ 187,518,068

2017	Level 1	Level 2	Level 3	Total
Equity Investments	$ 48,121,364	$ -	$ -	$ 48,121,364
Fixed Income Investments	40,444,816	-	-	40,444,816
Equity Funds	67,922,747	-	-	67,922,747
Commodity Funds	11,567	-	-	11,567
Subtotal	$ 156,500,494	$ -	$ -	156,500,494
Money Market Funds				1,650,726
Alternative Investments at NAV				20,100,253
				$ 178,251,473

At August 31, 2018 and 2017, alternative investments comprised approximately 10% and 11% of the University's total investments at fair value, respectively.

The University uses NAV to determine the fair value of all the underlying investments which (1) do not have a readily determinable fair value and (2) prepare their financial statements consistent with the measurement principles of an investment company.

The following summarizes the strategy of the alternative investments:

Distressed Debt - uses a multi-manager approach that seeks to pursue an investment program comprised of restructured debt, stressed debt, mezzanine debt, special situations and distressed debt.

Pooled Fixed Income Funds - investment funds are pooled with other large investors in domestic and foreign fixed income strategies allowing for greater diversification.

Pooled Equity Funds - investment funds are pooled with other large investors in domestic and foreign equity strategies allowing for greater diversification.

Investments valued at NAV or its equivalent as of August 31, 2018, consisted of the following:

	# of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Distressed Debt	3	$ 2,252,975	$ 6,605,200	As underlying assets are sold	Over the life of the funds
Pooled Fixed Income Funds (in liquidation)	1	918,503	-	As underlying assets are sold	Over the life of the fund
Pooled Equity Funds	2	15,376,010	2,279,000	Monthly/As underlying assets are sold	10 Days/Over the life of the funds
		$ 18,547,488	$ 8,884,200		

Investments valued at NAV or its equivalent as of August 31, 2017, consisted of the following:

	# of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Distressed Debt	3	$ 979,684	$ 7,805,200	As underlying assets are sold	Over the life of the funds
Pooled Fixed Income Funds (in liquidation)	1	5,158,695	-	As underlying assets are sold	Over the life of the fund
Pooled Equity Funds	1	13,961,874	-	Monthly	10 Days
		$ 20,100,253	$ 7,805,200		

All net return amounts are reflected in investment gain within the accompanying consolidated statements of activities.

6. Endowment Funds

On September 17, 2010, New York State passed the New York State Prudent Management of Institutional Funds Act (“NYPMIFA”), its version of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”). All not-for-profit organizations formed in New York must apply this law. The University classifies donor-restricted endowment funds as permanently restricted net assets, unless otherwise stipulated by the donor: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the funds.

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the fund’s historic dollar value. Under NYPMIFA, the University may spend below the historical dollar value of its endowment funds unless specific donors have stipulated to the contrary. Deficiencies of this nature that are reported in unrestricted net assets. The University has received instruction from donors, who have contributed $5,894,134 and $5,751,429 in permanently restricted contributions, with a fair value of $7,742,299 and $7,329,309 as of August 31, 2018 and 2017, respectively, for which the University must maintain the historical dollar value of these funds and not adopt NYPMIFA as it relates to these particular endowment contributions.

The investment objectives for the University’s endowment are to preserve the principal value of those funds, in both absolute as well as real terms, and to maximize over the long-term the total rate of return earned without assuming an unreasonable degree of risk. In connection with these investment objectives, the Board of Trustees has adopted a spending policy. The amount available for spending is determined annually by applying a rate of

4.5% and 5% to the average fair value of the endowment for the preceding five fiscal years for the years ended August 31, 2018 and 2017, respectively.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the University's Board of Trustees in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

At August 31, 2018, the endowment net asset composition by type of fund consisted of the following:

	2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-Restricted Funds	$ -	$ 16,284,460	$ 36,497,336	$ 52,781,796
Board-Designated Funds	135,796,781	-	-	135,796,781
	$ 135,796,781	$ 16,284,460	$ 36,497,336	$ 188,578,577

Changes in endowment net assets for the fiscal year ended August 31, 2018 consisted of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of the Year	$ 130,714,584	$ 15,124,175	$ 33,923,277	$ 179,762,036
Investment Return:				
Investment Income, net	3,106,485	940,664	7,328	4,054,477
Net Appreciation *(realized and unrealized)*	8,932,191	2,744,273	31,197	11,707,661
Total Investment Gain	12,038,676	3,684,937	38,525	15,762,138
Contributions	-	26,616	1,826,148	1,852,764
Distribution for Spending	(5,618,000)	(1,889,846)	(10,154)	(7,518,000)
Quasi-Endowment Fund Withdrawal	(1,421,877)	-	-	(1,421,877)
Other Changes	83,398	(661,422)	719,540	141,516
Endowment Net Assets, End of Year	$ 135,796,781	$ 16,284,460	$ 36,497,336	$ 188,578,577

At August 31, 2017, the endowment net asset composition by type of fund consisted of the following:

	2017			
	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Donor-Restricted Funds	$ -	$ 15,124,175	$ 33,923,277	$ 49,047,452
Board-Designated Funds	130,714,584	-	-	130,714,584
	$ 130,714,584	$ 15,124,175	$ 33,923,277	$ 179,762,036

Changes in endowment net assets for the fiscal year ended August 31, 2017 consisted of the following:

	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**
Endowment Net Assets, Beginning of the Year	$ 123,030,258	$ 12,055,434	$ 31,106,300	$ 166,191,992
Investment Return:				
Investment Income, net	2,373,829	710,535	6,171	3,090,535
Net Appreciation *(realized and unrealized)*	14,013,220	4,052,084	119,271	18,184,575
Total Investment Gain	16,387,049	4,762,619	125,442	21,275,110
Contributions	-	157,905	1,425,797	1,583,702
Distribution for Spending	(5,975,000)	(1,852,407)	(87,593)	(7,915,000)
Quasi-Endowment Fund Withdrawal	(2,800,000)	-	-	(2,800,000)
Other Changes	72,277	624	1,353,331	1,426,232
Endowment Net Assets, End of Year	$ 130,714,584	$ 15,124,175	$ 33,923,277	$ 179,762,036

7. Amounts Held in Trust

Amounts held in trust consisted of the following:

	2018	2017
Amounts held by Trustee for 457(b) Plan	$ 1,478,679	$ 1,344,794
Amounts held for Agency Funds	1,179,261	934,390
Cash held by Trustee for Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds (Note 10)	296	92
	$ 2,658,236	$ 2,279,276

Investment income on amounts held in trust amounted to $254 and $94 for the years ended August 31, 2018 and 2017, respectively. The assets are invested in highly liquid investments that are classified as Level 1 within the fair value hierarchy.

8. Land, Buildings and Equipment, Net

Investment in land, buildings and equipment, net, consisted of the following:

	2018	2017
Land and Improvements	$ 2,158,865	$ 2,158,865
Buildings and Improvements	356,035,939	354,446,210
Construction in Progress	1,289,493	-
Equipment, Library Books, and Software	39,241,106	38,731,264
	398,725,403	395,336,339
Accumulated Depreciation	(151,011,826)	(143,031,738)
	$ 247,713,577	$ 252,304,601

9. Postretirement and Postemployment Benefits

a. Postretirement Benefits

The University sponsors a postretirement benefit plan covering medical costs for retirees. Participants may select their coverage, and the University typically pays 75% of the premiums. Certain participants are not required to pay any portion of the premium. Spouses of participants are covered at the participants' expense.

The status of the plan at August 31, 2018 and 2017 was as follows:

	2018	2017
Change in Accumulated Postretirement Benefit Obligation		
Benefit obligation at September 1	$ 458,226	$ 448,512
Interest cost	11,771	12,759
Plan participants' contributions	36,713	40,201
Benefit payments	(74,608)	(43,246)
Net actuarial gain	(121,742)	-
Benefit obligation at August 31	$ 310,360	$ 458,226
Change in Plan Assets		
University contributions	$ 74,608	$ 43,246
Benefit payments	(74,608)	(43,246)
	$ -	$ -
Funded Status of the Plan		
Benefit obligation less plan assets	$ (310,360)	$ (458,226)
Net accrued benefit liability	$ (310,360)	$ (458,226)
Total Recognized Amounts in the Consolidated Statements of Financial Position		
Accrued benefit liability	$ (310,360)	$ (458,226)
Net amount recognized	$ (310,360)	$ (458,226)
Costs Recognized in the Consolidated Statements of Activities		
Interest cost	$ 11,771	$ 12,759
Net postretirement expense	$ 11,771	$ 12,759

	2018	2017
Assumptions as of August 31		
Discount rate	4.00 %	3.00 %
Expected return on assets (for year shown)	N/A	N/A
Average rate of increase in compensation	N/A	N/A
Amounts recognized in accounts payable and accrued expenses in the Consolidated Statements of Financial Position consists of:		
Accrued benefit liability	$ (310,360)	$ (458,226)

For measurement purposes, a 7.0% annual rate of increase in the per capita cost of covered health care benefits was assumed for fiscal 2018. The rate was assumed to increase to 7.5% for fiscal year 2019 then decrease by 0.5% per year until 2024 and remain at 4.5% thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1-Percentage-Point Increase	1-Percentage-Point Decrease
Effect on total of service and interest cost	$ 800	$ 700
Effect on postretirement benefit obligation	20,700	18,600

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Year Ending August 31,	Benefit Payments
2019	$ 36,378
2020	34,253
2021	32,012
2022	29,733
2023 - 2028	135,290

b. Postemployment Benefits

The University provides various benefits on a discretionary case-by-case basis, which primarily includes salary and medical benefit continuations and unemployment insurance and accrues the cost when known. The University has estimated postemployment benefits at approximately $505,000 and $189,000 at August 31, 2018 and 2017, respectively. These amounts are included in accounts payable and accrued expenses within the accompanying consolidated statements of financial position.

10. Long-Term Debt

Long-term debt, as of August 31, 2018 and 2017, consisted of the following:

		2018	2017
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $ 31,075,000 with maturities through 2039, with interest at an average annual rate of 4.65%, plus unamortized premiums of $193,861 in 2018 and $203,093 in 2017.	(a)	$ 21,343,861	$ 21,953,093
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $25,000,000 with maturities through 2032, with interest at an average annual rate of 4.51%, plus unamortized premiums of $209,282 in 2018 and $224,456 in 2017.	(b)	19,074,282	20,044,456
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $45,080,000 with maturities through 2043, with interest at an average annual rate of 4.70%, plus unamortized premiums of $776,453 in 2018 and $806,902 in 2017.	(c)	44,996,453	45,886,902
Town of Hempstead Local Development Corporation, Civic Facility Revenue Bonds, original amount $33,535,000 with maturities through 2035, with interest at an average annual rate of 3.60%, plus unamortized premiums of $2,346,113 in 2018 and $2,483,446 in 2017.	(d)	35,131,113	36,018,446
		$ 120,545,709	$ 123,902,897
Less: Unamortized bond issuance costs		(1,861,070)	(1,958,953)
		$ 118,684,639	$ 121,943,944

Interest expense for the years ended August 31, 2018 and 2017 amounted to $5,597,499 and $5,780,933, respectively.

Bond issuance costs are amortized over the life of the bonds. Amortization expense for the bond issuance costs, calculated using the effective interest method, totaled $97,883 for each of the years ended August 31, 2018 and 2017.

a. Town of Hempstead Local Development Corporation

In September 2009, the Town of Hempstead Local Development Corporation (the "LDC") issued $31,075,000 of Civic Facility Revenue Bonds ("2009 Bonds"), with maturities through 2039, at an average interest rate of 4.65%, plus a premium of $732,584. The proceeds from the 2009 Bonds were used to refund the outstanding 1999 Bonds and to partially finance the construction of a new 171-bed residence hall.

In accordance with the terms of the bond agreement, the 2009 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require twenty-nine annual principal payments, which commenced on February 1, 2011 and sixty semi-annual interest payments, which commenced February 1, 2010.

b. Town of Hempstead Local Development Corporation

In June 2011, the LDC issued $25,000,000 of Civic Facility Revenue Bonds ("2011 Bonds"), with maturities through 2032, at an average interest rate of 4.51%, plus a premium of $318,662. The proceeds from the 2011 Bonds were used to refund the outstanding 2002 Bonds and to finance the construction of a 171-bed residence hall, softball field facility and various other renovations and electrical upgrades.

In accordance with the terms of the bond agreement, the 2011 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require twenty-one annual principal payments, which commenced on June 1, 2012 and forty-two semi-annual interest payments, which commenced December 1, 2011.

c. Town of Hempstead Local Development Corporation

In November 2013, the LDC issued $45,080,000 of Revenue Bonds, Series 2013 ("2013 Bonds"), with maturities through 2043, at an average interest rate of 4.70%, plus a premium of $923,624. The proceeds from the 2013 Bonds are being used to finance: (i) construction of the Nexus and Welcome Center building; (ii) underground parking; and (iii) other capital improvements and maintenance projects.

In accordance with the terms of the bond agreement, the 2013 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require twenty-seven annual principal payments, which commenced on September 1, 2017 and sixty semi-annual interest payments, which commenced March 1, 2014.

d. Town of Hempstead Local Development Corporation

In September 2014, the LDC issued $33,535,000 of Revenue Bonds, Series 2014 ("2014 Bonds"), with maturities through 2035, at an average interest rate of 3.60% plus a premium of $2,884,001. The proceeds of the 2014 Bonds were used for the purpose of advance refunding all remaining outstanding bonds issued in 2005 by the Town of Hempstead Industrial Development Agency.

In accordance with the terms of the bond agreement, the 2014 Bonds are not collateralized by any mortgage or lien on or security interest in the facilities being renovated or in any other real or personal property of the University.

The University is required to make semi-annual payments to the LDC, equal in amount to the LDC's debt service payments. The LDC's debt service payments require nineteen annual principal payments, which will commenced on October 1, 2017 and forty-two semi-annual interest payments, which commenced April 1, 2015.

Future debt service payments are comprised of the following:

Year Ending August 31,	Bonds Payable
2019	$ 9,115,168
2020	9,110,594
2021	9,106,593
2022	9,101,744
2023	9,103,168
Thereafter	139,256,976
	184,794,243
Less: Interest Portion	(67,774,243)
Less: Unamortized Bond Issuance Costs	(1,861,070)
Add: Unamortized Premium	3,525,709
	$ 118,684,639

11. Retirement Plans

The University has a contributory defined contribution retirement plan, which cover substantially all full-time employees. It is the University's policy to fund pension costs accrued. The University's contributions are determined in accordance with the related provisions of the union contracts and at the discretion of management for all non-union employees. Total pension costs under the plans for the years ended August 31, 2018 and 2017 amounted to $7,933,026 and $7,579,140, respectively.

12. New York State Aid

The University received institutional support for the years ended August 31, 2018 and 2017 in the amount of $675,570 and $702,025, respectively, under Article 129 of the New York State Education Law.

13. Allocation of Certain Expenses

The University allocates operation and maintenance of plant, depreciation and amortization, and interest expense based on proportional expenditures using estimates of building square footage and the functional use of each facility financed by debt.

For the years ended August 31, 2018 and 2017, the following allocation of expenses was included in the accompanying consolidated statements of activities:

2018	Operation and Maintenance of Plant	Depreciation and Amortization	Interest Expense	Total
Instruction	$ 11,902,286	$ 2,598,295	$ 1,891,940	$ 16,392,521
Research and Public Service	1,080,205	450,078	254,417	1,784,700
Academic Support	2,560,722	897,819	198,352	3,656,893
Student Services	3,675,701	2,210,186	1,619,721	7,505,608
Institutional Support	1,532,974	699,399	456,414	2,688,787
Auxiliary Enterprises	5,143,559	1,626,117	1,176,655	7,946,331
	$ 25,895,447	$ 8,481,894	$ 5,597,499	$ 39,974,840

2017	Operation and Maintenance of Plant	Depreciation and Amortization	Interest Expense	Total
Instruction	$ 12,089,905	$ 2,734,316	$ 1,935,184	$ 16,759,405
Research and Public Service	1,103,344	449,280	260,527	1,813,151
Academic Support	2,595,868	909,608	203,098	3,708,574
Student Services	3,798,972	2,215,724	1,655,554	7,670,250
Institutional Support	1,735,534	706,551	511,596	2,953,681
Auxiliary Enterprises	5,775,607	1,645,850	1,214,974	8,636,431
	$ 27,099,230	$ 8,661,329	$ 5,780,933	$ 41,541,492

14. Commitments and Contingencies

a. Noncancelable Lease Agreements and Other Contracts

The University is obligated under noncancelable operating lease agreements for the rental of off-campus facilities, some of which contain escalation clauses; equipment rentals; and other contracts. Minimum annual commitments under the operating leases and other contracts are as follows at August 31, 2018:

Year Ending August 31,	Total
2019	$ 4,831,574
2020	4,566,758
2021	3,838,072
2022	3,828,435
2023	1,683,572
Thereafter	7,296,796
	$ 26,045,207

Rental expense for operating leases amounted to $4,573,961 and $4,617,483 for the years ended August 31, 2018 and 2017, respectively.

b. Litigation

The University is presently a defendant in several lawsuits arising from the normal conduct of its affairs. Management of the University is of the opinion that settlements, if any, of the aforementioned litigation not covered by insurance will not have a material adverse impact on the accompanying consolidated financial statements of the University.

15. Subsequent Events

The University evaluated its August 31, 2018 consolidated financial statements for subsequent events through November 29, 2018, the date the consolidated financial statements were issued. The University is not aware of any subsequent events which would require recognition or disclosure in the consolidated financial statements.

