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**MINUTES OF THE MEETING OF THE
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
HELD REMOTELY ON TUESDAY, APRIL 26, 2022**

The meeting was called to order at 10:00 a.m. by Board Chair Joshua Hodes. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via email on June 14, 2021, to The Star Ledger, The Times of Trenton and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey and on the Authority's website. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

AUTHORITY MEMBERS PRESENT (VIA ZOOM):

Joshua Hodes, Chair
Elizabeth Maher Muoio, State Treasurer, Treasurer (represented by Ryan Feeney)
Louis Rodriguez
Dr. Brian Bridges, Secretary of Higher Education (represented by Angela Bethea)

AUTHORITY MEMBERS ABSENT:

Ridgeley Hutchinson, Vice Chair

STAFF PRESENT (VIA ZOOM):

Sheryl A. Stitt, Acting Executive Director
Steven Nelson, Acting Deputy Executive Director
Ellen Yang, Director of Compliance Management
Brian Sootkoos, Director of Finance-Controller
Matthew Curtis, Information Technology Manager
Edward DiFiglia, Public Information Officer
Linda Hazley, Office Manager-Document Specialist

Sarah Kaplan, Compliance Manager
Carl MacDonald, Project Manager
Kristen Middleton, Assistant Controller
Jamie O'Donnell, Grant Program Manager
Sheila Toles, Human Resources Manager

ALSO PRESENT (VIA ZOOM):

Victoria Nilsson, Esq., Deputy Attorney General
Janice Venables, Esq., Governor's Authorities Unit

ITEMS OF DISCUSSION

1. Approval of the Minutes of the Meeting of February 22, 2022

The minutes of the meeting of February 22, 2022 were delivered electronically and via United Parcel Service to Governor Philip D. Murphy under the date of February 23, 2022. Mr. Hodes moved the meeting minutes for approval as presented; the motion was seconded by Mr. Feeney and passed unanimously.

2. Approval of the Minutes of the Special Meeting of February 8, 2022

The minutes of the special meeting of February 8, 2022 were delivered electronically and via United Parcel Service to Governor Philip D. Murphy under the date of February 8, 2022. Mr. Hodes moved the meeting minutes for approval as presented; the motion was seconded by Ms. Bethea and passed unanimously.

3. Executive Director's Report

Ms. Stitt provided the Executive Director's report for informational purposes only.

Ms. Stitt reported that on March 2, 2022, Governor Murphy signed Executive Order No. 291, which directed state agencies to undertake a review, among other things, of the State's ability to boycott or halt the import or purchase of any products or services provided from Russia or Belarus and that the Authority conducted such review through outreach to all its vendors, including all professional service providers. She reported that on March 9, 2022, the Governor signed P.L.2022, c.3, which prohibited certain government dealings with businesses engaged in prohibited activities in Russia or Belarus. The new law requires the Department of the Treasury to develop a list of persons and entities that engage in prohibited activities in Russia or Belarus and an accompanying form for use statewide. Ms. Stitt stated that until Treasury's list and form become available, the Authority, like other agencies, was requiring any business or person with whom it is contracting to sign an interim certification that they are not engaged in prohibited activities in Russia or Belarus.

Ms. Stitt reported that on April 6, 2022, the Civil Service Commission adopted a Final Administrative Action ordering establishment of a one-year Pilot Telework Program for State Executive Branch Employees. Ms. Stitt reported that the Commission's action included guidelines and specific requirements that agencies must follow in developing their respective pilot programs, and include an effective date no later than July 1, 2022 and expiration date of June 30, 2023. Programs for agencies like the Authority must be submitted to the Commission and once approved, submitted to the Governor's Authorities Unit for final approval. Ms. Stitt reported that in response to the Commission's action, Authority Executive Management and Human Resource Manager were beginning to develop a pilot program for the Authority that would follow Commission guidelines and keep the Authority's operational needs of paramount importance.

Ms. Stitt reported that the Authority had been the subject of a recent Ethics review by the State Ethics Commission to ensure, as it does with all Executive Branch agencies, that the Authority was meeting reporting, training and other requirements of the State Ethics laws and regulations. She reported that the Ethics Commission had completed its audit and determined that the Authority was in substantial compliance. Ms. Stitt thanked the Authority's Director of Compliance and Ethics Liaison Officer (ELO), Ellen Yang, for developing the current internal compliance procedures for staff and Board members. Ms. Stitt also reported that the Authority's Compliance Manager had completed training with the State Ethics Commission and was now the alternate ELO for the Authority as well as the Authority's alternate EEO/AA Officer.

Ms. Stitt reported that the Authority had selected two law students from Seton Hall University for its summer externship program which would begin in the coming weeks.

4. **Resolution of the New Jersey Educational Facilities Authority Authorizing the Issuance and Sale of NJEFA Revenue Bonds, Princeton University Issue, 2022 Series A**

Mr. Nelson reported that the Authority sought the Members' approval to authorize the issuance of revenue bonds for Princeton University in an amount not to exceed \$350 million. He reported that the bonds would be used to provide funds to be loaned to the University for various new money capital projects at the University's main campus in Princeton; Forrestal Campus in Plainsboro; administrative building in West Windsor; and at its Lake Campus in West Windsor.

Mr. Nelson reported that the Authority distributed and evaluated an RFP for underwriter services and based on the results of the evaluation, the Authority

recommended the firm Ramirez & Co., Inc. be appointed as book-running senior manager and BofA Securities, Inc. and Loop Capital Markets, LLC be appointed as co-senior managers. He reported that the Bank of New York Mellon had been selected to serve as trustee and McManimon, Scotland & Baumann LLC had been selected to serve as bond counsel.

Nicholas Concilio, Esq. of McManimon, Scotland & Baumann, LLC described the resolution for the Members' consideration.

Timothy Graf, Associate Vice President for Treasury Services of Princeton University thanked everyone involved in the transaction and explained the importance of the financing.

Mr. Rodriguez moved the adoption of the following entitled resolution:

RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY
EDUCATIONAL FACILITIES AUTHORITY PRINCETON
UNIVERSITY REVENUE BONDS, 2022 SERIES A

The motion was seconded by Mr. Feeney and passed unanimously.

The adopted resolution is appended as Exhibit I.

5. PFM Asset Management – Investment and Market Update

Steven Faber, Samantha Myers and Trina Smith, Senior Managing Consultants of PFM Asset Management and PFM Financial Advisors, respectively, provided the Members with a report on municipal market trends, current market conditions and the impact of the COVID-19 crisis on market activity.

6. Report on the Sale of NJEFA Revenue and Refunding Bonds, Ramapo College of New Jersey Issue, Series 2022

Mr. MacDonald reported that on March 2, 2022, Ramapo College of New Jersey priced both its tax-exempt \$67,880,000 Series 2022 A bonds and its federally taxable \$13,465,000 Series 2022 B bonds via negotiated sale which closed on April 6, 2022. He reported that the Series 2022 A bonds achieved a true interest cost of 2.45% and have a final maturity of July 1, 2052 and the Series 2022 B bonds achieved a true interest cost of 4.32% and have a final maturity of July 1, 2042. The bonds achieved a net present value savings of approximately \$9.8 million, or 11.43% of the refunded bonds and were rated A2 by Moody's and A by Standard and Poor's.

Mr. MacDonald reported that M. Jeremy Ostow, Esq. served as bond counsel for the transaction and Janney Montgomery Scott served as financial advisor to the

College. Morgan Stanley served as senior managing underwriter and UBS, Loop Capital Markets and Drexel Hamilton served as co-managers.

A copy of the Bond Sale Summary for the issue is appended as Exhibit II.

7. **Resolution of the New Jersey Educational Facilities Authority Authorizing a Twelve-Month Extension of the Appointment of Pools of Underwriters to Serve as Senior Managers and Co-Managers**

Mr. MacDonald reported that the Authority sought the Members' approval to grant a twelve-month extension of the Authority's pool of senior managers and pool of co-managers to serve as underwriters to the Authority. He reported that at its May 16, 2018 meeting, the Authority appointed a pool of 15 senior managers and 13 co-managers for the period of July 1, 2018 to June 30, 2021 with the option to extend the term of the pools for two additional successive periods of 12 months each in the sole discretion of the Authority. Mr. MacDonald reported that at its April 27, 2021 meeting, the Authority exercised its first option to extend the term of the pools for an additional twelve-month period and that staff currently recommended exercising its second and final option to extend the appointment of the pools from July 1, 2022 to June 30, 2023.

Mr. Rodriguez moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY AUTHORIZING A TWELVE-MONTH EXTENSION OF
THE APPOINTMENT OF POOLS OF UNDERWRITERS TO SERVE
AS SENIOR MANAGERS AND CO-MANAGERS

The motion was seconded by Ms. Bethea and passed unanimously.

The adopted resolution is appended as Exhibit III.

8. **Resolution of the New Jersey Educational Facilities Authority Approving a Memorandum of Understanding By and Between the Office of the Secretary of Higher Education and the Authority Relating to Bonds Issued and Grants Funded Pursuant to the Higher Education Capital Improvement Fund Act, the Higher Education Equipment Leasing Fund Act, the Higher Education Technology Infrastructure Fund Act and the Higher Education Facilities Trust Fund Act**

Ms. Stitt reported that in November 2021, Governor Murphy announced that the State of New Jersey would release \$400 million in capital facilities grant funding to support the growing needs of New Jersey's institutions of higher education and students. She explained that the Authority issues bonds for the higher education grant programs which include the Capital Improvement Fund Act, the Equipment

Leasing Fund Act, the Technology Infrastructure Fund Act and the Facilities Trust Fund Act.

Ms. Stitt explained that the Authority had an existing Memorandum of Understanding (MOU) with the Office of the Secretary of Higher Education (OSHE) for grants awarded under those programs in 2013 and 2015 and that OSHE wanted to continue its partnership with the Authority for the new solicitation expected to occur in 2022. Ms. Stitt explained that the resolution requested the Members' approval and authorization of the execution of an MOU between the Authority and OSHE pursuant to which the Authority would assist OSHE in carrying out certain activities relating to the grant programs, commencing with the 2022 solicitation cycle.

Ms. Stitt thanked OSHE, the Attorney General's Office, the Governor's Authorities Unit and Ryan Feeney and Treasury for their assistance in finalizing the MOU.

Mr. Feeney moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE OFFICE OF THE SECRETARY OF HIGHER EDUCATION AND THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY RELATING TO BONDS ISSUED AND GRANTS FUNDED PURSUANT TO THE HIGHER EDUCATION CAPITAL IMPROVEMENT FUND ACT, THE HIGHER EDUCATION EQUIPMENT LEASING FUND ACT, THE HIGHER EDUCATION TECHNOLOGY INFRASTRUCTURE FUND ACT AND THE HIGHER EDUCATION FACILITIES TRUST FUND ACT

The motion was seconded by Mr. Rodriguez and passed unanimously.

The adopted resolution is appended as Exhibit IV.

9. Resolution of the New Jersey Educational Facilities Authority Extending the Engagement of the Authority's Investment Advisor

Mr. Sootkoos reported that at the May 28, 2019 meeting, the Authority entered into an agreement with PFM Asset Management to serve as the Authority's Investment Advisor for a period of two years ending May 27, 2021 with the option to extend the engagement for two additional and successive periods of twelve months each at the discretion of the Authority. He reported that at the February 23, 2021 meeting, the Authority exercised its first one-year renewal option to extend the term of the engagement for an additional twelve months ending May 27, 2022. Mr. Sootkoos reported that based on the performance of PFM and their proposed fee

structure, which remained unchanged, the Authority recommended that the engagement be extended for the second one-year renewal period at current rates, commencing May 28, 2022 and ending May 27, 2023.