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APPENDIX C

SCHEDULE OF DEFINITIONS AND SUMMARY OF DOCUMENTS

SUMMARY OF SCHEDULE OF DEFINITIONS

The following have the meanings stated herein when used in this Official Statement and the documents summarized below.

"Act" means, collectively, the New York Membership Corporation Law as in effect in 1966, as amended and supplemented by Section 1411 of the New York Not-For-Profit Corporation Law.

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

"Affiliate" shall mean a corporation, partnership, association, limited liability company, joint venture, business trust or similar entity organized under the laws of any state that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common contract with, the University.

"Annual Compliance Fee" means the $1,500 Annual Compliance Fee to be paid by the University to the Issuer on or before January 1 of each year pursuant to the Loan Agreement.

"Applicable Elected Representative" means any Person constituting an "applicable elected representative" within the meaning given to the term in Section 147(f)(2)(E) of the Code.

"Authorized Investments" means:

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)
Direct obligations are fully guaranteed certificates of beneficial ownership

2. Farmers Home Administration (FmHA)
   Certificates of beneficial ownership
3. Federal Financing Bank
4. Federal Housing Administration Debentures (FHA)
5. General Services Administration
   Participation Certificates
6. Government National Mortgage Association (GNMA or "Ginnie Mae")
   GNMA – guaranteed mortgage-backed bonds
   GNMA – guaranteed pass-through obligations
   (not acceptable for certain cash-flow sensitive issues)
7. U.S. Maritime Administration
   Guaranteed Title XI financing
8. U.S. Department of Housing and Urban Development (HUD)
   Project Notes
   Local Authority Bonds
   New Communities Debentures – U.S. government guaranteed debentures
   U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds

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
   Senior debt obligations
2. Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac")
   Participation Certificates
   Senior debt obligations
3. Federal National Mortgage Association (FNMA or "Fannie Mae")
   Mortgage-backed securities and senior debt obligations
4. Student Loan Marketing Association (SLMA or "Sallie Mae")
   Senior debt obligations
5. Resolution Funding Corp. (REFCORP) obligations
6. Farm Credit System
   Consolidated systemwide bonds and notes

D. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933.

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 Trustee 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, Forward Purchase Agreements and Reserve Fund Put Agreements provided by banks and other institutions rated AAA by S&P and Aaa by Moody's or secured by collateral and structured as described in (A), (B) and (E) above.

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.

K. Repurchase agreements providing for the transfer of securities from a dealer bank or securities firm (seller/borrower) to a municipal entity (buyer/lender), and the transfer of cash from a municipal entity to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the municipal entity in exchange for the securities at a specified date.

1. Repurchase agreements must be between the Issuer and a dealer bank or securities firm.
    a. <u>Primary dealers</u> on a Federal Reserve reporting dealer list which are rated A or better by S&P and Moody's or
    b. <u>Banks</u> rated A or above by S&P, Fitch and Moody's.

2. The written repurchase agreements contract must include the following:
    a. <u>Securities which are acceptable for transfer are</u>:
        (1) Direct U.S. governments, or
        (2) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA and FHLMC)
    b. The term of the repurchase agreements may be up to 30 days.

c. The collateral must be delivered to the Issuer, the Trustee (if the 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:

(1) The securities must be valued weekly, marked-to-market at current market price plus accrued interest.

(a) 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 agreements 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%.

3. Legal opinion which must be delivered to the Issuer:

a. Repurchase agreements meet guidelines under state law for legal investment of public funds.

"Authorized Representative" means, in the case of the Issuer, the Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Deputy Executive Director and Chief Financial Officer, the Secretary or the Assistant Secretary of the Issuer; in the case of the University, the President or the Treasurer of the University; and, in the case of either of the Issuer and the University, such additional persons as, at the time, are designated to act on behalf of the Issuer or the University, as the case may be, by written certificate furnished to the Trustee, the Issuer or the University, as the case may be, containing the specimen signature of each such person and signed on behalf of (i) the Issuer by the Chairman, the Vice Chairman, the Executive Director and Chief Executive Officer, the Deputy Executive Director and Chief Financial Officer, the Secretary or the Assistant Secretary of the Issuer, or (ii) the University by the President or the Treasurer of the University.

"Bankruptcy Code" means the United States Bankruptcy Code, as amended from time to time.

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

"<u>Bond Documents</u>" means the Bond Purchase Agreement, the Indenture, the Loan Agreement, the Tax Regulatory Agreement, the Note, the Continuing Disclosure Agreement, the Preliminary Official Statement and the Official Statement.

"<u>Bond Fund</u>" means the fund so designated which is established by the Indenture.

"<u>Bond Purchase Agreement</u>" means the Bond Purchase Agreement, dated May 3, 2019, among the Issuer, the University and the Underwriter, as the same may be amended from time to time.

"<u>Bond Proceeds</u>" means the aggregate amount, including any accrued interest, paid to the Issuer by the Bondholders pursuant to the Indenture as the purchase price of the Series 2019 Bonds.

"<u>Bond Rate</u>" means the tax-exempt rate of interest from time to time payable on any of the Series 2019 Bonds as defined therein.

"<u>Bond Registrar</u>" means the Trustee as bond registrar with respect to the Series 2019 Bonds and its successors and assigns in such capacity.

"<u>Bond Year</u>" means with respect to the Series 2019 Bonds, each 1-year period (or shorter period from the date of issue) that ends at the close of business on the day in the calendar year that is selected by the Issuer (and approved by the University), which must be the last day of a compounding interval used in computing the yield on the Series 2019 Bonds.

"<u>Bondholder</u>" means Owner.

"<u>Business Day</u>" means any day other than a Saturday, a Sunday, a legal holiday or a day on which banking institutions in New York, New York or any city in which the principal office of the Trustee or any Paying Agent is located are authorized by law or executive order to remain closed.

"<u>Certificate of Authentication of the Trustee</u>" and "<u>Trustee's Certificate of Authentication</u>" means the certificate executed by an authorized signatory of the Trustee certifying the due authentication of each of the Series 2019 Bonds issued under the Indenture.

"<u>Closing Date</u>" means the date of sale and delivery of the Series 2019 Bonds.

"<u>Code</u>" means the Internal Revenue Code of 1986, as amended, and the final, temporary and proposed rules, regulations, rulings and interpretations of the Department of the Treasury promulgated thereunder.

"<u>Completion Date</u>" means the date of completion of the Student Center Project as certified to pursuant to the Loan Agreement.

"Computation Period" means "Computation Period" as defined in the Tax Regulatory Agreement.

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

"Construction Costs" shall have the meaning assigned thereto in the Tax Regulatory Agreement.

"Construction Period" means, with respect to the Student Center Project, the period (i) beginning on the date of commencement of the Student Center Project, which date shall not be prior to March 28, 2019 and (ii) ending on the Completion Date with respect to the Student Center Project.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement, dated the date of delivery of the Series 2019 Bonds, between the University and the Trustee.

"Cost of the 2019 Project" or "Costs of the 2019 Project" means all those costs and items of expense listed in the Loan Agreement.

"Debt Service Payment" means, with respect to any Debt Service Payment Date, (i) the interest payable on such Debt Service Payment Date on all Series 2019 Bonds then Outstanding, plus (ii) the principal or Redemption Price, if any, payable on such Debt Service Payment Date on all such Series 2019 Bonds.

"Debt Service Payment Date" means any date on which each Debt Service Payment shall be payable on any of the Series 2019 Bonds so long as the Series 2019 Bonds shall be outstanding.

"Default Rate" shall have the meaning assigned thereto in the Series 2019 Bonds.

"DTC" means The Depository Trust Company, New York, New York.

"DTC Letter of Representation" means the Letter of Representation from the Issuer to DTC.

"Equipment" means all machinery, equipment and other personal property used and to be used in connection with the Series 2019 Project and financed with Bond Proceeds.

"Event of Default" (i) when used with respect to the Indenture means any of those events defined as an Event of Default by the Indenture, and (ii) when used with respect to the Loan Agreement, means any of the events defined as Events of Default by the Loan Agreement.

"Event of Taxability" means:

(i) a final determination by any court of competent jurisdiction or a final determination by the Internal Revenue Service to which the University shall consent or from which no timely appeal shall be taken to the effect that interest on the Series 2019 Bonds is includible in the gross income of the owner thereof under Section 61 of the Code; or

(ii) the delivery to the University and to the Issuer of an opinion of Bond Counsel (reasonably satisfactory to the University) to the effect that interest on the Series 2019 Bonds is includible in the gross income of the owner thereof under Section 61 of the Code.

"Exempt Organization" means an organization described in Section 501(c)(3) of the Code and which is exempt from federal income taxation pursuant to Section 501(a) of the Code.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all fees and expenses incurred by or due to the Trustee or any Paying Agent under the Indenture other than Ordinary Services and Ordinary Expenses, including reasonable fees and disbursements of Trustee's counsel.

"Facility" means the portions of the approximately 70 acre Garden City campus of the University at South Avenue, located in the Village of Garden City, Town of Hempstead, Nassau County, New York, whose address is One South Avenue, Garden City, New York 11530, bordered on the north by South Avenue, on the east by Rockaway Avenue and Cherry Valley Club, on the west by Brompton Road, and on the south by Cambridge Avenue, all in the Village of Garden City, Town of Hempstead, Nassau County, New York (the "Garden City Campus") consisting of (A) (i) an approximately 55,000 square foot four-story residence facility currently named Residence Hall B, located on the western portion of the Garden City Campus, (ii) an approximately 54,800 square foot building known as Woodruff Hall, located on the eastern portion of the Garden City Campus, (iii) an approximately 30,000 square foot building known as Hy Weinberg Center, located on the southern portion of the Garden City Campus, and (iv) the Swirbul Library, located at the northwestern portion of the Garden City Campus; and (B) an approximately 74,272 square foot existing student center known as the Ruth S. Harley University Center and an approximately 24,164 square foot addition thereto.

"Fiscal Year" means the twelve (12) month period beginning on September 1 in any year or such other fiscal year as the University may select from time to time.

"Fitch" means Fitch Ratings and its successors and assigns.

"Government Obligations" means:

1. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGS").

2. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.

3. Resolution Funding Corp. (REFCORP). Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form are acceptable.

4. Pre-refunded municipal bonds rated Aaa by Moody's and AAA by S&P. If however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations or AAA rated pre-refunded municipals to satisfy this condition.

5. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

a. U.S. Export-Import Bank (Eximbank)
Direct obligations are fully guaranteed certificates of beneficial ownership

b. Farmers Home Administration (FmHA)
Certificates of beneficial ownership

c. Federal Financing Bank

d. General Services Administration
Participation Certificates

e. U.S. Maritime Administration
Guaranteed Title XI financing

f. U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds
New Communities Debentures – U.S. government guaranteed debentures
U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds

"Hazardous Substance" means, without limitation, any flammable, explosive, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum constituents, petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, pollutants, or toxic pollutants, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601, et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. Sections 1251 et seq.), Articles 17 and 27 of the New York State Environmental Conservation Law, or any other applicable Environmental Law and the regulations promulgated thereunder.

"Holder" means Owner.

"Improvements" means all those buildings, improvements, structures and other related facilities financed as part of the Facility and (i) financed with Bond Proceeds or of any payment by the University pursuant to the Loan Agreement, and (ii) not part of the Equipment, all as they may exist from time to time.

"Indebtedness" shall mean any obligation of the University for the payment of money, including without limitation (i) indebtedness for money borrowed, (ii) purchase money obligations, (iii) leases evidencing the acquisition of capital assets, (iv) reimbursement obligations, and (v) guarantees of any such obligation of a third party.

"Indenture" means the Indenture of Trust, dated as of May 1, 2019, by and between the Issuer and the Trustee, entered into in connection with the issuance, sale, delivery and payment of the Series 2019 Bonds and the security therefor as the same may be amended or supplemented from time to time.

"Independent Counsel" means an attorney or attorneys or firm or firms of attorneys duly admitted to practice law before the highest court of any state of the United States of America or in the District of Columbia and not a full time employee of the Issuer, the University or the Trustee.

"Independent Engineer" means an engineer or engineering firm registered and qualified to practice the profession of engineering under the laws of the State selected by the University and not a full time employee of the Issuer, the University or the Trustee.

"Information Report" means Form 8038 used by the issuers of certain tax-exempt bonds to provide the Internal Revenue Service with the information required to monitor the State volume limitations.

"Initial Bondholder" means Cede & Co., as nominee for DTC, as the initial owner of the Series 2019 Bonds.

"Initial Compliance Fee" means the Initial Compliance Fee in the amount of $2,500 paid by the University to the Issuer on the Closing Date pursuant to Section 5.3(a) of the Loan Agreement.

"Issuer" means (i) the Town of Hempstead Local Development Corporation, its successors and assigns, and (ii) any local governmental body resulting from or surviving any consolidation or merger to which the Issuer or its successors may be a party.

"Issuer Documents" means the Bond Purchase Agreement, the Series 2019 Bonds, the Loan Agreement, the Indenture, the Note, the Tax Regulatory Agreement, the Information Report, the Preliminary Official Statement and the Official Statement.

"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 the security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other similar title exceptions and encumbrances, including but not limited to mechanics', materialmen's, warehousemen's, carriers' and other similar encumbrances affecting real property. For the purposes of this definition, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

"Loan Agreement" means the Loan Agreement, dated as of May 1, 2019, by and between the Issuer and the University with respect to the Series 2019 Project, as the same may be amended from time to time.

"Loan Term" means the duration of the loan term created in the Loan Agreement.

"Long-Term Indebtedness" means indebtedness with a term greater than one (1) year.

"Moody's" means Moody's Investor Service.

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

"Note" or "Promissory Note" means the Promissory Note dated the Closing Date, from the University to the Issuer, substantially in the form of Exhibit D to the Loan Agreement, evidencing the University's obligations to make Loan Payments to the Issuer.

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

"Official Statement" means the Official Statement, dated May 3, 2019, distributed by the Underwriter and the University in connection with the sale of the Series 2019 Bonds.

"Ordinary Services" and "Ordinary Expenses" means those services normally rendered and those fees and expenses normally incurred by or due to a trustee or paying agent, as the case may be, under instruments similar to the Indenture, including reasonable fees and disbursements of counsel for the Trustee.

"Outstanding" or "Series 2019 Bonds Outstanding" or "Series 2019 Bonds Outstanding Bonds" means all bonds which have been authenticated by the Trustee and delivered by the Issuer under the Indenture, or any supplement thereto, except: (i) any Series 2019 Bond cancelled by the Trustee because of payment or redemption prior to maturity; (ii) any bond deemed paid in accordance with the provisions of the Indenture, except that any such Series 2019 Bond shall be considered Outstanding until the maturity date thereof only for the purposes of being exchanged or registered; and (iii) any Series 2019 Bond in lieu of or in substitution for which another Series 2019 Bond shall have been authenticated and delivered pursuant to the Indenture, unless proof satisfactory to the Trustee is presented that any Series 2019 Series 2019 Bond, for which a Series 2019 Bond in lieu of or in substitution therefor shall have been authenticated and delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the Series 2019 Bond so substituted and replaced and the Series 2019 Bond or Series 2019 Bonds so authenticated and delivered in lieu thereof or in substitution therefor shall be deemed Outstanding.

"Owner" means the registered owner of any Series 2019 Bond as shown on the registration books maintained by the Bond Registrar pursuant to the Indenture.

"Paying Agent" means the Trustee, acting as such, and any additional paying agent for the Series 2019 Bonds appointed pursuant to the Indenture, their respective successors and any other corporation which may at any time be substituted in their respective places pursuant to the Indenture.

"Permitted Encumbrances" means (i) the Loan Agreement, (ii) utility, access and other easements and rights-of-way, restrictions and exceptions that do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (iii) mechanics', materialmen's, warehousemen's, carriers' and other similar Liens which are approved in writing by the Issuer, (iv) Liens for taxes not yet delinquent, (v) equipment leases of less than one (1) year, (vi) equipment leases in excess of one (1) year and/or purchase money security interests, in each case not in excess of the amounts set forth in the Loan Agreement and with respect to additional long term debt such greater amount as shall be approved by fifty percent (50%) or more of the Holders of the Series 2019 Bonds, (vii) indebtedness in connection with the acquisition of real property secured solely by non-recourse purchase money mortgages on such real property, which indebtedness is not a general obligation of the University, and (viii) Liens which are in existence as of the Closing Date or described in the audited consolidated financial statements of the University.

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

"Plans and Specifications" means those plans and specifications, if any, for the Improvements, as may be from time to time prepared for the University, as revised from time to time in accordance with the Loan Agreement.

"Preliminary Official Statement" means the Preliminary Official Statement, dated April 25, 2019, distributed by the Underwriter and the University in connection with the sale of the Series 2019 Bonds.

"Project Fund" means the fund so designated which is created by the Indenture.

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

"Public Purposes" shall mean the Issuer's objective to relieve and reduce unemployment, promote and provide for additional and maximum employment, bettering and maintaining job opportunities, instruct or train individuals to improve or develop the capabilities for such jobs, carrying on scientific research for the purpose of aiding the territory in which its operations are principally to be conducted by attracting new industry to such territory or by encouraging the development of, or retaining of an industry in said territory, and lessening the burdens of government and acting in the public interest.

"Rating Agency" means Moody's, Fitch, S&P or such other nationally recognized rating agency which shall have issued and is maintaining a rating on the Series 2019 Bonds.

"Rating Agency Letter" means the rating letter from each Rating Agency assigning a rating on the Series 2019 Bonds.

"Rebate Amount" means, with respect to the Series 2019 Bonds, the amount computed as described in the Tax Regulatory Agreement.

"Rebate Fund" means the fund so designated pursuant to the Indenture.

"Record Date" means, with respect to any Debt Service Payment Date, the fifteenth (15^{th}) day of the month next preceding such Debt Service Payment Date (whether or not a Business Day).

"Redemption Date" means, when used with respect to a Series 2019 Bond, the date of redemption thereof established pursuant to the Indenture.

"Redemption Price" means, when used with respect to a Series 2019 Bond, the principal amount thereof plus the applicable premium, if any, payable upon the prior redemption thereof pursuant to the Indenture.

"Renewal Fund" means the fund so designated and created pursuant to the Indenture.

"Resolution" means, collectively (i) the Inducement Resolution duly adopted by the Issuer on March 28, 2019, inducing the Series 2019 Project, and (ii) the Authorizing Resolution duly adopted by the Issuer on April 17, 2019, authorizing the issuance, execution, sale and delivery of the Series 2019 Bonds and the execution and delivery of

Issuer Documents, as such resolution may be amended or supplemented from time to time.

"Responsible Officer", when used with respect to the Trustee, means any officer of the Trustee with responsibility for the administration of the Indenture and, when used with respect to a particular corporate trust matter, also means any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

"Schedule of Definitions" means the words and terms set forth in this Schedule of Definitions attached to the Indenture as the same may be amended from time to time.

"Series 2009B Trustee" means U.S. Bank National Association, a banking corporation duly organized and validly existing under the laws of the United States of America.

"Series 2009B Bonds Redemption Account" means the account within the Project Fund which is established by the Indenture.

"Series 2019 Bonds" means the Issuer's Revenue Bonds, Series 2019 (Adelphi University Project) issued pursuant to the terms of the Indenture and delivered on May 9, 2019, in the aggregate principal amount of $24,985,000 and substantially in the form of Exhibit A of the Indenture.

"Series 2019 Project" or "Project" means the financing and refinancing of the Facility from the proceeds of the Series 2019 Bonds loaned by the Issuer to the University under the Loan Agreement.

"Series 2019 Project Construction Account" means the account within the Project Fund which is established by the Indenture.

"SEQR Act" means the State Environmental Quality Review Act and the regulations thereunder.

"Short-Term Indebtedness" means indebtedness with a term of one (1) year or less, but not including accounts payable by the University in the ordinary course of its operations.

"Sinking Fund Payments" means payments made on a Debt Service Payment Date to pay the Redemption Price of bonds called for redemption pursuant to the Indenture.

"S&P" or "Standard & Poor's" means Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc.

"Student Center Project" means the acquisition, renovation, construction, equipping and furnishing of the Student Center consisting of (i) the construction and equipping of an approximately 24,164 square foot addition to the existing approximately 74,272 square foot Student Center including, but not limited to, expanded dining options, a new school spirit store, new and enlarged meeting spaces for student organizations, an enhanced art gallery, administrative space, and state-of-the-art technology throughout, and (ii) certain renovations and upgrades to the existing approximately 74,272 square foot Student Center.

"State" means the State of New York.

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

"Tax Incidence Date" means the date from which the interest on the Series 2019 Bonds is deemed to be includible in the gross income of the owner of a Bond by virtue of an Event of Taxability.

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

"Trust Estate" means the rights assigned pursuant to the Indenture and all Property which may from time to time be subject to the Lien of the Indenture.

"Trustee" means (i) The Bank of New York Mellon, a New York banking corporation duly organized and validly existing and authorized to accept and execute trusts of the character herein set out under the laws of the State of New York, having its corporate trust office at 240 Greenwich Street, Floor 7W, New York, New York 10286,, (ii) its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee hereunder.

"Unassigned Rights" means the rights of the Issuer and moneys payable pursuant to and under the Loan Agreement.

"Underwriter" means (i) TD Securities (USA) LLC, having an office at 31 West 52nd Street, New York, New York 10019, or (ii) its successors and assigns.

"University" means Adelphi University, an education corporation duly organized and validly existing under the laws of the State of New York, and its successors and assigns.

"University Documents" means the Bond Purchase Agreement, the Loan Agreement, the Tax Regulatory Agreement, the Note, the Continuing Disclosure Agreement, the Preliminary Official Statement, and the Official Statement.

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SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a summary of certain provisions of the Indenture. Certain provisions of the Indenture are also described in the Official Statement. This summary does not purport to be complete and reference is made to the Indenture for the detailed provisions thereof. This summary is qualified in its entirety by such reference. Headings are not part of the Indenture and are included for ease of reference only.

Authentication

No Series 2019 Bond shall be valid for any purpose or shall be entitled to any right or benefit under the Indenture unless there shall be endorsed on such Series 2019 Bond a Certificate of Authentication, duly executed by the Trustee, substantially in the form set forth in the Form of Series 2019 Bonds included as Exhibit A to the Indenture. Such executed Certificate of Authentication by the Trustee upon any such Series 2019 Bond shall be conclusive evidence that such Series 2019 Bond has been authenticated and delivered under the Indenture. The Trustee's Certificate of Authentication on any Series 2019 Bond shall be deemed to have been executed by it if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same person sign the Certificate of Authentication on all of the Series 2019 Bonds issued under the Indenture. *(Section 2.05)*

Mutilated, Lost, Stolen or Destroyed Series 2019 Bonds

(a) In the event any Series 2019 Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and, upon its request, the Trustee shall authenticate and deliver, a new Series 2019 Bond of like maturity, interest rate and principal amount and bearing the same number (or such number as the Trustee shall permit) as the mutilated, destroyed, lost or stolen Series 2019 Bond, in exchange for the mutilated Series 2019 Bond, or in substitution for the Series 2019 Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Issuer and to the Trustee (i) such security or indemnity as may be required by them to hold each of them harmless from all risks, however remote, and (ii) evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Series 2019 Bond and of the ownership thereof. Upon the issuance of any Series 2019 Bond upon such exchange or substitution, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including fees and expenses and counsel fees, of the Issuer or the Trustee. In case any Series 2019 Bond which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a Series 2019 Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Series 2019 Bond) if the applicant for such payment shall furnish to the Issuer and to the Trustee such security or indemnity as they may require to hold them harmless and evidence to the satisfaction of the Issuer and the Trustee of the mutilation, destruction, loss or theft of such Series 2019 Bond and of the ownership thereof.

(b) Every new Series 2019 Bond issued pursuant to the provisions of the Indenture shall constitute an additional contractual, special obligation of the Issuer (whether or not the destroyed, lost or stolen Series 2019 Bond shall be found at any time after the issuance of such new Series 2019 Bonds, in which case the destroyed, lost or stolen Series 2019 Bond shall be void and unenforceable) and shall be entitled to all the benefits of the Indenture equally and proportionately with any and all other Series 2019 Bonds duly issued under the Indenture.

(c) All Series 2019 Bonds shall be held and owned upon the express condition that the provisions of the Indenture are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost or stolen Series 2019 Bonds, and shall preclude all other rights or remedies, notwithstanding any law or statute existing or hereinafter enacted to the contrary. *(Section 2.09)*

Establishment of Funds

The following trust funds are hereby established with the Trustee and shall be held, maintained and administered by the Trustee on behalf of the Issuer in accordance with the Indenture:

(a) Town of Hempstead Local Development Corporation Bond Fund – Adelphi University (the "Bond Fund"), and within such Bond Fund, an "Interest Account" and a "Principal Account".

(b) Town of Hempstead Local Development Corporation Project Fund – Adelphi University (the "Project Fund"), and within such Project Fund, a "Series 2009B Bonds Redemption Account", a "Series 2019 Bonds Cost of Issuance Account" and a "Series 2019 Project Construction Account".

(c) Town of Hempstead Local Development Corporation Rebate Fund – Adelphi University (the "Rebate Fund").

(d) Town of Hempstead Local Development Corporation Renewal Fund – Adelphi University (the "Renewal Fund"). *(Section 4.01)*

Moneys to Be Held in Trust

All moneys deposited with, paid to or received by the Trustee for the accounts of the Issuer (other than amounts deposited in the Rebate Fund) shall be held by the Trustee in trust, and shall be subject to the lien of the Indenture and held for the security of the Owners of the Series 2019 Bonds until paid in full; provided, however, that moneys which have been deposited with, paid to or received by the Trustee (i) for the redemption of a portion of the Series 2019 Bonds, notice of the redemption of which has been given, or (ii) for the payment of Series 2019 Bonds or interest thereon due and payable otherwise than upon acceleration by declaration, shall be held in trust for and subject to a Lien in favor of only the Owners of such Series 2019 Bonds so called for redemption or so due and payable. *(Section 4.03)*

Use of the Moneys in Project Fund

(a) Moneys in the Project Fund shall be applied and expended by the Trustee in accordance with the provisions of the Indenture and the Loan Agreement. The Trustee is hereby authorized and, on the date of Closing, directed to transfer amounts on deposit in the Series 2009B Bonds Redemption Account of the Project Fund to the Series 2009B Bonds Trustee to be used to redeem the Series 2009B Bonds.

(b) Except as otherwise provided in summarized section (a) under this heading, the Trustee is hereby directed to issue its checks or send its wires for each disbursement from the Series 2019 Bonds Construction Account and/or the Series 2019 Bonds Cost of Issuance Account of the Project Fund upon being furnished with a written requisition therefor certified by an Authorized Representative of the University and substantially in the form of Exhibit B annexed to the Indenture to pay the Costs of the Series 2019 Project. After all Cost of Issuance of the Series 2019 Bonds have been paid from the Series 2019 Bonds Cost of Issuance Account of the Project and prior to the Completion Date, the Trustee shall, upon written direction from the University, transfer the balance of the Series 2019 Bonds Cost of Issuance Account of the Project Fund to the Series 2019 Bonds Construction Account of the Project Fund. The Trustee shall maintain adequate records pertaining to the Project Fund and all disbursements therefrom.

(c) The completion of the Student Center Project and payment or provision for payment of all Costs of the 2019 Project shall be evidenced by the filing with the Trustee of the certificate required by the Loan Agreement. As soon as practicable and in any event not more than sixty (60) days after the date of the filing with the Trustee of the certificate referred to in the preceding sentence, any balance remaining in the Project Fund, except amounts the University shall have directed the Trustee, in writing, to retain for any Cost of the Series 2019 Project not then due and payable, and after the making of any transfer to the Rebate Fund that the University shall have directed the Trustee, in writing, to make as required by the Tax Regulatory Agreement and the Indenture, shall without further authorization be transferred to the Bond Fund and thereafter applied to pay the principal of the Series 2019 Bonds as they become due and payable.

(d) Within sixty (60) days after transfer of the balance in the Project Fund to the Bond Fund, the Trustee shall file an accounting thereof with the Issuer and the University and the Trustee shall apply such transferred amounts as provided in subparagraph (d) under the heading "Use of Moneys in Bond Fund."

(e) All earnings on amounts held in the Project Fund shall be retained in the respective account of the Project Fund until the Completion Date. Any transfers by the Trustee of amounts to the Rebate Fund (only at the direction of the University) shall be drawn by the Trustee from the Project Fund.

(f) If an Event of Default under the Indenture shall have occurred and the outstanding principal amount of the Series 2019 Bonds shall have been declared due and payable, the entire balance remaining in the Project Fund, after making any transfer to the Rebate Fund directed to be made by the University pursuant to the Tax Regulatory

Agreement and the Indenture, shall be transferred to the Bond Fund for the redemption of the Series 2019 Bonds. *(Section 4.04)*

Payments into Bond Fund

There shall be deposited in the Bond Fund, as and when received (a) all payments received by the Trustee under the Loan Agreement; (b) the balance in the Project Fund and the Renewal Fund to the extent specified in the Indenture after the Completion Date; (c) the amount of net income or gain received from the investments of moneys in the Bond Fund and all Funds and Accounts (other than the Rebate Fund) held under the Indenture; (d) all other moneys received by the Trustee pursuant to any of the provisions of the Loan Agreement or the Indenture and designated for deposit in the Bond Fund. *(Section 4.05)*

Use of Moneys in Bond Fund

(a) Except as otherwise expressly provided in the Indenture, moneys in the Bond Fund shall be used solely for the payment, when due, of the Debt Service Payments on the Series 2019 Bonds or for the purchase or redemption of Series 2019 Bonds as provided in the Indenture. Moneys deposited in the Bond Fund in accordance with the provisions of the Indenture, however, may not be used for the payment of interest on Series 2019 Bonds.

(b) The Trustee shall, on or before each Debt Service Payment Date of the Series 2019 Bonds, pay out of the monies then held for the credit of the Interest Account the amounts required for the payment of interest becoming due on the Series 2019 Bonds on such Debt Service Payment Date, and such amounts so withdrawn are hereby irrevocably dedicated for and shall be applied to the payment of interest.

(c) The Trustee shall, on or before each Debt Service Payment Date, when principal of the Series 2019 Bonds or Sinking Fund Payments are due, pay out of the monies then held for the credit of the Principal Account the amounts required for the payment of principal or Sinking Fund Payments becoming due at maturity, on a Sinking Fund Payment date, or upon redemption of the Bonds on such Debt Service Payment Date or Sinking Fund Payment date and such amounts so withdrawn are hereby irrevocably dedicated for and shall be applied to the payment of principal or Sinking Fund Payments.

(d) Moneys transferred to the Bond Fund from the Project Fund pursuant to the Indenture or from the Renewal Fund pursuant to the Indenture shall be invested, at the written direction of the University, subject to limitations on earnings as set forth in the Tax Regulatory Agreement, and such moneys and earnings thereon shall be applied only to pay the principal for the Series 2019 Bonds as they become due and payable or the Redemption Price of Series 2019 Bonds subject to redemption pursuant to the Indenture.

(e) The Trustee shall call Series 2019 Bonds for redemption according to the Indenture, upon written direction of the Issuer or the University to the Trustee, on or after the date the Series 2019 Bonds are subject to optional redemption pursuant to the

Indenture, whenever the assets of the Bond Fund shall be sufficient in the aggregate to provide monies to pay, redeem or retire all Series 2019 Bonds then Outstanding or to redeem Series 2019 Bonds in part pursuant to the Indenture, including accrued interest thereon to the Redemption Date.

(f) Moneys in the Bond Fund shall be used by the Trustee, upon request of an Authorized Representative of the University, to purchase Series 2019 Bonds on the most advantageous terms obtainable with reasonable diligence, provided that no such purchase shall be made:

(i) if an Event of Default under the Loan Agreement has occurred;

(ii) within forty-five (45) days prior to any date on which Series 2019 Bonds are subject to redemption pursuant to the Indenture;

(iii) if the amount remaining in the Bond Fund, after giving effect to such purchase, is less than the amount required for the payment of the principal or Redemption Price of Series 2019 Bonds theretofore matured or called for redemption, plus interest to the date of maturity or the Redemption Date, as the case may be, in all cases where such Series 2019 Bonds have not been presented for payment; or

(iv) at a price in excess of that specified by the University in its request to the Trustee, plus accrued interest to the date of purchase.

The Trustee shall promptly notify the Issuer and the University of the principal amount and the maturity of each Series 2019 Bond so purchased and the balance held in the Bond Fund after such purchase. The Trustee shall not, however, be subject to any liability to any Owner, the Issuer, the University or any other person by reason of its failure to mail the notice required by the Indenture. The Series 2019 Bonds so purchased by the University or any affiliate shall be delivered to the Trustee for cancellation within fifteen (15) days of the date of purchase unless the University shall deliver to the Trustee and the Issuer an opinion of Bond Counsel to the effect that the failure to surrender such Series 2019 Bonds by such date will not affect the exclusion of the interest on any Series 2019 Bonds then Outstanding from gross income for federal income tax purposes.

(g) In connection with the purchase of Series 2019 Bonds with moneys on deposit in the Bond Fund as provided in the Indenture, the Trustee shall negotiate or arrange for such purchases in such manner (through brokers or otherwise and with or without receiving tenders) as it shall be instructed in writing by the University.

(h) If the balance in the Bond Fund, not otherwise required for scheduled payments of principal of, Sinking Fund Payments for, Redemption Price or interest on the Series 2019 Bonds, forty-five (45) days prior to any date on which Series 2019 Bonds are subject to redemption pursuant to the Indenture equals or exceeds $50,000, the Trustee shall, upon request of an Authorized Representative of the University, apply as much of such balance as can be so applied to the redemption of Series 2019 Bonds on such next succeeding Redemption Date in the manner provided in the Indenture. The Trustee shall promptly notify the Issuer and the University of the principal amount and maturity of each Series 2019 Bond so redeemed and the balance held in the Bond Fund after such redemption.

(i) Whenever the amount in the Bond Fund is sufficient to redeem all of the Outstanding Series 2019 Bonds and to pay accrued interest to maturity or the date of redemption, the Trustee shall, upon request of an Authorized Representative of the University, take and cause to be taken the necessary steps to redeem all such Series 2019 Bonds on the next succeeding Redemption Date for which the required redemption notice may be given or on such later Redemption Date as may be specified by the University. *(Section 4.06)*

Payments into Renewal Fund; Application of Renewal Fund

(a) The Net Proceeds resulting from any insurance award, condemnation award or recovery from any contractor or subcontractor with respect to the Facility shall be deposited in the Renewal Fund. The amounts in the Renewal Fund shall be subject to a security interest, lien and charge in favor of the Trustee until disbursed as provided in the Indenture.