Ms. Bethea moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY EXTENDING THE ENGAGEMENT OF THE
AUTHORITY'S INVESTMENT ADVISOR

The motion was seconded by Mr. Hodes and passed unanimously.

The adopted resolution is appended as Exhibit V.

10. **Resolution of the New Jersey Educational Facilities Authority Accepting and Adopting the Financial Statements and Independent Auditors' Report for 2020**

Mr. Feeney reported that the Audit Committee, consisting of himself, David Moore as the State Treasurer's Designee and the Authority's Vice Chair, Ridgeley Hutchinson, met on March 4, 2022 with David Gannon of PKF O'Connor Davies to discuss the annual audit. Mr. Feeney then invited Mr. Gannon to provide an overview to the Members of the audit results and related Audit Committee discussion.

Mr. Feeney stated that the Audit Committee recommended the Members' approval of the 2020 Financial Statements and the Independent Auditors' Report.

Mr. Rodriguez moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY ACCEPTING AND ADOPTING THE FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS' REPORT FOR
2020

The motion was seconded by Mr. Hodes and passed unanimously.

The adopted resolution is appended as Exhibit VI.

11. **Report on February and March Operating and Construction Fund Statements and Disbursements**

Mr. Sootkoos reviewed the Results of Operations and Budget Variance Analysis and reported on the status of construction funds and related investments for February and March 2022.

Ms. Bethea moved that the reports be accepted as presented; the motion was seconded by Mr. Hodes and passed unanimously.

The reports are appended as Exhibit VII.

12. Next Meeting Date

Mr. Hodes reminded everyone that the next meeting was scheduled for Tuesday, May 24, 2022 at 10:00 a.m. and requested a motion to adjourn.

Mr. Rodriguez moved that the meeting be adjourned at 10:52 a.m. The motion was seconded by Mr. Hodes and passed unanimously.

Respectfully submitted,



Sheryl A. Stitt
Assistant Secretary



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TERM SHEET

Borrower:	Princeton University, Princeton, New Jersey
Issue:	2022 Series A
Amount:	Not to Exceed \$350,000,000
Purpose:	<u>2022 Series A Bonds</u> - The 2022 Series A Bonds are being issued to provide funds to be loaned to the University to: (i) finance (in whole or in part) the costs of the acquisition, construction, renovation and installation of certain capital assets to be located at or near the University's main campus in Princeton, New Jersey, at its Forrestal Campus in Plainsboro, New Jersey, at its administrative building at 701 Carnegie Center in West Windsor, New Jersey, or at its Lake Campus in West Windsor, New Jersey (the "2022 Series A Project"), consisting of (A) the renovation and repair of various University buildings and other facilities, including utility systems, roads, grounds and parking, (B) the purchase of capital equipment for academic departments and administrative and supporting units, (C) the construction of academic, administrative, athletic, housing and/or student/faculty/staff-related capital facilities and utility/infrastructure-related assets, and (D) the acquisition of land; and (ii) pay certain costs incidental to the sale and issuance of the 2022 Series A Bonds.
Structure:	Negotiated Sale, Fixed Rate
Term:	No later than March 1, 2062
True Interest Cost:	Not to Exceed 6.00%
Current Bond Ratings:	AAA (Moody's) Aaa (S&P)

**Tentative
Sale Date:** May 2022

**Tentative
Closing Date:** May 2022

The Authority Members will be asked to adopt the 2022 Series A Resolution pertaining to the Bonds which outlines the various parameters of the financing; authorizes the issuance of the Bonds; authorizes and approves the form of and entry into all legal documents necessary for the financing; and delegates to any Authorized Officer of the Authority the ability to take all actions as may be necessary to sell, award and issue the Bonds and execute all necessary bond documents to finalize this transaction.

Professionals on the Transaction:

Bond Counsel:	McManimon, Scotland & Baumann, LLC
Authority's Counsel:	Attorney General of the State of New Jersey
University's Counsel:	Ballard Spahr LLP
University's Financial Advisor:	The Yuba Group LLC
Trustee:	The Bank of New York Mellon
Trustee Counsel:	Paparone Law PLLC
Book Running Senior Manager:	Ramirez & Co., Inc.
Co-Senior Manager:	BofA Securities, Inc.
Co-Senior Manager:	Loop Capital Markets, LLC
Underwriters' Counsel	Hawkins Delafield & Wood LLP
Printer:	McElwee & Quinn LLC



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Date: April 26, 2022

To: Members of the Authority

Issue: Princeton University Issue, 2022 Series A

Below please find the procurement procedures that were undertaken with respect to the various professional appointments in connection with the Princeton University 2022 Series A transaction and staff's recommendations with respect thereto.

Bond Counsel

In accordance with Executive Order No. 26 (1994), the Attorney General's office has selected McManimon, Scotland & Baumann LLC to serve as bond counsel for this transaction.

Trustee, Bond Registrar, Paying Agent

In accordance with the University's general bond resolution structure which maintains the same Trustee for every series of bonds thereafter, The Bank of New York Mellon will serve as Trustee for this transaction.