(b) In the event the Series 2019 Bonds shall then be subject to redemption in whole (either by reason of such damage, destruction or condemnation or otherwise) pursuant to the terms thereof or of the Indenture, the Trustee shall, after making any transfer to the Rebate Fund, at the written direction of the University, as required by the Tax Regulatory Agreement and the Indenture, transfer the amounts deposited in the Renewal Fund to the Bond Fund. If, on the other hand, the University is permitted to replace, repair, rebuild, restore or relocate the Facility pursuant to the Loan Agreement, the Trustee shall, at the written direction of the University, apply the amounts on deposit in the Renewal Fund, after making any transfer to the Rebate Fund, at the written direction of the University, as required by the Tax Regulatory Agreement and the Indenture, to such replacement, repair, rebuilding, restoration or relocation. Upon the completion of such replacement, repair, rebuilding, restoration or relocation, and after making any transfer to the Rebate Fund, at the written direction of the University, as required by the Tax Regulatory Agreement and the Indenture, any balance remaining in the Renewal Fund shall without further authorization be transferred to the Bond Fund and thereafter applied as provided in subparagraph (d) under the heading "Use of Moneys in Bond Fund." If the University elects not to replace, repair, restore or relocate the Facility pursuant to the Loan Agreement, any balance remaining in the Renewal Fund shall without further authorization be transferred to the Bond Fund and applied as provided in subparagraph (d) under the heading "Use of Moneys in Bond Fund."

(c) If any Event of Default shall exist at the time of the receipt by the Trustee of the Net Proceeds in the Renewal Fund and be continuing, the Trustee, unless it exercises the remedy provided by the Loan Agreement, shall, after making any transfer to the Rebate Fund, at the written direction of the University, as required by the Tax Regulatory Agreement and the Indenture, transfer the amounts deposited in the Renewal Fund to the Bond Fund to be applied in accordance with the Indenture.

(d) If the University elects to replace, repair, rebuild, restore or relocate the Facility pursuant to the Loan Agreement, the Trustee is hereby authorized to apply the amounts in the Renewal Fund to the payment (or reimbursement to the extent the same shall have been paid by or on behalf of the University or the Issuer) of the costs required for the replacement, repair, rebuilding, restoration or relocation of the Facility. The Trustee is further authorized and directed to issue its checks for each disbursement from the Renewal Fund upon a requisition submitted to the Trustee and signed by an Authorized Representative of the University. Such requisition shall be in the same form and subject to the same conditions as requisitions from the Project Fund. *(Section 4.07)*

Investment Earnings on Funds; Application of Investment Earnings on Funds

(a) All investment income or earnings on amounts held in the Project Fund, the Renewal Fund, the Bond Fund or any other special fund held under any of the Bond Documents (other than the Rebate Fund) prior to the Completion Date shall be deposited upon receipt by the Trustee into the Project Fund and used for the purposes set forth in the Indenture and after the Completion Date shall be used to pay any remaining sums due for Costs of the Series 2019 Project not previously paid, or deposited by the Trustee into the Interest Account of the Bond Fund and used to pay the interest component of the next upcoming Debt Service Payment. The Trustee shall keep separate accounts of all investment earnings from each fund and account under the Indenture to indicate the source of the income or earnings.

(b) Within thirty (30) days after the end of each Computation Period, the Trustee, at the written direction of an Authorized Representative of the University, shall transfer to the Rebate Fund instead of the Project Fund or the Interest Account of the Bond Fund an amount of the investment earnings on the funds and accounts under the Indenture, such that the amount transferred to the Rebate Fund is equal to that amount as is set forth as the Rebate Amount in a written certificate delivered by the University to the Trustee pursuant to the Tax Regulatory Agreement and the Indenture. *(Section 4.08)*

Payments into Rebate Fund; Application of Rebate Fund

(a) The Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee or any Owner of any Series 2019 Bond or any other Person.

(b) The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Representative of the University, shall transfer, from moneys in the Project Fund or the Renewal Fund, or from any other moneys paid by the University under the Tax Regulatory Agreement, into the Rebate Fund, within thirty (30) days after the end of each Bond Year, an amount such that the amount held in the Rebate Fund after such deposit is equal to the Rebate Amount calculated as of the last day of the immediately preceding Bond Year. If there has been delivered to the Trustee a certification of the Rebate Amount in conjunction with the completion of the Student Center Project pursuant to the Loan Agreement at any time during a Bond Year, the Trustee shall deposit in the Rebate Fund within thirty (30) days of the Completion Date an amount received from the University such that the amount held in the Rebate Fund after such deposit is equal to the Rebate Amount calculated at the completion of the Student Center Project. The amount deposited in the Rebate Fund pursuant to this paragraph shall be paid by the University pursuant to the Tax Regulatory Agreement.

(c) In the event that on the first day of any Bond Year the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Representative of the University, shall withdraw such excess amount and deposit it in the Project Fund until the completion of the Student Center Project, or, after the Completion Date, deposit it in the Bond Fund.

(d) The Trustee, upon the receipt of written instructions from an Authorized Representative of the University, shall pay to the United States, out of amounts in the Rebate Fund, (i) not later than thirty (30) days after the last day of the fifth Bond Year and after every fifth Bond Year thereafter, an amount such that, together with prior amounts paid to the United States, the total paid to the United States is equal to ninety percent (90%) of the Rebate Amount with respect to the Series 2019 Bonds as of the date of such payment, and (ii) notwithstanding the provisions of the Indenture, not later than thirty (30) days after the date on which all Series 2019 Bonds have been paid in full, one hundred (100%) percent of the Rebate Amount as of the date of payment.

(e) The Trustee shall have no obligation under the Indenture to transfer any amounts to the Rebate Fund unless the Trustee shall have received specific written instructions from the University to make such transfer. *(Section 4.09)*

Investment of Moneys

(a) Moneys held in any fund established pursuant to the Indenture shall be invested and reinvested by the Trustee in Authorized Investments, pursuant to written direction by an Authorized Representative of the University. Such investments shall mature in such amounts and have maturity dates or be subject to redemption at the option of the owners thereof on or prior to the date on which the amounts invested therein will be needed for the purposes of such fund or accounts. The Trustee may at any time sell or otherwise reduce to cash a sufficient amount of such investments whenever the cash balance in such fund or accounts is insufficient for the purposes thereof. Any such investments shall be held by or under control of the Trustee and shall be deemed at all times a part of the fund or the respective account within a fund or special trust account for which such moneys are invested, and the interest accruing thereon and any profit realized from such investment shall be credited to and held in and any loss shall be charged to the applicable fund.

(b) The Trustee may make any investment permitted by the Indenture through its own bond department. The Trustee shall not be liable for any depreciation in the value of any investment made pursuant to the Indenture or for any loss arising from any such investment.

(c) Any investment herein authorized is subject to the condition that no use of the proceeds of any Series 2019 Bonds or of any other moneys shall be made which, if such use had been reasonably expected on the date of issue of such Series 2019 Bonds, would cause such Series 2019 Bonds to be "arbitrage bonds" within the meaning of such quoted term in Section 148 of the Code. The Trustee shall not be liable if such use shall cause the Series 2019 Bonds to be "arbitrage bonds", provided only that the Trustee shall have made such investment pursuant to the written direction or confirmation by an Authorized Representative of the University as provided in the Indenture.

(d) No brokerage confirmations will be provided by the Trustee for so long as the Trustee provides periodic statements to the Issuer and the University that include investment activity.

(e) The Trustee shall, at the written direction of the University, sell at the best price obtainable by the Trustee, or present for redemption, any obligation purchased by it as an investment whenever it shall be necessary in order to provide monies to meet any payment or transfer from the Fund or Account for which such investment was made. *(Section 4.10)*

Payment to University upon Payment of Series 2019 Bonds

Except as otherwise specifically provided in the Indenture, after payment in full of the principal or Redemption Price of and interest on all Series 2019 Bonds (or after provision for the payment thereof has been made in accordance with the Indenture) and after payment in full of the fees, charges and expenses of the Trustee and any Paying Agent and all other amounts required to be paid under the Indenture, and the fees, charges and expenses of the Issuer and all other amounts required to be paid under the Loan Agreement, all amounts remaining in any Fund established pursuant to the Indenture (except the Rebate Fund) or otherwise held by the Trustee and by any additional Paying Agent for the account of the Issuer or the University under the Indenture or under the Loan Agreement shall be paid to the University. *(Section 4.11)*

Failure to Present Series 2019 Bonds

Subject to the provisions of the Indenture, in the event any Series 2019 Bond shall not be presented for payment when the principal or Redemption Price thereof becomes due, either at maturity or at the date fixed for prior redemption thereof or otherwise, if moneys sufficient to pay such Series 2019 Bond shall be held by the Trustee for the benefit of the Owner thereof, all liability of the Issuer to the Owner thereof for the payment of such Series 2019 Bond shall forthwith cease, determine and be completely discharged. Thereupon, the Trustee shall hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Series 2019 Bonds, who shall thereafter be restricted exclusively to such moneys for any claim under the Indenture or on, or with respect to, said Bond. If any Series 2019 Bond shall not be presented for payment within the period of two (2) years following the date when such Series 2019 Bond becomes due, whether by maturity or call for prior redemption or otherwise, the Trustee shall return to the Issuer the funds theretofore held by it for payment of such Series 2019 Bond, and such Series 2019 Bond shall, subject to the defense of any applicable statute of limitations, thereafter be an unsecured obligation of the Issuer. The Trustee shall, at least sixty (60) days prior to the expiration of such two (2) year period, give notice to any Owner who has not presented any Series 2019 Bond for payment that any moneys held for the payment of any such Series 2019 Bond will be returned as provided in the Indenture at the expiration of such two (2) year period. The failure of the Trustee to give any such notice shall not affect the validity of any return of funds pursuant to the Indenture. *(Section 5.11)*

Cancellation

All Series 2019 Bonds which have been paid, redeemed, purchased or surrendered shall be canceled and delivered by the Trustee to the Issuer. A copy of the canceled Series 2019 Bonds or other form of notice of such cancellation shall be delivered to the University upon its written request. *(Section 5.12)*

Agreement to Provide Information

The Trustee agrees, whenever requested in writing by the Issuer or the University, to provide such information that is known to the Trustee relating to the Series 2019 Bonds as the Issuer or the University, from time to time, may reasonably request, including, but not limited to, such information as may be necessary to enable the Issuer or the University to make any reports required by any Federal, state or local law or regulation. *(Section 5.14)*

Continuing Disclosure Agreement

Pursuant to the Loan Agreement, the University and the Trustee have undertaken responsibility for compliance with, and the Issuer shall have no liability to the holders of the Series 2019 Bonds or any other person with respect to, any reports, notices or disclosures required by or provided pursuant to the Continuing Disclosure Agreement authorized by the Loan Agreement. The Trustee covenants and agrees with the holders from time to time of the Series 2019 Bonds that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement and the Loan Agreement. Notwithstanding any other provision of the Indenture, failure of the University or the Trustee to perform in accordance with the Continuing Disclosure Agreement shall not constitute a default or an Event of Default under the Indenture, and the rights and remedies provided by the Indenture upon the occurrence of such a default or an Event of Default shall not apply to any such failure, but the Continuing Disclosure Agreement may be enforced only as provided therein. *(Section 5.15)*

Discharge of Lien

(a) If the Issuer shall pay or cause to be paid to the Owners of any series of Series 2019 Bonds or of all Outstanding Series 2019 Bonds the principal or Redemption Price thereof, and interest thereon, at the times and in the manner stipulated therein and in the Indenture, and if there shall have been paid all fees, charges and expenses required to be paid under the Indenture, then the Lien on the Trust Estate hereby created for the benefit of the Owners of the Series 2019 Bonds so paid shall be released, discharged and satisfied. In such event, except as otherwise specifically provided in the Indenture, the Trustee and any additional Paying Agent shall pay or deliver to the University all moneys or securities held by it pursuant to the Indenture which are not required for the payment of such Series 2019 Bonds. If the Issuer does not pay or cause to be paid, at the same time, all Outstanding Bonds, then the Trustee and any additional Paying Agent shall not return those moneys and securities held under the Indenture as security for the benefit of the Owners of Series 2019 Bonds not so paid or caused to be paid.

(b) When all of the Outstanding Series 2019 Bonds shall have been paid in full, or provisions for such full payment of all Outstanding Series 2019 Bonds shall have been made in accordance with the Indenture, the Trustee and the Issuer shall promptly execute and deliver to the University such written certificates, instruments and documents as the University shall provide to cause the Lien of the Indenture upon the Trust Estate to be discharged and canceled.

(c) Notwithstanding the fact that the Lien of the Indenture upon the Trust Estate may have been discharged and canceled in accordance with this summarized section, the Indenture and the rights granted and duties imposed, to the extent not inconsistent with the fact that the Lien upon the Trust Estate may have been discharged and canceled, shall nevertheless continue and subsist until the principal or Redemption Price of and interest on all of the Series 2019 Bonds shall have been fully paid or the Trustee shall have returned to the Issuer pursuant to the Indenture all funds theretofore held by the Trustee for payment of any Series 2019 Bonds not theretofore presented for payment. *(Section 7.01)*

Discharge of the Indenture

(a) Any Outstanding Series 2019 Bond or installments of interest with respect thereto shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning of, and with the effect expressed in, the Indenture if: (i) there shall have been deposited with the Trustee sufficient cash and/or Government Obligations, in accordance with the Indenture, which will, without further investment, be sufficient, together with the other amounts held for such payment, to pay the principal of the Series 2019 Bond when due or to redeem the Series 2019 Bond on the earliest possible redemption date thereof at the Redemption Price specified in the Indenture, (ii) in the event such Series 2019 Bonds are to be redeemed prior to maturity in accordance with the Indenture, all action required by the provisions of the Indenture to redeem the Series 2019 Bonds shall have been taken or provided for to the satisfaction of the Trustee and notice thereof in accordance with the Indenture shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice, (iii) provision shall have been made for the payment of all fees and expenses of the Trustee and of any additional Paying Agent with respect to the Series 2019 Bonds, (iv) the Issuer shall have been reimbursed for all of its expenses under the Loan Agreement with respect to the Series 2019 Bonds, and (v) all other payments required to be made under the Loan Agreement and the Indenture with respect to the Series 2019 Bonds shall have been made or provided for.

(b) For the purpose of the Indenture, the Trustee shall be deemed to hold sufficient moneys to pay the principal of an Outstanding Series 2019 Bond not then due or to redeem an Outstanding Series 2019 Bond prior to the maturity thereof only if there shall be on deposit with the Trustee and available for such purpose an amount of cash and/or a principal amount of Government Obligations, maturing or redeemable at the option of the owner thereof not later than (i) the maturity date of such Series 2019 Bond, or (ii) the first date following the date of computation on which such Series 2019 Bond may be redeemed pursuant to the Indenture (whichever may first occur), which, together with income to be earned on such Government Obligations prior to such maturity date or Redemption Date, equals the principal or Redemption Price of, such Series 2019 Bond, together with all interest thereon (at the maximum applicable rate) which has accrued and which will accrue to such maturity or Redemption Date and prior to any defeasance becoming effective as provided above, there shall have been delivered to the Issuer and to the Trustee a verification from a verification agent (in each case reasonably satisfactory to the Issuer and the Trustee) to the effect that the moneys and/or Government Obligations are sufficient, together with any income to be earned thereon, without reinvestment, to pay the principal or Redemption Price of and interest due on the Series 2019 Bonds to be defeased.

(c) Upon the defeasance of the Series 2019 Bonds in accordance with the Indenture, the Trustee shall hold in trust, for the benefit of the Owners of such Series 2019 Bonds, all such cash and/or Government Obligations, shall make no other or different investment of such cash and/or Government Obligations and shall apply the proceeds thereof and the income therefrom only to the payment of such Series 2019 Bonds. *(Section 7.02)*

Lien Law Section 73 Covenant

The University, for itself and as the Agent of the Issuer, hereby covenants to the Issuer and to the Trustee, as a third-party beneficiary hereof, that the University will receive advances of monies under the Bond Documents and will hold the right to receive such advances as trust funds to be first applied to the payment of trust claims as defined in Section 71 of the Lien Law of the State, and that the University will apply the same to such payments only, before using any part of such advances for any other purpose. *(Section 7.03)*

Events of Default

The following shall be "Events of Default" under the Indenture:

(a) A default in the due and punctual payment of any interest or any principal of, Sinking Fund Payments for, or Redemption Price of any Series 2019 Bond, whether at the stated maturity thereof, upon proceedings for redemption thereof or upon the maturity thereof by declaration, or any other amounts due under the Indenture or the other Bond Documents; or

(b) A default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in the Indenture or in the Series 2019 Bonds and the continuance thereof for a period of thirty (30) days after written notice given by the Trustee or by the Owners of not less than fifty percent (50%) of the principal amount of the Series 2019 Bonds then Outstanding; or if such default cannot be cured within thirty (30) days, but the Issuer is proceeding diligently to cure such default, then the Issuer shall be permitted an additional ninety (90) days within which to remedy the default; or

(c) The occurrence of an Event of Default under the Loan Agreement. *(Section 8.01)*

Acceleration; Annulment of Acceleration; Default Rate

(a) Upon the occurrence of an Event of Default under Section 10.1(a)(v) of the Loan Agreement, all Series 2019 Bonds Outstanding shall become immediately due and payable without action or notice of any kind on the part of the Trustee or the Issuer. Upon the occurrence and continuance of any other Event of Default, the Trustee shall, by notice in writing delivered to the Issuer and the University, declare all Series 2019 Bonds Outstanding immediately due and payable, and such Series 2019 Bonds shall become and be immediately due and payable, anything in the Series 2019 Bonds or in the Indenture to the contrary notwithstanding. In such event, there shall be due and payable on the Series 2019 Bonds an amount equal to the total principal amount of all such Series 2019 Bonds, plus all interest accrued thereon and which will accrue thereon to the date of payment. If all of the Series 2019 Bonds Outstanding shall become so immediately due and payable, the Issuer and the Trustee shall as soon as possible declare by written notice to the University all unpaid installments payable by the University under the Loan Agreement to be immediately due and payable.