Senior Manager, Co-Senior Manager(s) and Co-Manager(s)

On February 7, 2022, the staff of the New Jersey Educational Facilities Authority (the "Authority") distributed a Request for Proposals ("RFP") for Investment Banking Services to a distribution list of sixteen (16) firms which are members of the Authority's Senior Manager Pool, eleven (11) firms which are members of the Authority's Co-Manager Pool, and to underwriters who have expressed interest in working with the Authority. Additionally, the RFP was posted on the Authority's and State's websites and advertised in the Bond Buyer. The Authority received ten (10) responses from firms seeking appointment as Senior Manager, and sixteen (16) responses from firms seeking appointment as a Co-Manager.

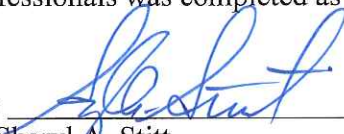
As highlighted in the RFP, the evaluation of the Senior Manager responses was performed by three evaluators: one staff member from the Authority, one staff member from the Office of Public Finance, and one staff member from the University. In accordance with the Authority's evaluation process, the highest ranked firm is recommended as Senior Manager. Given the transaction's proposed structure, the Authority and University desire to procure two (2) co-senior managers with significant transaction responsibilities. Co-senior managers are selected within the Senior Manager procurement process, and are the next highest ranked firms within that process. The responsive firms and their respective scores are as follows:

<u>Firm</u>	<u>Evaluator #1</u>	<u>Evaluator #2</u>	<u>Evaluator #3</u>	<u>All Evaluators</u>	<u>Final Ranking</u>	<u>Proposed Fee</u>
Ramirez & Co., Inc.	90.99	93.49	72.24	256.72	1	2.09700
BofA Securities, Inc.	87.42	78.92	88.92	255.26	2	1.97900
Loop Capital Markets, LLC	93.26	81.76	65.01	240.03	3	2.25360
Morgan Stanley & Co., LLC	84.73	63.23	89.73	237.69	4	2.00300
Goldman Sachs & Co., LLC	82.36	61.86	91.11	235.33	5	2.17700
Jeffries, LLC	82.50	57.50	75.50	215.50	6	1.84145
JP Morgan Securities, LLC	77.99	61.49	71.49	210.97	7	2.22500
Siebert Williams Shank & Co., LLC	80.30	43.30	73.05	196.65	8	2.62975
UBS Financial Services, Inc.	79.95	46.45	63.95	190.35	9	2.23000
Blaylock Van, LLC	46.60	39.10	50.35	136.05	10	2.91000

Recommendation for Senior Manager:
Recommendation for Co-Senior Managers:

Ramirez & Co., Inc.
BofA Securities, Inc.
Loop Capital Markets, LLC

The Authority's staff involvement in the procurement processes related to the above referenced professionals was completed as of the 14th day of April 2022.

By: 
 Sheryl A. Stitt
 Acting Executive Director

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

2022 SERIES A SERIES RESOLUTION

AUTHORIZING THE ISSUANCE OF NOT TO EXCEED

\$350,000,000

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
PRINCETON UNIVERSITY REVENUE BONDS, 2022 SERIES A**

ADOPTED APRIL 26, 2022

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2022 SERIES A SERIES RESOLUTION

A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY PRINCETON UNIVERSITY REVENUE BONDS, 2022 SERIES A

WHEREAS, the New Jersey Educational Facilities Authority (the "*Authority*"), by its Princeton University Revenue Bond Resolution, duly adopted on February 16, 1999, as amended and supplemented (collectively, the "*Resolution*"), has authorized the issuance of bonds, from time to time, in one or more series, for the purpose of providing funds for a loan to The Trustees of Princeton University (the "*University*");

WHEREAS, the Resolution provides that the bonds of the Authority shall be authorized and issued pursuant to a series resolution or series resolutions;

WHEREAS, the Authority has, at the request of the University, determined that it is necessary and in keeping with its authorized purposes to issue a series of bonds to be designated "New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2022 Series A" (the "*2022 Series A Bonds*") for the purpose of financing: (i) in whole or in part, the costs of the acquisition, construction, renovation and installation of certain capital assets to be located at or near the University's main campus in Princeton, New Jersey, at its Forrestal Campus in Plainsboro, New Jersey, at its administrative building at 701 Carnegie Center in West Windsor, New Jersey, or at its Lake Campus in West Windsor, New Jersey, consisting of (a) the renovation and repair of various University buildings and other facilities, including utility systems, roads, grounds and parking, (b) the purchase of capital equipment for academic departments and administrative and supporting units, (c) the construction of academic, administrative, athletic, housing and/or student/faculty/staff-related capital facilities and utility/infrastructure-related assets, and (d) the acquisition of land (collectively, the "*2022 Series A Project*"); and (ii) the payment of certain costs incidental to the sale and issuance of the 2022 Series A Bonds, including deposits to certain funds created under the Resolution and this 2022 Series A Series Resolution;

WHEREAS, the Authority deems it necessary and in keeping with its purposes to issue the 2022 Series A Bonds herein authorized for the purposes of (i) financing the costs of the 2022 Series A Project and (ii) paying certain costs incidental to the sale and issuance of the 2022 Series A Bonds, including deposits to certain funds created under the Resolution and this 2022 Series A Series Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.01. Definitions. As used in this 2022 Series A Series Resolution, unless a different meaning clearly appears from the context, all words and terms defined in Section 1.01 of the Resolution shall have the same meanings, respectively, in this 2022 Series A Series Resolution and in the 2022 Series A Bonds authorized hereby as are given to such words and terms by Section 1.01 of the Resolution. In addition, as used in the Resolution and in this 2022 Series A Series Resolution, unless a different meaning clearly appears from the context, the following words and terms shall mean:

"*Annual Administrative Fee*" means the annual fee for the general administrative services of the Authority, including, without limitation, the cost of attendance at Authority events, in an amount equal to 7/100 of 1% of the Outstanding aggregate principal amount of the 2022 Series A Bonds to commence on the date of issuance and delivery of the 2022 Series A Bonds;