(b) At any time after the principal of the Series 2019 Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Trustee may annul such declaration and its consequences with respect to any Series 2019 Bonds not then due by their terms if (i) moneys shall have been deposited in the Bond Fund sufficient to pay all matured installments of interest and principal of, Sinking Fund Payments for, or the Redemption Price (other than principal then due only because of such declaration) of all Outstanding Series 2019 Bonds; (ii) sufficient moneys shall be available to pay the amounts described in the Indenture; (iii) all other amounts then payable by the Issuer hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every other Event of Default known to the Trustee (other than a default in the payment of the principal of such Series 2019 Bonds then due only because of such declaration) shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

(c) Upon the occurrence and continuation of an Event of Default, the Series 2019 Bonds shall bear interest at the Default Rate from the date of the occurrence of such Event of Default until the Series 2019 Bonds have been paid pursuant to the Indenture or such Event of Default has been cured. *(Section 8.02)*

Enforcement of Remedies

(a) Upon the occurrence and continuance of any Event of Default, and upon being provided with security or indemnity reasonably satisfactory to the Trustee against any liability or expense which might thereby be incurred, the Trustee shall proceed forthwith to protect and enforce its rights and the rights of the Owners under the Act, the Series 2019 Bonds and the Loan Agreement by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient.

(b) The Trustee acting directly may sue for, enforce payment of and receive any amounts due or becoming due from the Issuer or the University for principal, Redemption Price, interest or otherwise under any of the provisions of the Series 2019 Bonds and the Bond Documents, without prejudice to any other right or remedy of the Trustee or of the Owners.

(c) Regardless of the happening of an Event of Default, the Trustee shall have the right to institute and maintain such suits and proceedings as it may be advised by such Owners shall be necessary or expedient (i) to prevent any impairment of the security under the Indenture by any acts which may be unlawful or in violation of the Indenture or of any resolution authorizing the Series 2019 Bonds, or (ii) to preserve or protect the interests of the Owners, provided that such request is in accordance with law and the provisions of the Indenture and is not unduly prejudicial to the interests of the Owners not making such request. *(Section 8.03)*

Appointment of Receivers

Upon the occurrence of an Event of Default and upon the filing of a suit or commencement of other judicial proceedings to enforce the rights of the Trustee or the Owners under the Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues and receipts thereof, pending such proceedings, with such powers as the court making such appointment shall confer. *(Section 8.04)*

Application of Moneys

(a) The Net Proceeds received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall be, after paying the fees and expenses of the Trustee, deposited in the Bond Fund.

(b) All moneys in the Bond Fund during the continuance of an Event of Default shall be applied as follows:

(i) Unless the principal of all Series 2019 Bonds shall have become due or shall have been declared due and payable,

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

SECOND - To the payment of the unpaid principal or Redemption Price, if any, of any of the Series 2019 Bonds or principal installments which shall have become due (other than Series 2019 Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in order of their due dates, with interest on such Series 2019 Bonds, at the rate or rates expressed thereon, from the respective dates upon which such Series 2019 Bonds became due and, if the amount available shall not be sufficient to pay in full Series 2019 Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD - To the payment of the principal or Redemption Price of and interest on the Series 2019 Bonds as the same become due and payable; and

(ii) If the principal of all Series 2019 Bonds shall have become due or shall have been declared due and payable, to the payment of the principal and interest (at the rate or rates expressed thereon) then due and unpaid upon all of the Series 2019 Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2019 Bond over any other Series 2019 Bond, ratably according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference; and

(iii) If the principal of all Series 2019 Bonds shall have been declared due and payable and if such declaration shall thereafter have been annulled pursuant to provisions of the Indenture, the moneys shall be applied in accordance with the provisions of subsection (i) of this summarized section.

(c) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this summarized section, such moneys shall be applied at such time or times as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. On the date fixed by the Trustee for application of such moneys, interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the application of any such moneys and of the fixing of any such date. *(Section 8.05)*

Remedies Vested in Trustee

Except as otherwise provided in the Indenture, all rights of action (including the right to file proof of claim) under the Indenture or under any of the Series 2019 Bonds may be enforced by the Trustee without possession of any of the Series 2019 Bonds or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Series 2019 Bonds. Subject to the provisions of the Indenture, any recovery of judgment shall be for the equal benefit of the Owners of the Outstanding Series 2019 Bonds. *(Section 8.06)*

Remedies Not Exclusive

No remedy conferred upon or reserved to the Trustee or to the Owners by the Indenture is intended to be exclusive of any other remedy. Each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute. *(Section 8.07)*

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SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The following is a summary of certain provisions of the Loan Agreement. Certain provisions of the Loan Agreement are also described in the Official Statement. This summary does not purport to be complete and reference is made to the Loan Agreement for the detailed provisions thereof. This summary is qualified in its entirety by such reference. Headings are not part of the Loan Agreement and are included for ease of reference only.

Loan of Series 2019 Bond Proceeds

The Issuer agreed to loan the Bond Proceeds to the University in accordance with the provisions of the Loan Agreement. Such Bond Proceeds shall be disbursed to the University in accordance with the provisions of the Loan Agreement and the Indenture. *(Section 5.1)*

Renovation, Construction, Equipping and Furnishing of the Student Center

(a) The University agrees, and covenants and warrants to the Issuer, it has or will complete the Student Center in accordance with the Plans and Specifications.

(b) The University may revise the Plans and Specifications from time to time with the written approval of the Issuer, provided, however, if such revision shall include a material change to the Student Center Project, the University shall first obtain the written approval of the Issuer, which approval shall not be unreasonably withheld, denied, conditioned, or delayed but may be subject to such conditions as the Issuer may deem appropriate.

(c) Reserved.

(d) The University shall pay all fees, costs and expenses incurred in the Student Center Project and the acquisition and installation of the Equipment from funds made available therefor in accordance with the Loan Agreement, and shall ask, demand, sue for, levy, recover and receive all such sums or money, debts, dues and other demands whatsoever which may be due, owing and payable to the University under the terms of any contract, order, receipt, or writing in connection with the construction, renovation and completion of the Student Center and the acquisition and installation of the Equipment, and to enforce the provisions of any contract, agreement, obligation, bond or other performance security.

(e) Reserved.

(f) The University shall comply with all provisions of the Labor Law, the Executive Law and the Civil Rights Law of the State applicable to the Student Center Project and shall include in all construction contracts all provisions that be required to be inserted therein by such provisions. The University shall comply with the relevant policies of the Issuer with respect to such laws, which are set forth as Exhibit B attached to the Loan Agreement. Except as provided in the preceding two sentences, the provisions of this summarized subsection do not create any obligations or duties not created by applicable law outside of the terms of the Loan Agreement. *(Section 4.1)*

Issuance of the Series 2019 Bonds; Disbursement of Bond Proceeds

In order to provide funds for payment of the Costs of the 2019 Project, together with other payments and incidental expenses in connection therewith, the Issuer agrees that it will authorize, issue, sell and cause the Series 2019 Bonds to be delivered on the terms set forth in the Indenture. Bond Proceeds shall be disbursed in accordance with the provisions of the Indenture and the Loan Agreement. *(Section 4.2)*

Application of Bond Proceeds

The Bond Proceeds shall be deposited in the Project Fund and used to pay the Costs of the Series 2019 Project. Except as provided in the Loan Agreement, the Bond Proceeds, upon the written direction of an Authorized Representative of the University, and on the conditions provided for in the Indenture, shall be applied to pay only the following costs and items of expense paid by or on behalf of the Issuer on or after March 28, 2019, except as may otherwise be provided under the Tax Regulatory Agreement or included in a resolution of the Board of Trustees of the University indicating an intent to reimburse the University for Costs of the Series 2019 Project incurred prior to that date:

(i) the cost of preparing the Plans and Specifications (including any preliminary study or planning of the Student Center Project or any aspect thereof),

(ii) all costs of the Student Center Project (including environmental audits and architectural, engineering and supervisory services with respect to the Student Center Project),

(iii) all fees, taxes, charges and other expenses for recording or filing, as the case may be, any documents that the Issuer or the Trustee may deem desirable in order to protect or perfect any security interest contemplated by the Indenture,

(iv) all costs necessary to refund the Series 2009B Bonds,

(v) all legal, accounting and any other fees, costs and expenses incurred in connection with the preparation, printing, reproduction, authorization, issuance, execution, sale and distribution of the Series 2019 Bonds and the Bond Documents and all other documents in connection herewith or therewith, and with any other transaction contemplated by this Loan Agreement or the Indenture,

(vi) any administrative fee and fee for services of the Issuer,

(vii) reimbursement to the University for any of the above-enumerated costs and expenses. *(Section 4.3)*

Certificates of Completion

To establish the Completion Date, the University shall deliver to the Issuer and the Trustee a certificate signed by an Authorized Representative of the University (i) stating that the Student Center Project to be paid for with Bond Proceeds has been substantially completed in accordance with the Plans and Specifications therefor, as such Plans and Specifications may be modified in accordance with the Loan Agreement; and (ii) stating that except for amounts retained in the Project Fund for the payment of incurred, but unpaid, items of the Costs of the Series 2019 Project or items when the University is then contesting the payment thereof, the payment for all labor, services, materials and supplies used in such renovation, construction, equipping and furnishing has been made or provided for. The University agrees to complete the Student Center Project on or before August 31, 2019 unless such date has been extended by the Issuer. The Issuer shall not extend such Completion Date unless the University has caused to be delivered to the Issuer and the Trustee a reasonably acceptable opinion of Bond Counsel stating that the extension of the Completion Date will not adversely affect the exclusion of interest on the Series 2019 Bonds, from gross income for Federal income tax purposes. Such certificate shall further certify as to the determination of the Rebate Amount as provided in the Tax Compliance Agreement and the Indenture and shall direct the Trustee to make any transfer to, or make payments of amounts for deposit in, the Rebate Fund. *(Section 4.4)*

Completion by University

(a) In the event that the Net Proceeds of the Series 2019 Bonds are not sufficient to pay in full the costs of the Student Center Project in accordance with the Plans and Specifications, as such Plans and Specifications may be revised in accordance with the Loan Agreement, the University agrees to pay, for the benefit of the Issuer and the Trustee, all such sums as may be in excess of the Net Proceeds of the Series 2019 Bonds. The University shall execute, deliver and record or file such instruments as the Issuer or the Trustee may request in order to perfect or protect the Issuer's security interests contemplated by the Indenture.

(b) The University shall not be entitled to any reimbursement for such excess cost or expense from the Issuer or the Trustee or the Owner of the Series 2019 Bonds, nor shall it be entitled to any diminution or abatement of any other amounts payable by the University under the Loan Agreement. *(Section 4.5)*

Loan Payments and Other Amounts Payable

(a) The University shall pay to the Issuer on the Closing Date the Issuer's administrative fee in the amount of $129,147.50 (which includes the Issuer's administrative fee of $124,925.00 plus the initial compliance fee of $3,000 and the public notice fees of $1,222.50). The University shall pay to the Issuer an Annual Compliance Fee of $1,500 on or before January 1 of each year commencing on January 1, 2020 and continuing through the term of the Loan Agreement. The University shall pay basic loan payments (i) five (5) Business Days before each Debt Service Payment Date directly to the Trustee, in an amount equal to the Debt Service Payment becoming due and payable on the Bonds on such Debt Service Payment Date, and (ii) on each Redemption Date, with respect to the Redemption Price (other than by Sinking Fund Payments due and payable on the Series 2019 Bonds), whether as an optional or mandatory redemption, an amount equal to the Redemption Price together with accrued interest on the Series 2019 Bonds being redeemed on such Redemption Date. The University's obligation to pay such basic loan payments shall be evidenced by the Promissory Note, substantially in the form attached to the Loan Agreement as Exhibit B.

(b) In addition to the Loan Payments pursuant to the Loan Agreement, throughout the Loan Term, the University shall pay to the Issuer as additional loan payments, within fifteen (15) days of the receipt of demand therefor, an amount equal to the sum of the expenses of the Issuer and the members thereof incurred (i) by reason of the Issuer's financing of the Series 2019 Project, or (ii) in connection with the carrying out of the Issuer's duties and obligations under the Issuer Documents, the payment of which is not otherwise provided for under the Loan Agreement. Other than the Annual Compliance Fee, the foregoing shall not be deemed to include any annual or continuing administrative or management fee beyond any initial administrative fee or fee for services rendered by the Issuer.

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

(d) The University, under the provisions of this summarized section, agrees to make the above-mentioned payments in immediately available funds and without any further notice in lawful money of the United States of America. In the event the University shall fail timely to make any payment required in summarized subsection (a) of this section, the University shall pay the same together with all late payment penalties specified in the Series 2019 Bonds. In the event the University shall fail timely to make any payment required in summarized subsection (b) of this section, the University shall pay the same together with interest on such payment at the per annum rate of ten percent (10%), but in no event at a rate higher than the maximum lawful prevailing rate, from the date on which such payment was due until the date on which such payment is made. *(Section 5.3)*

Obligations of University Under the Loan Agreement Unconditional

The obligations of the University to make the payments required in 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 a general obligation of the University, and shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it may otherwise have against the Issuer. The University agrees it will not (i) suspend, discontinue or abate any payment required hereunder, (ii) fail to observe any of its other covenants or agreements in the Loan Agreement, or (iii) terminate the Loan Agreement for any cause whatsoever unless and until the Series 2019 Bonds, including premium, if any, and interest thereon, have been paid or provided for.

Subject to the foregoing provisions, nothing contained in this summarized subsection shall be construed to release the Issuer from the performance of any of the agreements on its part contained in the Loan Agreement or to affect the right of the University to seek reimbursement from, or institute any action against any party as the University may deem necessary to compel performance or recover damages for non-performance from such party. *(Section 5.4)*

Payment of Additional Moneys in Prepayment of Series 2019 Bonds

In addition to any other moneys required or permitted to be paid pursuant to the Loan Agreement, the University may, subject to the terms of the Indenture, pay moneys to the Trustee (i) to be applied as the prepayment of amounts to become due and payable by the University pursuant to the Loan Agreement and the Promissory Note, or (ii) to be used for the redemption or prepayment of any Series 2019 Bonds at such time or times and on such terms and conditions as is provided in such Series 2019 Bonds and in the Indenture. The University shall notify the Issuer and the Trustee in writing as to the purpose of any such payment. *(Section 5.5)*

Rights and Obligations of the University upon Prepayment of Series 2019 Bonds

In the event the Series 2019 Bonds shall have been paid in full prior to the termination of the Loan Agreement, or provision for such payment shall have been made in accordance with the Indenture, the Issuer, at the sole cost of the University, shall obtain and record or file appropriate terminations, discharges or releases of any security interest relating to the Series 2019 Project or under the Indenture. *(Section 5.6)*

Maintenance and Modifications of Facility by University

(a) The University shall not abandon the Facility or cause or permit any waste to the Facility. During the Loan Term, the University shall not remove any part of the Facility outside of the jurisdiction of the Issuer and shall (i) keep the Facility in as reasonably safe condition as its operations shall permit; (ii) make all necessary repairs and replacements to the Facility (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen); and (iii) operate the Facility in a sound and economic manner.

(b) With the written consent of the Issuer, which shall not be unreasonably withheld, the University, from time to time, may make any material structural additions, modifications or improvements to the Facility or any part thereof, provided (i) such actions do not adversely affect the structural integrity of the Facility, and (ii) such actions do not materially impair the use of the Facility or materially decrease its value. All such additions, modifications or improvements made by the University shall become a part of the Facility. *(Section 6.1)*

Installation of Additional Equipment

Subject to the provisions of the Loan Agreement, the University or any permitted sublessee of the University from time to time may install additional machinery, equipment or other personal property in the Facility (which may be attached or affixed to the Facility), and such machinery, equipment or other personal property shall not become, or be deemed to become, a part of the Facilty, provided that the acquisition and installation of such property is not financed from either the Project Fund or the Renewal Fund. The University from time to time may create or permit to be created any Lien on such machinery, equipment or other personal property. Further, the University from time to time may remove or permit the removal of such machinery, equipment and other personal property from the Facility, provided that any such removal of such machinery, equipment or other personal property shall not occur (i) if any Event of Default has occurred; or (ii) if any such removal shall adversely affect the structural integrity of the Facility or impair the overall operating efficiency of the Facility for the purposes for which it is intended, and provided further that, if any damage is occasioned to the Facility by such removal, the University agrees promptly to repair such damage at its own expense. *(Section 6.2)*

Insurance Required

At all times throughout the Loan Term, including, when indicated in the Loan Agreement, during the Construction Period, the University shall, at its sole cost and expense, maintain or cause to be maintained insurance covering the Facility against such risks and for such amounts as are customarily insured against by facilities of like size and type and shall pay, as the same become due and payable, all premiums with respect thereto, including, but not necessarily limited to:

(a) Insurance against loss or damage by fire, lightning and other casualties customarily insured against, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the completed Facility, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the University, but in no event less than the principal amount of the Series 2019 Bonds. During the Construction Period, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) Workers' compensation insurance, disability benefits insurance and each other form of insurance which the University is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the University who are located at or assigned to the Facility. This coverage shall be in effect from and after the Completion Date or on such earlier date as any employees of the University first occupy the Facility.

(c) Insurance protecting the Issuer, the Trustee and the University against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by the University under the Loan Agreement) and arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or occurrence with a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage) and with a blanket excess liability coverage in an amount not less than $5,000,000 protecting the Issuer, the Trustee and the University against any loss or liability or damage for personal injury, including bodily injury or death, or property damage.