"*Applicable Series Resolution*" means this 2022 Series A Series Resolution and, unless a different meaning clearly appears from the context, other series resolutions authorizing Additional Parity Bonds;

"*Authority Tax Certificate*" means the Arbitrage and Tax Certificate, including the exhibits thereto, dated the date of issuance and delivery of the 2022 Series A Bonds, furnished by the Authority and based upon the University Tax Certificate;

"*Authorized Officer*" means the Chair, Vice Chair, Treasurer, Executive Director, Deputy Executive Director, Director of Project Management, Director of Compliance Management, Secretary, Assistant Treasurer or any Assistant Secretary of the Authority, and when used with reference to any act or document also means any other person authorized by resolution of the Authority to perform such act or execute such document and shall also include any of such officers designated as "acting" or "interim";

"*Certificate of Determination*" means a certificate of any Authorized Officer making certain findings and determinations as authorized and/or delegated pursuant to the terms of this 2022 Series A Series Resolution;

"*Construction Fund*" means the fund created and established by this 2022 Series A Series Resolution;

"*Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement, dated as of May 1, 2022 (or such other dated date as may be determined based on the date of issuance of the 2022 Series A Bonds), by and between the University and The Bank of New York Mellon, as Dissemination Agent, as the same may from time to time be amended or supplemented;

"*Costs of Issuance*" means, as applicable, any costs relating to the issuance or the carrying of the 2022 Series A Bonds payable from the proceeds thereof, including, but not limited to: (i) underwriters' discount (whether realized directly or derived through the purchase of the 2022 Series A Bonds at a discount below the price at which they are expected to be sold to the public);

(ii) counsel fees (including bond counsel, issuer's counsel, University counsel, trustee's counsel and any other specialized counsel fees incurred in connection with the borrowing); (iii) financial advisory fees incurred in connection with the borrowing; (iv) rating agency fees; (v) trustee fees incurred in connection with the borrowing; (vi) paying agent and certifying and authenticating agent fees related to the issuance of the 2022 Series A Bonds; (vii) accountant fees related to the issuance of the 2022 Series A Bonds; (viii) printing costs (of the 2022 Series A Bonds and of preliminary and final offering materials); (ix) fees of any securities depository; (x) costs incurred in connection with the required public approval process, if any (e.g., publication costs for public notices in connection with the issuance of the 2022 Series A Bonds, including, without limitation, the notice of public hearing); and (xi) Authority fees;

"DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the 2022 Series A Bonds;

"Initial Fee" means the fee paid or payable to the Authority for its services in connection with the issuance of the 2022 Series A Bonds, calculated at the rate of 1/5 of 1% of the aggregate principal amount of the 2022 Series A Bonds, with a maximum initial fee of \$125,000 payable by the University on the date of issuance and delivery of the 2022 Series A Bonds;

"Loan Agreement" means the Loan Agreement, dated as of May 1, 2022 (or such other dated date as may be determined based on the date of issuance of the 2022 Series A Bonds), by and between the Authority and the University relating to the 2022 Series A Project;

"Outstanding Parity Bonds" means the Authority's Princeton University Revenue Bonds, 2014 Series A, 2015 Series A, 2015 Series D, 2016 Series A, 2016 Series B, 2017 Series B, 2017 Series C, 2017 Series I, 2021 Series B, and 2021 Series C, previously or concurrently issued pursuant to the Resolution and the Applicable Series Resolution;

"Participating Underwriter" shall have the meaning ascribed thereto in the Continuing Disclosure Agreement;

"Sinking Fund Installment" means the amount of money sufficient to redeem the 2022 Series A Bonds in the amounts, at the times and in the manner set forth in Section 2.05(b) hereof;

"2022 Series A Bonds" means the bonds designated "New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2022 Series A" (or such other series designation as may be determined based upon the date of issuance of the 2022 Series A Bonds), to be issued pursuant to the Resolution and this 2022 Series A Series Resolution to finance the costs associated with the 2022 Series A Project and certain costs incidental to the sale and issuance of the 2022 Series A Bonds, including deposits to certain funds created under the Resolution and this 2022 Series A Series Resolution;

"2022 Series A Series Resolution" means this resolution authorizing the issuance of the 2022 Series A Bonds; and

"*University Tax Certificate*" means the Arbitrage and Tax Certificate, including the exhibits thereto, dated the date of issuance and delivery of the 2022 Series A Bonds, furnished by the University.

Words importing persons include firms, associations and corporations, and words importing the singular number include the plural number and vice versa.

Section 1.02. Authority for this 2022 Series A Series Resolution. This 2022 Series A Series Resolution is adopted pursuant to and in accordance with the provisions of the Act and Article II and Article VIII of the Resolution.

ARTICLE II
AUTHORIZATION AND DETAILS OF
2022 SERIES A PROJECT AND 2022 SERIES A BONDS

Section 2.01. Project Authorizations. Any Authorized Officer is hereby authorized to execute and seal all documents necessary to enable the Authority to finance the 2022 Series A Project.

Section 2.02. 2022 Series A Bonds Authorized. The Authority hereby authorizes the issuance of the 2022 Series A Bonds, as either a single issue or separate issues for federal income tax purposes, for the purpose of making a loan to the University to pay the costs of the 2022 Series A Project and to provide for the payment of certain Costs of Issuance and the deposit to certain funds created under the Resolution and this 2022 Series A Series Resolution.