(d) During the Construction Period (and for at least one year thereafter in the case of Products and Completed Operations as set forth below), the University shall cause the general contractor to carry liability insurance of the type and providing the minimum limits set forth below:

(i) Workers' compensation and employer's liability with limits in accordance with applicable law.

(ii) Comprehensive general liability providing coverage for:

Premises and Operations
Products and Completed Operations
Owners Protective
Contractors Protective
Contractual Liability
Personal Injury Liability
Broad Form Property Damage
(including completed operations)
Explosion Hazard
Collapse Hazard
Underground Property Damage Hazard

Such insurance shall have a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iii) Business auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iv) Excess "umbrella" liability providing liability insurance in excess of the coverages in (i), (ii) and (iii) above with a limit of not less than $5,000,000. *(Section 6.4)*

Additional Provisions Respecting Insurance

(a) All insurance required by the Loan Agreement shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the entity required to procure the same and authorized to write such insurance in the State. The company issuing the policies required by summarized subsection (a) above shall be rated "A" or better by A.M. Best Co., Inc. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies evidencing the insurance required by summarized subsection (a) above shall provide for payment to the Trustee of the Net Proceeds of insurance resulting from any claim for loss or damage thereunder, and all policies of insurance required by the Loan Agreement shall provide for at least thirty (30) days' prior written notice of the restriction, cancellation or modification thereof to the Issuer and the Trustee. The policy evidencing the insurance required by summarized subsection (c) above shall name the Issuer and the Trustee as additional insureds. All policies evidencing the insurance required by summarized subsections (d)(ii) and (iv) above shall name the Issuer and the University as additional insureds. Upon request of the Trustee, the University will assign and deliver to the Trustee the policies of insurance required under summarized subsection (a) above, so and in such manner and form that the Trustee shall at all times, upon such request and until the payment in full of the Series 2019 Bonds, have and hold said policies and the Net Proceeds thereof as collateral for the payment of the Series 2019 Bonds. The policies under summarized subsection (a) above shall contain appropriate waivers of subrogation.

(b) The policies (or certificates and binders) of insurance required by summarized subsection (a) above shall be deposited with the Trustee on or before the Closing Date. A copy of the policy (or certificate or binder) of insurance required by summarized subsection (c) above shall be delivered to the Issuer on or before the Closing Date. The University shall deliver to the Issuer and the Trustee before the first Business Day of each twelve (12) month period thereafter a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering at least the next succeeding twelve (12) month period, insurance of the types and in the amounts required by the Loan Agreement and complying with the additional requirements of subsection (a) of this summarized section. Prior to the expiration of each such policy or policies, the University shall furnish to the Issuer and the Trustee a new policy or policies of insurance or evidence that such policy or policies have been renewed or replaced or are no longer required by the Loan Agreement. The University shall provide such further information with respect to the insurance coverage required by the Loan Agreement as the Issuer and the Trustee may from time to time reasonably require. *(Section 6.5)*

Application of Net Proceeds of Insurance

The Net Proceeds of the insurance carried pursuant to the provisions of the Loan Agreement shall be applied as follows: (i) the Net Proceeds of the insurance required by subsection (a) above shall be applied as provided in Section 7.l of the Loan Agreement, and (ii) the Net Proceeds of the insurance required by summarized subsections (b), (c) and (d) above shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid. *(Section 6.6)*

Damage or Destruction of the Facility

(a) If any portion of the Facility shall be damaged or destroyed (in whole or in part) at any time during the Loan Term:

(i) the Issuer shall have no obligation to replace, repair, rebuild, restore or relocate the Facility or any portion of the Facility; and

(ii) there shall be no abatement or reduction in the Loan Payments or other amounts payable by the University under the Loan Agreement (whether or not the Facility or such portion of the Facility replaced, repaired, rebuilt, restored or relocated); and

(iii) upon the occurrence of such damage or destruction, the Net Proceeds derived from the insurance shall be paid to the Trustee and deposited in the Renewal Fund, and, except as otherwise provided in the Loan Agreement, the University shall at its option either (A) replace, repair, rebuild, restore or relocate the Facility or such portion of the Facility, or (B) direct the Trustee to apply such Net Proceeds to the payment of the principal of the Series 2019 Bonds or any Additional Bonds as they become due and payable or the Redemption Price of Bonds subject to Redemption pursuant to the Indenture.

(b) If the University replaces, repairs, rebuilds, restores or relocates the Facility, the Trustee shall disburse the Net Proceeds from the Renewal Fund in the manner set forth in the Indenture to pay or reimburse the University for the cost of such replacement, repair, rebuilding, restoration or relocation.

(c) Any such replacements, repairs, rebuilding, restorations or relocations shall be subject to the following conditions:

(i) the Facility or such portion of the Facility shall be in substantially the same condition and value as an operating entity as existed prior to the damage or destruction;

(ii) the exclusion of the interest on the Series 2019 Bonds from gross income for Federal income tax purposes shall not, in the opinion of Bond Counsel, be adversely affected;

(iii) the Facility or such portion of the Facility will be subject to no Liens, other than Permitted Encumbrances; and

(iv) any other conditions the Issuer may reasonably impose.

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

(e) If the University elects to replace, repair, rebuild, restore or relocate the Facility pursuant to the Loan Agreement, then in the event such Net Proceeds are not sufficient to pay in full the costs of such replacement, repair, rebuilding, restoration or relocation, the University shall nonetheless complete the work and pay from its own moneys that portion of the costs thereof in excess of such Net Proceeds. All such replacements, repairs, rebuilding, restoration or relocations made pursuant to this summarized section, whether or not requiring the expenditure of the University's own money, shall automatically become a part of the Facility as if the same were specifically described in the Loan Agreement.

(f) Any balance of such Net Proceeds remaining in the Renewal Fund after payment of all costs of replacement, repair, rebuilding, restoration or relocation shall, subject to any rebate required to be made to the Federal government pursuant to the Indenture or the Tax Regulatory Agreement, be applied in accordance with the provisions of the Indenture.

(g) If the University shall exercise its option to terminate the Loan Agreement pursuant to the terms of the Loan Agreement, such Net Proceeds shall be applied to the payment of the amounts required to be paid by the Loan Agreement. If an Event of Default hereunder shall have occurred and is continuing and the Trustee shall have exercised its remedies under the Loan Agreement, such Net Proceeds shall be applied to the payment of the amounts required to be paid by the Loan Agreement.

(h) If the entire amount of the Series 2019 Bonds and interest thereon has been fully paid, or provision therefor has been made in accordance with the Indenture, all such remaining Net Proceeds shall be paid to the University.

(i) Except upon the occurrence and continuation of an Event of Default, the University with the consent of the Issuer, not to be withheld unreasonably, shall have the right to settle and adjust all claims under any policies of insurance required by the Loan Agreement on behalf of the Issuer and on its own behalf. *(Section 7.1)*

Condemnation

(a) If title to or use of the Facility or any portion thereof comprising a portion of the Facility shall be taken by Condemnation (in whole or in part) at any time during the Loan Term:

> (i) the Issuer shall have no obligation to replace, repair, rebuild, restore or relocate the Facility or such portion of the Facility or acquire, by construction or otherwise, facilities of substantially the same nature as the Facility (the "Substitute Facility"); and
>
> (ii) there shall be no abatement or reduction in the amounts payable by the University under the Loan Agreement (whether or not the Facility or

such portion of the Facility is replaced, repaired, rebuilt, restored or relocated or Substitute Facilities acquired); and

(iii) upon the occurrence of such Condemnation, the Net Proceeds derived therefrom shall be paid to the Trustee and deposited in the Renewal Fund, and, except as otherwise provided in the Loan Agreement and summarized subsection (f) of this section, the University shall either:

(A) replace, repair, rebuild, restore or relocate the Facility or such portion of the Facility or acquire a Substitute Facility, or

(B) redeem an amount of Bonds equal to the Net Proceeds in accordance with the Indenture.

(b) If the University replaces, repairs, rebuilds, restores or relocates the Facility or such portion of the Facility or acquires a Substitute Facility, the Trustee shall disburse the Net Proceeds from the Renewal Fund in the manner set forth in the Indenture to pay or reimburse the University for the cost of such replacement, repair, rebuilding, restoration, or relocation of the Facility or acquisition of a Substitute Facility.

(c) Any such replacements, repairs, rebuilding, restorations, or relocations of the Facility or acquisitions of a Substitute Facility shall be subject to the following conditions:

(i) the Facility or the Substitute Facility shall be in substantially the same condition and value as an operating entity as existed prior to the condemnation;

(ii) the exclusion of the interest on the Series 2019 Bonds from gross income for Federal income tax purposes shall not, in the opinion of Bond Counsel, be adversely affected;

(iii) the Facility or the Substitute Facility will be subject to no Liens, other than Permitted Encumbrances; and

(iv) comply with any other conditions the Issuer may reasonably impose.

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

(e) If the University elects to replace, repair, rebuild, restore or relocate pursuant to the Loan Agreement, then in the event such Net Proceeds are not sufficient to pay in full the costs of such replacement, repair, rebuilding, restoration, or relocation of the Facility or acquisition of a Substitute Facility, the University shall nonetheless complete the work or the acquisition and pay from its own moneys that portion of the costs thereof in excess of such Net Proceeds. All such replacements, repairs, rebuilding, restoration, relocations and such acquisition of a Substitute Facility made pursuant to this summarized section, whether or not requiring the expenditure of the University's own money, shall automatically become a part of the Facility as if the same were specifically described herein.

(f) Any balance of such Net Proceeds remaining in the Renewal Fund after payment of all costs of replacement, repair, rebuilding, restoration, relocation or acquisition of Substitute Facility shall, subject to any rebate required to be made to the Federal government pursuant to the Indenture or the Tax Regulatory Agreement, be used to redeem the Series 2019 Bonds as provided in the Indenture.

(g) If the University shall exercise its option to terminate the Loan Agreement pursuant to the terms of the Loan Agreement, such Net Proceeds shall be applied to the payment of the amounts required to be paid by the Loan Agreement. If any Event of Default hereunder shall have occurred and is continuing and the Trustee shall have exercised its remedies under the Loan Agreement, such Net Proceeds shall be applied to the payment of the amounts required to be paid by the Loan Agreement.

(h) If the entire amount of the Series 2019 Bonds and interest thereon has been fully paid, or provision therefor has been made in accordance with the Indenture, all such remaining Net Proceeds shall be paid to the University.

(i) Except upon the occurrence and continuation of an Event of Default, the University with the consent of the Issuer, not to be unreasonably withheld, shall have the right to settle and adjust all claims under any Condemnation proceedings on behalf of the Issuer and on its own behalf. *(Section 7.2)*

Hold Harmless Provisions

(a) The University agrees that the Issuer, the Trustee and each Paying Agent shall not be liable for and agrees to defend, indemnify, release and hold the Issuer, the Trustee and each Paying Agent harmless from and against any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Facility, or (ii) liability arising from or expense incurred in connection with the Issuer's financing, construction, renovation, and equipping of the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the University of any of its covenants contained in the Loan Agreement, and all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the Issuer, the Trustee or any Paying Agent are not incurred or do not result from the gross negligence or intentional or willful wrongdoing of the Issuer, the Trustee or any Paying Agent or any of their respective members, directors, trustees, officers, agents or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence in part of the Issuer, the Trustee or any Paying Agent, or any of their respective members, directors, trustees, officers, agents or employees, and irrespective of the breach of a statutory obligation (other than a breach caused by any of their respective gross negligence or intentional or willful wrongdoing) or the application of any rule of comparative or apportioned liability. The foregoing indemnities are limited only to the extent of any prohibitions imposed by law.

(b) Notwithstanding any other provisions of the Loan Agreement, the obligations of the University pursuant to this summarized section shall remain in full force and effect after the termination of the Loan Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters described in the Loan Agreement may be brought and payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters described in the Loan Agreement and the payment of all expenses and charges incurred by the Issuer, the Trustee or their respective members, directors, officers, agents and employees, relating to the enforcement of the provisions specified in the Loan Agreement.

(c) In the event of any claim against the Issuer, the Trustee or any Paying Agent or their respective members, directors, officers, agents or employees by any employee or contractor of the University or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of the University under the Loan Agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

(d) The Trustee and each Paying Agent shall be third party beneficiaries of the University's obligations under this summarized section. *(Section 8.2)*

Right to Inspect Facilty

The Issuer and the Trustee and the duly authorized agents of either of them shall have the right at all reasonable times upon prior notice to the University to inspect the Facility. *(Section 8.3)*

University to Maintain Its Existence

The University agrees that during the Loan Term (a) it will maintain its existence as a not-for-profit corporation constituting an Exempt Organization subject to service of process within the State and will not dissolve or otherwise dispose of all or substantially all of its assets or consolidate with or merge into another entity or permit one or more entities to consolidate with or merge into it or acquire all or substantially all of the assets of one or more entities without the prior written consent of the Issuer; (b) it will preserve its status as an organization described in Section 501(c)(3) of the Code; (c) it will operate as an institution of higher learning and will establish tuition and fees for services provided by the University which, together with other available funds, will be sufficient in each fiscal year to provide funds for the following: (1) the payment by the University of all of its expenses for the operation, maintenance and repair of its facilities or Facility in such year; (2) the payment of all amounts due under the Loan Agreement in such year; and (3) the payment of all Indebtedness and all other obligations of the University due in such year; and (d) it will not perform any act, enter into any agreement, or use or permit the Facility to be used in any manner or for any unrelated trade or business as described in Section 513(a) of the Code, which could adversely affect the exemption of interest on the Series 2019 Bonds from Federal income taxes pursuant to Sections 103 and 145 of the Code. Prior to the University performing any act, entering into any agreement or using or permitting the Facility to be used in any manner that would constitute an unrelated trade or business within the meaning of Section 513(a) of the Code, the University shall provide written notice to the Issuer and the Trustee and the Issuer and the Trustee shall receive an opinion of counsel satisfactory to each of them to the effect that such contemplated act, agreement or use will not adversely affect the exemption of interest on the Series 2019 Bonds for Federal income tax purposes. *(Section 8.4)*

Qualification in State

The University throughout the Loan Term shall continue to be duly authorized to do business in the State as an entity of higher education. *(Section 8.5)*

Books of Record and Account; Financial Statements

The University at all times agrees to maintain proper accounts, records and books in which full and correct entries shall be made, in accordance with generally accepted accounting principles, of all transactions and events relating to the business and affairs of the University. *(Section 8.7)*

Compliance with Orders, Ordinances, Etc.

(a) The University, throughout the Loan Term, agrees that it will promptly comply, and take all reasonable steps to cause any tenant or occupant of the Facility to comply, with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or any part thereof or to the renovation, construction and equipping thereof, or to any use, manner of use or condition of the Facility or any part thereof, of all federal, state, county, municipal and other governments, departments, commissions, boards, courts, authorities, officials and officers having jurisdiction of the Facility or any part thereof, or to the renovation, construction, equipping and furnishing thereof, or to any use, manner of use or condition of the Facility or any part thereof and of all companies or associations insuring the premises.

(b) The University shall keep or cause the Facility to be kept free of Hazardous Substances, except in compliance with applicable law. Without limiting the foregoing, the University shall not cause or permit the Facility to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process

Hazardous Substances, except in compliance with all applicable federal, state and local laws, regulations and permits, nor shall the University cause or permit, as a result of any intentional or unintentional act or omission on the part of the University or any contractor, subcontractor, tenant or subtenant, a release of Hazardous Substances onto the Facility or onto any other property. The University shall comply with and shall take all reasonable steps to ensure compliance by all contractors, subcontractors, tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, whenever and by whomever triggered, and shall obtain and comply with, and shall take all reasonable steps to ensure that all contractors, subcontractors, tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The University shall (a) conduct and complete all investigations, studies, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Substances, on, from, or affecting the Facility (i) in accordance with all applicable federal, state, and local laws, ordinances, rules, regulations, and policies, (ii) to the reasonable satisfaction of the Trustee and the Issuer, and (iii) in accordance with the orders and directives of all federal, state, and local governmental authorities; and (b) defend, indemnify, and hold harmless the Trustee and the Issuer, their employees, agents, officers, and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to (i) the presence, disposal, release, or threatened release of any Hazardous Substances which are on, from or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise, (ii) any bodily injury, personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Substances, (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Substances, and/or (iv) any violation of laws, orders, regulations, requirements, or demands of government authorities, or any policies or requirements of the Trustee and the Issuer, which are based upon or in any way related to such Hazardous Substances, including, without limitation, reasonable attorney and consultant fees, reasonable investigation and laboratory fees, court costs, and reasonable litigation expenses. The provisions of this summarized section shall be in addition to any and all other obligations and liabilities the University may have to the Trustee at common law, and shall survive the transactions contemplated herein.

(c) Notwithstanding the provisions of summarized subsections (a) and (b) of this section, the University may in good faith contest the validity or the applicability of any requirement of the nature referred to in summarized subsections (a) and (b) by appropriate legal proceedings conducted in good faith and with due diligence. In such event, the University may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom, unless the Issuer or the Trustee shall notify the University that by failure to comply with such requirement or requirements, the Facility or any part thereof may be subject to loss, penalty or forfeiture, in which event the University shall promptly take such action with respect thereto or provide such security as shall be satisfactory to the Trustee and to the Issuer. If at any time the then existing use or occupancy of the Facility shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, the University shall use all reasonable efforts to not cause or permit such use or occupancy to be discontinued without the prior written consent of the Issuer and the Trustee.