Section 2.03. Dates and Maturities. The 2022 Series A Bonds shall be initially dated, shall mature in such principal amounts and on such dates, shall bear interest payable on such dates, and shall be subject to such terms, conditions and provisions as an Authorized Officer shall approve prior to their issuance with the advice of the Authority's Bond Counsel, McManimon, Scotland & Baumann, LLC ("*Bond Counsel*"), and the Attorney General of the State of New Jersey (the "*State*") (such approval to be conclusively evidenced by such Authorized Officer's execution thereof); *provided*, that (a) the aggregate principal amount of the 2022 Series A Bonds shall not exceed \$350,000,000; (b) the 2022 Series A Bonds shall mature not later than March 1, 2062; (c) the "true" interest cost on the 2022 Series A Bonds shall not exceed 6.00% per annum; and (d) Bond Counsel delivers an opinion that interest on the 2022 Series A Bonds is not includable in gross income for federal income tax purposes in connection with the issuance of the 2022 Series A Bonds. If, after issuance thereof, as shown by the records of the Trustee, interest on the 2022 Series A Bonds shall be in default, registered 2022 Series A Bonds issued in lieu of 2022 Series A Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the 2022 Series A Bonds surrendered. The 2022 Series A Bonds shall bear interest from the most recent interest payment date next preceding the date of such registered 2022 Series A Bonds to which interest has been paid, unless the date of such registered 2022 Series A Bonds is an interest payment date, in which case interest shall be payable from such date, or unless the date of such registered 2022 Series A Bonds is prior to the first interest payment date of the registered 2022 Series A Bonds, in which case interest shall be payable from the initial dated date or unless the date of such 2022 Series A Bonds is between a record date and the next succeeding interest payment date, in which case from such interest payment date, payable on such dates and at such rate or rates per annum as shall hereafter be determined by an Authorized Officer upon the sale thereof. Any Authorized Officer also is authorized to accept terms and conditions relating to the 2022 Series A Bonds required as a condition to issuance thereof as such Authorized Officer deems necessary and appropriate with the advice of Bond Counsel and the Attorney General of the State. Any such terms and conditions modifying the terms of this 2022 Series A Series Resolution shall be set forth in a Certificate of Determination delivered by an Authorized Officer.

Section 2.04. Denominations, Numbers and Letters. The 2022 Series A Bonds shall be issuable in fully-registered form in denominations of \$5,000 each or any integral multiple thereof. Unless the Authority shall otherwise direct, each maturity of the 2022 Series A Bonds shall be numbered separately from one upwards preceded by the letter R and a number or numbers

designating the year of maturity. The Certificate of Determination may provide for a different Series designation as may be determined based on the date of the issuance of the 2022 Series A Bonds.

At the direction of an Authorized Officer, "CUSIP" identification numbers will be imprinted on the 2022 Series A Bonds, but such numbers shall not constitute a part of the contract evidenced by the 2022 Series A Bonds, and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the 2022 Series A Bonds. In addition, failure on the part of the Authority to use such CUSIP numbers in any notice to holders of the 2022 Series A Bonds shall not constitute an event of default or any similar violation of the Authority's contract with such holders.

Section 2.05. Redemption of 2022 Series A Bonds. (a) *Optional Redemption.* (i) The 2022 Series A Bonds shall be subject to redemption prior to maturity at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the 2022 Series A Bonds Outstanding of any maturity shall be called for redemption, such 2022 Series A Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), on the dates and at the redemption price (expressed as a percentage of the principal amount to be redeemed), plus interest accrued to the redemption date, as set forth in the Certificate of Determination; *provided, however,* that any such redemption price shall not exceed 103%.

(ii) Redemption of any of the 2022 Series A Bonds shall otherwise be effected in accordance with Article III of the Resolution.

(b) *Mandatory Sinking Fund Redemption.* The 2022 Series A Bonds, if so determined by an Authorized Officer, shall be subject to mandatory redemption by lot, prior to maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date, from moneys deposited in the Sinking Fund Account established for the 2022 Series A Bonds, within the Debt Service Fund established under this 2022 Series A Series Resolution. The principal amount of the 2022 Series A Bonds otherwise required to be redeemed may be reduced by the principal amount of such 2022 Series A Bonds theretofore delivered to the Trustee by the Authority in lieu of cash payments under the Loan Agreement or purchased by the Trustee out of moneys in the Sinking Fund Account in the Debt Service Fund established under this 2022 Series A Series Resolution that have not theretofore been applied as a credit against any Sinking Fund Installment.

Section 2.06. Notice of Redemption. When 2022 Series A Bonds are to be redeemed as provided herein, the Trustee shall give notice of such redemption by mailing a copy of such notice as provided in the Resolution, and such mailing shall be a condition precedent to such redemption. Failure of any holder of any 2022 Series A Bonds to receive such notice or any defect therein shall not affect the validity of the proceedings for the redemption of 2022 Series A Bonds. Any notice of redemption of any 2022 Series A Bonds pursuant to Section 2.05(a) hereof may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all the 2022 Series A Bonds or portions thereof that are to be redeemed on that date.

Section 2.07. Appointment of Trustee, Bond Registrar and Paying Agent. The Trustee, Bond Registrar and Paying Agent for the 2022 Series A Bonds shall be The Bank of New York Mellon, Woodland Park, New Jersey. Such appointment shall be evidenced by a certificate signed by an Authorized Officer and filed in the office of the Authority and delivered to the Trustee.

Section 2.08. Additional Duties of Trustee. The Trustee shall perform such other duties imposed upon it by this 2022 Series A Series Resolution or any assignments to the Trustee of the Loan Agreement. The Authority may assign the Loan Agreement to the Trustee, and the Trustee may hold such document for the benefit of the holders of the 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds.

Section 2.09 Places of Payment. The principal or Redemption Price of the 2022 Series A Bonds shall be payable upon surrender at the principal corporate trust office of the Trustee. Interest on the 2022 Series A Bonds will be paid by check mailed by the Trustee to the holders thereof at their addresses as they appear on the registration books of the Authority, except that in the case of such holder of \$1,000,000 or more in aggregate principal amount of 2022 Series A Bonds, upon the written request of such holder to the Trustee, specifying the account or accounts to which such payment shall be made, payment of interest shall be made by wire transfer of immediately available funds. Any such request shall remain in effect until revoked or revised by such holder by an instrument in writing delivered to the Trustee. However, so long as the 2022 Series A Bonds are held in book-entry form pursuant to Section 2.13 hereof, the provisions of Section 2.13 shall govern the payment of the principal or Redemption Price of and interest on the 2022 Series A Bonds. For purposes of this Section 2.09, interest is payable to the holder thereof who is such holder at the close of business on the record date for such interest, which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding an interest payment date.

Section 2.10. Authentication. The 2022 Series A Bonds shall bear thereon a certificate of authentication, in substantially the form set forth in Section 2.14 hereof, manually executed by the Trustee or by any authenticating agent of the Trustee approved by the Authority. Only such 2022 Series A Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution, and no 2022 Series A Bonds shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee or by any authenticating agent of the Trustee approved by the Authority. Such certificate of the Trustee shall be conclusive evidence that the 2022 Series A Bond so authenticated has been duly authenticated and delivered under the Resolution and that the holder thereof is entitled to the benefits of the Resolution and this 2022 Series A Series Resolution.

Section 2.11. Transfer of 2022 Series A Bonds. Each 2022 Series A Bond shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the principal corporate trust office of the Trustee, as Bond Registrar, by the holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the holder or his duly authorized attorney and the payment of a charge sufficient to reimburse the Authority or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such transfer. Upon the transfer of any 2022 Series A Bond, the Authority shall issue in the name of the transferee a new

2022 Series A Bond or Bonds in the same aggregate principal amount and maturity as the surrendered 2022 Series A Bond or Bonds.

Section 2.12. Regulations with Respect to Transfers. In all cases in which the privilege of transferring 2022 Series A Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver 2022 Series A Bonds in accordance with the provisions of the Resolution and this 2022 Series A Series Resolution. All 2022 Series A Bonds surrendered in any such transfer shall forthwith be canceled by the Trustee. Neither the Authority nor the Trustee shall be obliged to make any such transfer of 2022 Series A Bonds during (a) the period between the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding an interest payment date on the 2022 Series A Bonds and said interest payment date, (b) the period between the forty-fifth (45th) day (whether or not a business day) next preceding the date of selection of 2022 Series A Bonds to be redeemed and said date of selection, or (c) the period between the date of selection of 2022 Series A Bonds to be redeemed and the mailing of any notice of redemption.

Section 2.13. Book-Entry Bonds. (a) Except as provided in subsection (c) of this Section 2.13, the registered owner of all of the 2022 Series A Bonds shall be DTC, and the 2022 Series A Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of semiannual interest for any 2022 Series A Bond registered as of each record date in the name of Cede & Co. shall be made by wire transfer of same day funds to the account of Cede & Co. on the interest payment date for the 2022 Series A Bonds at the address indicated on the record date for Cede & Co. in the registration books of the Authority kept by the Trustee.

(b) The 2022 Series A Bonds shall be initially issued in the form of separate, single, authenticated, fully-registered bonds in the amount of each separate stated maturity of the 2022 Series A Bonds. Upon initial issuance, the ownership of such 2022 Series A Bonds shall be registered in the registration books of the Authority kept by the Trustee in the name of Cede & Co., as nominee for DTC. The Trustee and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the 2022 Series A Bonds registered in its name for the purposes of payment of the principal or Redemption Price of or interest on the 2022 Series A Bonds, selecting the 2022 Series A Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Resolution, registering the transfer of 2022 Series A Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Trustee nor the Authority shall be affected by any notice to the contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any DTC participant, any person claiming a beneficial ownership interest in the 2022 Series A Bonds under or through DTC or any DTC participant, or any other person who is not shown on the registration books of the Trustee as being a Bondholder with respect to the accuracy of any records maintained by DTC or any DTC participant; the payment by DTC or any DTC participant of any amount in respect of the principal or Redemption Price of or interest on the 2022 Series A Bonds; any notice that is permitted or required to be given to Bondholders under the Resolution; the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the 2022 Series A Bonds; or any consent given or other action taken by DTC as Bondholder. The Paying Agent shall pay all principal of and redemption premium, if any, and interest on the 2022 Series A Bonds only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the State of New Jersey) Cede & Co., as nominee for

DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the principal of and redemption premium, if any, and interest on the 2022 Series A Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to record dates, the words "Cede & Co." in this 2022 Series A Series Resolution shall refer to such new nominee of DTC.

(c) In the event the Authority determines that it is in the best interest of the beneficial owners of the 2022 Series A Bonds that they be able to obtain definitive 2022 Series A Bonds, the Authority may notify DTC and the Trustee, whereupon DTC will notify DTC participants, of the availability through DTC of definitive 2022 Series A Bonds. In such event, the Authority shall issue and the Trustee shall transfer and exchange definitive 2022 Series A Bonds as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2022 Series A Bonds at any time by giving reasonable notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Authority and the Trustee shall be obligated to deliver definitive 2022 Series A Bonds as described in the Resolution and this 2022 Series A Series Resolution. In the event definitive 2022 Series A Bonds are issued, the provisions of the Resolution shall apply to, among other things, the transfer and exchange of such definitive 2022 Series A Bonds. Whenever DTC requests the Authority and the Trustee to do so, the Authority and the Trustee will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate definitive 2022 Series A Bonds to any DTC participant having 2022 Series A Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of definitive 2022 Series A Bonds.