(d) Notwithstanding the provisions of this summarized section, if, because of a breach or violation of the provisions of summarized subsections (a) or (b) of this section (without giving effect to subsection (c) of this section), either the Issuer, the Trustee, or any of their respective members, directors, officers, agents, or employees, shall be threatened with a fine, liability, expense or imprisonment, then, upon notice from the Issuer or the Trustee, the University shall immediately provide legal protection and/or pay amounts necessary in the opinion of the Issuer or the Trustee, as the case may be, and their respective members, directors, officers, agents and employees deem sufficient, to the extent permitted by applicable law, to remove the threat of such fine, liability, expense or imprisonment.

(e) Notwithstanding any provisions of this summarized section, the Trustee and the Issuer retain the right to defend themselves in any action or actions which are based upon or in any way related to such Hazardous Substances. In any such defense of themselves, the Trustee and the Issuer shall each select their own counsel, and any and all reasonable costs of such defense, including, without limitation, reasonable attorney and consultant fees, reasonable investigation and laboratory fees, court costs, and reasonable litigation expenses, shall be paid by the University. *(Section 8.8)*

Discharge of Liens and Encumbrances

(a) The University, throughout the Loan Term, shall not permit or create or suffer to be permitted or created any Lien, except for Permitted Encumbrances, upon the Facility or any part thereof by reason of any labor, services or materials rendered or supplied or claimed to be rendered or supplied.

(b) Notwithstanding the provisions of summarized subsection (a) of this section, the University may in good faith contest any such Lien. In such event, the University may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the Issuer or the Trustee shall notify the University that by nonpayment of any such item or items, the Facility or any part thereof may be subject to loss or forfeiture, in which event the University shall promptly secure payment of all such unpaid items by filing a bond, in form and substance satisfactory to the Issuer, thereby causing such Lien to be removed or by taking such other actions as may be satisfactory to the Issuer to protect its interests. Mechanics' Liens shall be discharged or bonded within ninety (90) days following the University's receipt of notice of the filing or perfection thereof. *(Section 8.9)*

Additional Indebtedness

(a) The University may issue additional long term debt provided that the maximum annual debt service on all Outstanding Debt (as defined below) (including the Series 2019 Bonds) shall not exceed 10% of the University's unrestricted revenues, gains and other support determined in accordance with generally accepted accounting principles in the last completed fiscal year of the University. Furthermore, the University may issue Long-Term Indebtedness subject to a lien on the Facility provided that the maximum annual debt service on all Outstanding Debt (as defined below) (including the Bonds) shall not exceed 10% of the University's unrestricted revenues, gains and other support determined in accordance with generally accepted accounting principles in the last completed fiscal year of the University. For purposes of this Section,

(i) "Outstanding Debt" shall include all outstanding indebtedness of the University, including parity, senior and subordinate debt, but shall not include non-recourse debt, and

(ii) in calculating the debt service requirements on balloon and demand debt, if such debt is backed by a commitment to provide liquidity from a commercial bank rated "A" without regard to (+/-) or better by S&P and/or Moody's, then debt service may be calculated based on the terms of the commitment's repayment provisions; and, further, if the University covenants to maintain Net Assets Less Net Fixed Assets (as defined below) equal to 100% of such balloon or demand debt, then debt service may be calculated assuming a 15-year amortization.

"Net Assets Less Net Fixed Assets" shall mean the unrestricted net assets of the University less the University's "Net Fixed Assets". "Net Fixed Assets" shall mean the asset value of the land, buildings and equipment, net of accumulated depreciation, of the University less the Long-Term Indebtedness of the University.

(b) Notwithstanding the above covenant, the University may incur Short-Term Indebtedness equal to 10% of the University's unrestricted revenues, gains and other support regardless of the test above; provided that such Short-Term Indebtedness is fully retired for at least 30 days in each fiscal year. *(Section 8.13)*

Certain Additional Covenants

(a) The University agrees to furnish to the Issuer and the Trustee, and, upon written request to the University, to any registered Bondholder of $1,000,000 in aggregate principal amount of Series 2019 Bonds, as soon as available and in any event within one hundred twenty (120) days after the close of each fiscal year of the University, a copy of the annual audited financial statements of the University, including statements of financial position as of the end of such year, and the related statement of activities for such fiscal year, prepared in accordance with generally accepted accounting principles, audited by a firm of independent certified public accountants.

(b) The University shall deliver to the Issuer and the Trustee with each delivery of annual financial statements required by summarized subsection (a) of this section, a certificate of an Authorized Representative of the University as to whether or not, as of the close of such preceding fiscal year of the University, and at all times during such fiscal year, the University was in compliance with all the provisions which related to the University in the Bond Documents, and if such Authorized Representative of the

University shall have obtained knowledge of any default in such compliance or notice of such default, such Authorized Representative of the University shall disclose in such certificate, such default or defaults or notice thereof and the nature thereof, whether or not the same shall constitute an Event of Default under the Loan Agreement, and any action proposed to be taken by the University with respect thereto. The Trustee shall not be considered to have notice of the content of the annual financial statements of the University delivered to it, nor shall it have knowledge of any default based on such content. The Trustee shall not have a duty to verify the accuracy of such statements

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

(d) The University will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such further acts, instruments, conveyances, transfers and assurances, at the sole cost and expense of the University, as the Issuer or the Trustee deems necessary or advisable for the implementation, effectuation, correction, confirmation or perfection of the Loan Agreement and any rights of the Issuer or the Trustee under the Loan Agreement or under the Indenture. *(Section 8.14)*

Continuing Disclosure Agreement

The University has executed and delivered to the Trustee a Continuing Disclosure Agreement, dated the date of initial delivery of the Series 2019 Bonds. The University hereby covenants and agrees with the holders from time to time of the Series 2019 Bonds that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement, as amended from time to time, applicable to it. Notwithstanding any other provision of the Loan Agreement, failure of the University to comply with the Continuing Disclosure Agreement shall not be considered a default or an event of default under the Loan Agreement and the rights and remedies provided by the Loan Agreement upon the occurrence of such a default or an event of default shall not apply to any such failure, but the Continuing Disclosure Agreement may be enforced only as provided therein. *(Section 8.15)*

Securities Law Status

The University affirmatively represents, warrants and covenants that, as of the date of the Loan Agreement, it is an organization organized and operated: (i) exclusively for civic or charitable purposes; (ii) not for pecuniary profit; and (iii) no part of the net earnings of which inure to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of the Securities Act of 1933, as amended, and of the Securities Exchange Act of 1934, as amended. The University agrees that it shall not perform any act nor enter into any agreement which shall change such status as set forth in this summarized section. *(Section 8.16)*

Rebate Covenant

The University covenants to make, or cause to be made, any and all payments required to be made to the United States Department of the Treasury in connection with the Series 2019 Bonds pursuant to Section 148(f) of the Code and to comply with instructions received from Bond Counsel pursuant to the certification with respect to the making of any such payments. *(Section 8.17)*

Assignment, Leasing and Subleasing

(a) The Loan Agreement may not be assigned, in whole or in part, and except in the ordinary course of the operations of the University, including without limitation, leases of dorm rooms to students, the Facility may not be leased, in whole or in part, without the prior written consent of the Issuer in each instance. Any assignment or lease shall be on the following conditions:

(i) no assignment or lease shall relieve the University from primary liability for any of its obligations under the Loan Agreement or under any other of the University Documents;

(ii) the assignee or lessee shall assume the obligations of the University under the Loan Agreement to the extent of the interest assigned or leased, shall be jointly and severally liable with the University for the performance thereof and shall be subject to service of process in the State of New York;

(iii) the University shall, within ten (10) days after the delivery thereof, furnish or cause to be furnished to the Issuer and to the Trustee a true and complete copy of such assignment or lease and the instrument of assumption;

(iv) neither the validity nor the enforceability of the Series 2019 Bonds or any Bond Document shall be adversely affected thereby;

(v) the exclusion of the interest on the Series 2019 Bonds from gross income for Federal income tax purposes will not be adversely affected;

(vi) the assignee or lessee shall be an Exempt Organization and shall utilize the Facility substantially in the same manner as the University as facilities of higher education.

(b) If the Trustee or the Issuer shall so request, as of the purported effective date of any assignment or lease pursuant to summarized subsection (a) of this section, the University, at its sole cost, shall furnish the Trustee or the Issuer, as appropriate, with an opinion, in form and substance satisfactory to the Trustee or the Issuer, as appropriate, (i) of Bond Counsel as to items (v) and (vi) above, and (ii) of Independent Counsel as to items (i), (ii) and (iv) above. *(Section 9.3)*

Merger of Issuer

(a) Nothing contained in the Loan Agreement shall prevent the consolidation of the Issuer with, or merger of the Issuer into, or transfer of its interest in the entire Facility to any other public benefit corporation or political subdivision which has the legal authority to enter into the Loan Agreement, provided that:

(i) upon any such consolidation, merger or transfer, the due and punctual performance and observance of all the agreements and conditions of the Loan Agreement to be kept and performed by the Issuer shall be expressly assumed in writing by the public benefit corporation or political subdivision resulting from such consolidation or surviving such merger or to which the Issuer's interest in the Facility shall be transferred; and

(ii) the exclusion of the interest on the Series 2019 Bonds from gross income for Federal income tax purposes shall not be adversely affected thereby.

(b) Within thirty (30) days after the consummation of any such consolidation, merger or transfer of interest, the Issuer shall give notice thereof in reasonable detail to the University and the Trustee and shall furnish to the University and the Trustee (i) a favorable opinion of Independent Counsel as to compliance with the provisions of summarized section (a)(i) of this section, and (ii) a favorable opinion of Bond Counsel opining as to compliance with the provisions of summarized section (a)(ii) of this section. The Issuer promptly shall furnish such additional information with respect to any such transaction as the University or the Trustee may reasonably request. *(Section 9.5)*

Events of Default Defined

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

(i) the failure by the University to pay or cause to be paid on the date due, the amounts specified to be paid pursuant to the Loan Agreement;

(ii) the failure by the University to observe and perform any covenant contained in the Loan Agreement;

(iii) any representation or warranty of the University in the Loan Agreement or in the Bond Purchase Agreement shall prove to have been false or misleading in any material respect and the same shall have, in the opinion of the Issuer, a materially adverse effect upon the University, the Series 2019 Project, or the exclusion of interest on the Series 2019 Bonds from gross income for federal income tax purposes;

(iv) the failure by the University to observe and perform any covenant, condition or agreement in the Loan Agreement on its part to be observed or performed (except obligations referred to in 10.1(a)(i) or (ii) of the Loan Agreement) for a period of thirty (30) days after receiving written notice, specifying such failure and requesting that it be remedied, given to the University by the Issuer or the Trustee; provided, however, that if such default cannot be cured within thirty (30) days but the University is proceeding diligently and in good faith to cure such default, then the University shall be permitted an additional ninety (90) days within which to remedy the default;

(v) the dissolution or liquidation of the University; or the failure by the University to release, stay, discharge, lift or bond within sixty (60) days any execution, garnishment, judgment or attachment of such consequence as may impair its ability to carry on its operations; or the failure by the University generally to pay its debts as they become due; or an assignment by the University for the benefit of creditors; the commencement by the University (as the debtor) of a case in Bankruptcy or any proceeding under any other insolvency law; or the commencement of a case in Bankruptcy or any proceeding under any other insolvency law against the University (as the debtor) and a court having jurisdiction in the premises enters a decree or order for relief against the University as the debtor in such case or proceeding, or such case or proceeding is consented to by the University or remains undismissed for sixty (60) days, or the University consents to or admits the material allegations against it in any such case or proceeding; or a trustee, receiver or agent (however named) is appointed or authorized to take charge of substantially all of the property of the University for the purpose of enforcing a lien against such Property or for the purpose of general administration of such Property for the benefit of creditors (the term "dissolution or liquidation of the University" as used in this summarized subsection shall not be construed to include any transaction permitted by the Loan Agreement);

(vi) an Event of Default under or a default on the part of the University of its obligations under the Indenture shall have occurred and be continuing;

(vii) the invalidity, illegality or unenforceability of any of the Bond Documents, provided the same does not permit the Issuer or the Trustee, as the case may be, to recognize the material benefits of the respective documents; or

(viii) a breach of any covenant or representation contained in the Loan Agreement with respect to environmental matters.

(b) Notwithstanding the provisions of summarized subsection (a) of this section, if by reason of force majeure any party hereto shall be unable in whole or in part to carry out its obligations under the Loan Agreement (other than its obligations under summarized subsections (a), (b) or (d) of the section titled "Loan Payments and Other Amounts Payable" above) 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, such obligations under the Loan Agreement of the party giving such notice (and only such obligations), so far as they are affected by such force majeure, shall be suspended during continuance of the inability, which shall include a reasonable time for the removal of the effect thereof. The term "force majeure" as used herein shall include, without limitation, acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, acts, priorities or orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, governmental subdivisions, or officials, 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, shortages of labor or materials or delays of carriers, partial or entire failure of utilities, shortage of energy or any other cause or event not reasonably within the control of the party claiming such inability and not due to its fault. The party claiming such inability shall remove the cause for the same with all reasonable promptness. 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 and other industrial disturbances by acceding to the demands of the opposing party or parties. *(Section 10.1)*

Remedies on Default

(a) Whenever any Event of Default shall have occurred, the Issuer or the Trustee may take, to the extent permitted by law, any one or more of the following remedial steps:

(i) declare, by written notice to the University, to be immediately due and payable, whereupon the same shall become immediately due and payable: (A) all unpaid Loan Payments payable pursuant to the Loan Agreement and pursuant to the Promissory Note in amount equal to the aggregate unpaid principal balance of all Bonds together with all interest which has accrued and will accrue thereon to the date of payment and all premium, if any, and (B) all other payments due under the Loan Agreement; provided, however, that if an Event of Default specified in Section 10.1(a)(v) of the Loan Agreement shall have occurred, such Loan Payments and other payments due under the Loan Agreement shall become immediately due and payable without notice to the University or the taking of any other action by the Trustee;

(ii) (A) apply any undisbursed money in the Project Fund and Renewal Fund to the payment of the costs and expenses incurred in connection with the enforcement of the rights and remedies of the Trustee and the Issuer, and (B) apply any undisbursed monies in the Project Fund, the Renewal Fund, and any other Fund or Account under the Indenture (other than those sums attributable to Unassigned Rights and except for the monies and investments from time to time in the Rebate Fund) to the payment of the outstanding principal amount of the Series 2019 Bonds and premium, if any, and accrued and unpaid interest on the Series 2019 Bonds; or

(iii) take any other action at law or in equity that may appear necessary or desirable to collect the payments then due or thereafter to become due under the Loan Agreement and to enforce the obligations, agreements or covenants of the University under the Loan Agreement.

(b) Reserved.

(c) Any sums payable to the Issuer as a consequence of any action taken pursuant to this summarized section (other than those sums attributable to Unassigned Rights and except for the moneys and investments from time to time in the Rebate Fund) shall be paid to the Trustee and applied to the payment of the Series 2019 Bonds.

(d) No action taken pursuant to this summarized section shall relieve the University from its obligation to make all payments required by the Loan Agreement and pursuant to the Promissory Note.

(e) Reserved.

(f) The Issuer shall have all of the rights, powers and remedies of a secured party under the Uniform Commercial Code of New York, including, without limitation, the right to seize or otherwise dispose of any or all of the Collateral described in the Loan Agreement, and to receive the payment of or take possession of the Collateral or the proceeds thereof. Upon the occurrence of an Event of Default by the University under the Loan Agreement, the University hereby agrees that it will not commingle any moneys or other proceeds received by it in connection with any Collateral with any other moneys, funds or accounts of the University. *(Section 10.2)*

Remedies Cumulative

No remedy herein conferred upon or reserved to the Issuer or the Trustee is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under the Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee, as appropriate, to exercise any remedy reserved to it in the Loan Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in the Loan Agreement. *(Section 10.3)*

Agreement to Pay Attorneys' Fees and Expenses

(a) In the event the University should default under any of the provisions of the Loan Agreement and the Issuer should employ attorneys or incur other expenses for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the University contained in the Loan Agreement, the University shall, on demand therefor, pay to the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred.

(b) In the event the University should default under any of the provisions of the Loan Agreement and the Trustee should employ attorneys or incur other expenses for the collection of amounts payable under the Loan Agreement or the enforcement of performance or observance of any obligations or agreements on the part of the University contained in the Loan Agreement, the University shall, on demand therefor, pay to the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred. *(Section 10.4)*

No Additional Waiver Implied by One Waiver

In the event any agreement contained in the Loan Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. *(Section 10.5)*

Early Termination of Loan Agreement

The University shall have the option to terminate the Loan Agreement at any time that the Series 2019 Bonds are subject to redemption in whole under the Indenture and upon filing with the Issuer and the Trustee a certificate signed by an Authorized Representative of the University stating the University's intention to do so pursuant to this summarized section and the date upon which such payment shall be made (which date shall not be less than forty-five (45) nor more than ninety (90) days from the date such certificate is filed) and upon compliance with the requirements set forth in the Loan Agreement. *(Section 11.1)*

Conditions to Early Termination of Loan Agreement

In the event the University exercises its option to terminate the Loan Agreement in accordance with the provisions of the Loan Agreement, the University shall make the following payments:

(a) To the Trustee for the account of the Issuer: an amount certified by the Trustee which, when added to the total amount on deposit with the Trustee for the account of the Issuer and the University and available for such purpose, will be sufficient to pay the principal of, Redemption Price of, and interest to maturity or the earliest practicable redemption date, as the case may be, on the Series 2019 Bonds, all expenses of redemption and the Trustee's fees and expenses.

(b) To the Issuer: an amount certified by the Issuer sufficient to pay all unpaid fees and expenses of the Issuer incurred under the Bond Documents.

(c) To the appropriate Person: an amount sufficient to pay all other fees, expenses or charges, if any, due and payable or to become due and payable under the Bond Documents. *(Section 11.2)*

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[FORM OF BOND COUNSEL OPINION]

May 9, 2019

Town of Hempstead Local Development Corporation
Hempstead, New York

TD Securities (USA) LLC
New York, New York

The Bank of New York Mellon, as Trustee
New York, New York

Re: Town of Hempstead Local Development Corporation
$24,985,000 Revenue Bonds, Series 2019
(Adelphi University Project)

Ladies and Gentlemen:

We have acted as bond counsel to the Town of Hempstead Local Development Corporation (Town of Hempstead, New York) (the "**Issuer**") in connection with the issuance on the date hereof by the Issuer of its Revenue Bonds, Series 2019 (Adelphi University Project) in the aggregate principal amount of $24,985,000 (the "**Series 2019 Bonds**") for the benefit of Adelphi University, a duly organized and validly existing New York not-for-profit education corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), which is exempt from federal income taxation pursuant to Section 501(a) of the Code (the "**University**"). The Series 2019 Bonds are authorized to be issued pursuant to:

(i) the provisions of the New York Membership Corporation Law as in effect in 1966, as superseded by Section 1411 of the New York Not-for-Profit Corporation Law (collectively called the "**Act**");

(ii) an Inducement Resolution duly adopted by the Issuer on March 28, 2019, and a Bond Resolution duly adopted by the Issuer on April 17, 2019 (collectively, the "**Resolution**");

(iii) an Indenture of Trust, dated as of May 1, 2019 (the "**Indenture**"), by and between the Issuer and The Bank of New York Mellon, as trustee for the benefit of the Owners of Series 2019 Bonds (the "**Trustee**").

The Series 2019 Bonds are being issued to finance the costs of the financing and refinancing of the renovating, equipping and furnishing of certain facilities (as defined in the Loan Agreement referenced below) (collectively, the "**Series 2019 Project**").

The Issuer will loan the proceeds of the Series 2019 Bonds to the University pursuant to the terms of a Loan Agreement, dated as of May 1, 2019 (the "**Loan Agreement**"), between the Issuer and the University. The University has evidenced its obligations to make loan payments to the Issuer by the issuance and delivery of a Promissory Note, dated the closing date (the "**Note**"), from the University to the Issuer and endorsed by the Issuer to the Trustee. The Issuer has assigned to the Trustee as security for the Series 2019 Bonds, for the benefit of the Owners of the Series 2019 Bonds, substantially all of its rights under the Loan Agreement pursuant to the Indenture. The Issuer and the University have entered into a Tax Regulatory Agreement, dated the date hereof (the "**Tax Regulatory Agreement**"), in which the Issuer and the University have made certain representations and covenants, established certain conditions and limitations and created certain expectations, relating to compliance with the requirements imposed by the Code. TD Securities (USA) LLC (the "**Underwriter**"), has agreed to sell the Series 2019 Bonds to one or more purchasers pursuant to the terms of a Bond Purchase Agreement, dated May 3, 2019 (the "**Bond Purchase Agreement**"), between the Issuer and the Underwriter and approved and agreed to by the University. To induce the Issuer and the Underwriter to enter into the Bond Purchase Agreement, the University has executed and delivered to the Issuer and the Underwriter a Letter of Representation and Indemnity Agreement dated May 3, 2019 (the "**Letter of Representation**").

The Series 2019 Bonds are dated May 9, 2019, and bear interest from the date thereof at the rate and pursuant to the respective terms of the Series 2019 Bonds. The Series 2019 Bonds are subject to prepayment or redemption prior to maturity, as a whole or in part, at such time or times, under such circumstances and in such manner as is set forth in the Series 2019 Bonds and the Indenture.

As bond counsel, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates and documents (including all documents constituting the Transcript of Proceedings with respect to the issuance of the Series 2019 Bonds) as we have deemed necessary or appropriate for the purposes of the opinions rendered below. In such examination, we have assumed the genuineness of all signatures, the authenticity and due execution of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion, without having conducted any independent investigation, we have relied upon, and assumed the accuracy and truthfulness of, the aforesaid instruments, certificates and documents.

Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned in the Schedule of Definitions attached as Schedule A to the Indenture.

In rendering the opinions set forth below, we have relied upon, among other things, certain representations and covenants made by the parties in this transaction including: (i) the University in (a) the Letter of Representation, (b) the Tax Regulatory Agreement, (c) the Loan Agreement, (d) the Closing Certificate of the University, dated the date hereof, and (e) the Bond Counsel Questionnaire submitted to us by the University, and (ii) the Issuer in (a) the Bond Purchase Agreement, (b) the Indenture, (c) the Tax Regulatory Agreement, (d) the Loan Agreement, and (e) the Closing Certificate of the Issuer, dated the date hereof. We call your attention to the fact that there are certain requirements with which the Issuer and the University must comply after the date of issuance of the Series 2019 Bonds in order for the interest on the Series 2019 Bonds to remain excluded from gross income for federal income tax purposes. Copies of the aforementioned documents are included in the Transcript of Proceedings.

In addition, in rendering the opinions set forth below, we have relied upon the opinions of counsel to the Issuer, Ryan, Brennan & Donnelly, LLP, Floral Park, New York; counsel to the University, Farrell Fritz, P.C., Melville, New York; and counsel to the Trustee, Paparone Law PLLC, New York, New York, all of even date herewith. Copies of the aforementioned opinions are contained in the Transcript of Proceedings.

Based upon and subject to the foregoing, we are of the opinion that:

1. The Issuer is a duly organized and existing corporate governmental agency constituting a local development corporation of the State of New York.

2. The Issuer is duly authorized to issue, execute, sell and deliver the Series 2019 Bonds, for the purpose of paying the costs described above.

3. The Resolution has been duly adopted by the Issuer and is in full force and effect.

4. The Bond Purchase Agreement, the Indenture, the Tax Regulatory Agreement, and the Loan Agreement have been duly authorized, executed and delivered by the Issuer and are legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms.

5. The Series 2019 Bonds have been duly authorized, executed and delivered by the Issuer and are legal, valid and binding special obligations of the Issuer payable solely from the

revenues derived from the Loan Agreement, enforceable against the Issuer in accordance with their respective terms.

6. The Series 2019 Bonds do not constitute a debt of the State of New York or of the Town of Hempstead, New York, and neither the State of New York nor the Town of Hempstead, New York, will be liable thereon.

7. The Code sets forth certain requirements which must be met subsequent to the issuance and delivery of the Series 2019 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2019 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2019 Bonds. Pursuant to the Indenture, the Loan Agreement and the Tax Regulatory Agreement, the Issuer and the University have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2019 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Issuer and the University have made certain representations and certifications in the Indenture, the Loan Agreement and the Tax Regulatory Agreement. We are also relying on the opinion of Counsel to the University, as to all matters concerning the status of the University as an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code. We have not independently verified the accuracy of those certifications and representations or that opinion.

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

8. Under existing law, interest on the Series 2019 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision of the State of New York, assuming compliance with the tax covenants and the accuracy of the representations and certifications described in paragraph 7 hereof.

Except as stated in paragraphs 7 and 8 above, we express no opinion as to any other federal, state, or local tax consequences of the ownership or disposition of the Series 2019 Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Series 2019 Bonds, or the interest thereon, if any action is taken with respect to the Series 2019 Bonds or the proceeds thereof upon the advice or approval of other counsel.

The foregoing opinions are qualified to the extent that the enforceability of the Series 2019 Bonds, the Bond Purchase Agreement, the Letter of Representation, the Indenture, the

Loan Agreement and the Tax Regulatory Agreement may be limited by bankruptcy, insolvency or other laws or enactments now or hereafter enacted by the State of New York or the United States affecting the enforcement of creditors' rights and by restrictions on the availability of equitable remedies and to the extent, if any, that enforceability of the indemnification provisions of such documents may be limited under law. We express no opinion with respect to the availability of any specific remedy provided for in any of the bond documents.

In rendering the foregoing opinions, we are not passing upon and do not assume any responsibility for the accuracy, completeness, sufficiency or fairness of any documents, information or financial data supplied by the Issuer, the University or the Trustee in connection with the Series 2019 Bonds, the Bond Purchase Agreement, the Letter of Representation, the Indenture, the Loan Agreement, the Tax Regulatory Agreement, the Official Statement, the Continuing Disclosure Agreement or the Series 2019 Project and make no representation that we have independently verified the accuracy, completeness, sufficiency or fairness of any such documents, information or financial data. In addition, we express no opinion herein with respect to the accuracy, completeness, sufficiency or fairness of the Preliminary Official Statement, dated April 25, 2019, or the Official Statement, dated May 3, 2019, with respect to the Series 2019 Bonds.

We express no opinion herein with respect to the registration requirements under the Securities Act of 1933, as amended, the registration or qualification requirements under the Trust Indenture Act of 1939, as amended, the registration, qualification or other requirements of State Securities laws, or the availability of exemptions therefrom.

We express no opinion as to the sufficiency of the description of the Series 2019 Project contained in the Loan Agreement or as to the adequacy, perfection or priority of any security interest in any collateral securing the Series 2019 Bonds.

Furthermore, we express no opinion as to the Continuing Disclosure Agreement. We express no opinion with respect to whether the Issuer and the University (i) have complied with the State Environmental Quality Review Act, (ii) have obtained any or all necessary governmental approvals, consents or permits, or (iii) have complied with the New York Labor Law or other applicable laws, rules, regulations, orders and zoning and building codes, all in connection with the renovation, construction, equipping, furnishing and operation of the Series 2019 Project.

This opinion is to be relied upon solely by the addressees and may not be relied upon by any other person without our prior written consent.

Very truly yours,

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement, dated May 1, 2019 (the "Disclosure Agreement"), is executed and delivered by Adelphi University, a New York not-for-profit education corporation (the "University"), in connection with the issuance of $24,985,000 Town of Hempstead Local Development Corporation Revenue Bonds, Series 2019 (Adelphi University Project) (the "Bonds"). The Bonds are being issued pursuant to that certain Indenture of Trust, dated as of May 1, 2019 (the "Indenture"), between the Town of Hempstead Local Development Corporation (the "Issuer") and The Bank of New York Mellon, as bond trustee (the "Bond Trustee"). The proceeds of the Bonds are being loaned to the University pursuant to that certain Loan Agreement dated as of May 1, 2019 (the "Loan Agreement") between the Issuer and the University. The obligations of the University under the Loan Agreement are secured by payments required to be made by the University by a certain promissory note (the "Note") issued by the University pursuant to the Loan Agreement.

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the University for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters (defined below) in complying with the Rule (defined below). The University is an "obligated person" within the meaning of the Rule. The University acknowledges 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 Owner or Beneficial Owner of the Bonds, 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 2, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the University pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" shall mean the financial statements the University for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a)(ii) of this Disclosure Agreement.

"Beneficial Owner" shall mean any Person or entity that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including Persons holding Bonds through nominees, depositories or other intermediaries); provided, however, that a person shall not be deemed to be a beneficial owner of a Bond solely as a result of a right held by such person to acquire the Bond in the future.

"University" shall mean the University as defined in the introductory paragraph to this Disclosure Agreement.

"Dissemination Agent" shall mean any Person or entity designated in writing by the University as the dissemination agent and which has filed with the Bond Trustee a written acceptance of such designation. As of the date hereof, the University has not designated a third-party dissemination agent.

"Financial Obligation" shall mean "financial obligation" as such term is used in the Rule, as evidenced by SEC Release No. 34 83885 (August 20, 2018)

"Fiscal Year" shall mean the fiscal year of the University.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive continuing disclosure filings pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" shall mean the official statement relating to the Bonds, dated May 3, 2019, as may be supplemented and amended.

"Participating Underwriter" shall mean each original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of New York.

"Unaudited Financial Statements" has the same meaning as Audited Financial Statements except that such financial statements have not been audited and reported upon by independent certified public accountants.

Section 3. Provision of Annual Reports.

(a) The University shall, not later than one hundred twenty (120) days after the end of the Fiscal Year, commencing with the Fiscal Year ending August 31, 2019, provide an Annual Report to the MSRB which is consistent with the requirements of Section 4 of this Disclosure Agreement. 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 Corporation may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Fiscal Year changes, the University shall promptly provide written notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) If the University is unable to provide any Annual Report to the MSRB by the date required in subsection (a), the University shall provide notice of such failure (in substantially the form attached as EXHIBIT A) to the MSRB electronically within fifteen (15) Business Days of the required date of such Annual Report.

Any filing under this Disclosure Agreement may be made solely by transmitting such filing to the MSRB, or as otherwise permitted or required under the Rule.

Section 4. Content of Annual Reports. The University shall provide to the MSRB certain financial information and operating data annually in accordance with the provisions of Section (b)(5)(i) of the Rule, as follows:

(a) by not later than one hundred twenty (120) days after the end of each fiscal year of the University, commencing with the fiscal year ending August 31, 2019, to the MSRB, the Audited Financial Statements for such fiscal year, if available, or if such Audited Financial Statements are not available within one hundred twenty (120) days after the end of such fiscal year, the Unaudited Financial Statements for such fiscal year to be replaced subsequently by the Audited Financial Statements to be delivered within 15 days after such Audited Financial Statements become available for distribution;

(b) by not later than one hundred twenty (120) days after the end of each fiscal year of the University, commencing with the fiscal year ending August 31, 2019, to the MSRB, the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under the headings "***Degrees Conferred***," "***Faculty***," "***Pension Program***," "***Enrollment***," "***Applications and Admissions***," "***Student Fees and Competition***," "***Student Financial Assistance***," "***Revenues and Expenses of the University***," "***Endowment***," "***State Aid***," "***Private Gifts***," "***Plant Values***" and "***Outstanding Indebtedness of the University***" in Appendix A of the Official Statement, to the extent such items are not included in the Audited Financial Statements referred to in (a) above and to the extent such items relate to the University.

In addition to the information described in paragraphs (a) and (b) above, (i) if any part of the information described in Paragraph (b) can no longer be generated because the operations to which it is related have been materially changed or discontinued, the University will include a statement to that effect as part of the Annual Report for the year if the change or discontinuation occurs, and (ii) the Annual Report for the year in which any amendment or waiver of a provision of this Disclosure Agreement occurs shall describe and explain the amendment or waiver, the reason for it and its impact on the type of information being provided, and if the amendment relates to the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 5. Reporting of Listed Events.

The University shall file notice of the occurrence of any of the following events (the "Listed Events") with respect to the Bonds, in a timely manner not in excess of ten (10) business days after the occurrence of such Listed Event:

(a) principal and interest payment delinquencies;

(b) non-payment-related defaults, if material;

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

(d) unscheduled draws on credit enhancement reflecting financial difficulties;

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

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

(g) modifications to rights of holders of the Bonds, if material;

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

(i) Bond defeasances;

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

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the University, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the University 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 University, 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 University;

(m) consummation of a merger, consolidation, or acquisition involving the University or sale of all or substantially all of the assets of the University, other than in the ordinary course of business, or the entry into or termination of a definitive agreement relating to the foregoing, other than pursuant to its terms, if material;

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

(o) incurrence of a Financial Obligation of the University, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the University, any of which affect security holders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the University, any of which reflect financial difficulties.

For any of the Listed Events that require the evaluation of a materiality standard, the University shall make such determination in accordance with securities laws in effect at the time of such Listed Event.

Section 6. Termination of Reporting Obligation. The University's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the University'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 University, and the University shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the University shall give notice of such termination or substitution in the same manner as for a Listed Event under Section 5.

Section 7. Dissemination Agent. The University may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the University may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5, it may only be 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 an obligated person with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the University shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the University. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the University chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the University shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the University to comply with any provision of this Disclosure Agreement, the Bond Trustee may (and, at the request of the Participating Underwriters or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, but only to the extent funds in an amount satisfactory to the Bond Trustee have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges of the Bond Trustee whatsoever, including, without limitation, fees and expenses of its attorneys, shall), or any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the University to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the University to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the University, the Bond Trustee, the Participating Underwriters and Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 12. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

Section 13. Entire Agreement. This Disclosure Agreement contains the entire agreement of the University with respect to the subject matter hereof and supersedes all prior arrangements and understandings with respect thereto, provided however that this Disclosure Agreement shall be interpreted and construed with reference to and *in pari materia* with the Rule.

IN WITNESS WHEREOF, the University has caused this Disclosure Agreement to be duly executed as of the day and year first above written.

ADELPHI UNIVERSITY

By: ________________________________
Christine M. Riordan
President

By: ________________________________
James J. Perrino
Executive Vice President of Finance and Administration

EXHIBIT A

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Town of Hempstead Local Development Corporation
Name of Bond Issue:	Town of Hempstead Local Development Corporation Revenue Bonds, Series 2019 (Adelphi University Project)
Name of Obligated Person:	Adelphi University
Date of Issuance:	May 9, 2019
CUSIP No.	*See Schedule 1*

NOTICE IS HEREBY GIVEN that Adelphi University has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated May 1, 2019. Adelphi University anticipates that the Annual Report will be filed by ___________________.

Dated:

ADELPHI UNIVERSITY

SCHEDULE 1

Maturity	CUSIP
2020	424682JV5
2021	424682JW3
2022	424682JX1
2023	424682JY9
2024	424682JZ6
2025	424682KA9
2026	424682KB7
2027	424682KC5
2028	424682KD3
2029	424682KE1
2030	424682KF8
2031	424682KG6
2032	424682KH4
2033	424682KJ0
2034	424682KK7
2039	424682KL5

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ADELPHI
UNIVERSITY

TOWN OF HEMPSTEAD LOCAL DEVELOPMENT CORPORATION • REVENUE BONDS, SERIES 2019 (ADELPHI UNIVERSITY PROJECT)

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