(d) Notwithstanding any other provision of the Resolution or this 2022 Series A Series Resolution to the contrary, so long as any 2022 Series A Bond is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to the principal of and redemption premium, if any, and interest on such 2022 Series A Bond and all notices with respect to such 2022 Series A Bond shall be made and given to Cede & Co., as nominee for DTC.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to the Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

Section 2.14. Form of 2022 Series A Bonds. Subject to the provisions of the Resolution and this 2022 Series A Series Resolution, the form of the 2022 Series A Bonds and the certificate of authentication thereon shall be of substantially the following form and tenor:

[Form of 2022 Series A Bond]

UNITED STATES OF AMERICA

STATE OF NEW JERSEY

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
PRINCETON UNIVERSITY REVENUE BONDS, 2022 SERIES A

Interest Rate	Maturity Date	Dated Date	CUSIP
____%	March 1, ____	May __, 2022	646067 ____

REGISTERED OWNER: *****CEDE & CO.*****

PRINCIPAL SUM:

The NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, a body corporate and politic with corporate succession, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter called the "*Authority*"), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, or its registered assigns, on the Maturity Date stated above, upon presentation and surrender of this Bond at the principal corporate trust office of the Trustee hereinafter mentioned, in lawful money of the United States of America, the Principal Sum stated above and interest thereon until the Principal Sum is paid from the most recent interest payment date next preceding the date of authentication hereof, unless the date of authentication hereof is an interest payment date, in which case from the date of authentication hereof, or unless the date of authentication hereof is prior to the first interest payment, in which case from May __, 2022, or unless the date of authentication hereof is between a record date for such interest, which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding an interest payment date, and the next succeeding interest payment date, in which case from such interest payment date, at the Interest Rate stated above, payable initially on September 1, 2022 and semiannually thereafter on the first day of March and September of each year. Payment of the interest on this Bond shall be paid by check mailed to the registered owner hereof at the address of such registered owner as it shall appear on the registration books of the Authority, which shall be kept at the principal corporate trust office of the Bond Registrar hereinafter mentioned, at the close of business on the record date for such interest, which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding such interest payment date, except that in the case of such registered owner of \$1,000,000 or more in aggregate principal amount of 2022 Series A Bonds (as hereinafter defined), upon the written request of such registered owner to the Trustee, specifying the account or accounts to which such payment shall be made, payment of interest shall be made by wire transfer of immediately available funds to such registered owner. Any such request shall remain in effect until revoked or revised by such holder by an instrument in writing delivered to the Trustee. However, so long as the 2022 Series A Bonds are held in book-entry form pursuant to the Resolution (as hereinafter defined), the provisions of the Resolution governing such book-entry form shall govern repayment of the principal of and redemption premium, if any, and interest on the 2022 Series A Bonds. The principal of this Bond

is payable upon surrender at the principal corporate trust office of The Bank of New York Mellon, Woodland Park, New Jersey (the "*Trustee*" and "*Bond Registrar*").

This Bond is one of a duly authorized issue of bonds of the Authority designated "New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2022 Series A" (hereinafter called the "*2022 Series A Bonds*"), which has been duly issued by the Authority under and pursuant to the laws of the State of New Jersey, particularly the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A, Education Law, of the New Jersey Statutes, as amended and supplemented) (hereinafter called the "*Act*"), and pursuant to the Princeton University Revenue Bond Resolution, adopted by the Authority on February 16, 1999 (the "*General Resolution*"), as amended and supplemented, and the 2022 Series A Series Resolution, adopted by the Authority on April 26, 2022 (such resolutions being sometimes hereinafter collectively called the "*Resolution*"). This Bond and the issue of which it is a part is a special and limited obligation of the Authority payable from and secured by a pledge of and lien on the Revenues (as defined in the Resolution) equally and ratably with the Outstanding Parity Bonds, all other 2022 Series A Bonds of this issue and any other Additional Bonds to be issued on a parity herewith as permitted by the Resolution. Revenues are defined in the Resolution to include all payments received by the Authority pursuant to loan agreements between the Authority and The Trustees of Princeton University (the "*University*") to finance any facility permitted by the Resolution or any Applicable Series Resolution. All capitalized terms used but not defined herein shall have the respective meanings assigned to such terms in the Resolution.

This Bond is one of a total authorized issue of \$ ____, ____,000, all of like date and tenor except as to number, interest rate, maturity date, denomination and redemption provisions, issued to obtain funds to finance (i) the 2022 Series A Project and (ii) the payment of certain costs incidental to the sale and issuance of the 2022 Series A Bonds through a loan to the University and for other purposes provided by the Resolution, to which Resolution reference is hereby made for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security thereby created, and the rights, limitations of rights, obligations, duties and immunities of the Authority, the Trustee and the registered owners of the 2022 Series A Bonds. Certified copies of the Resolution are on file in the principal corporate trust office of the Trustee and in the office of the Authority.

As provided in the Resolution, Bonds of the Authority may be issued from time to time pursuant to one or more series resolutions in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Resolution. The aggregate principal amount of Bonds that may be issued is not limited except as provided in the Resolution, and all Bonds issued and to be issued as permitted by the Resolution are and will be equally secured by the pledge and covenants made therein except as otherwise expressly provided or permitted in the Resolution.

The Resolution provides that Additional Parity Bonds may be issued thereunder to provide additional funds for certain purposes including to finance the costs of certain other facilities for the University and that refunding bonds may be issued to refund Outstanding Bonds under the Resolution. All Additional Parity Bonds and refunding bonds shall be issued pursuant to series resolutions and shall be secured by an equal charge and lien on, and shall be payable equally from,

the Revenues. The 2022 Series A Bonds have been issued as provided in Section 2.05 of the General Resolution.

[The 2022 Series A Bonds maturing on or before March 1, 20__ are not subject to optional redemption prior to maturity. The 2022 Series A Bonds maturing on or after March 1, 20__ are subject to redemption prior to maturity on or after March 1, 20__ at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the 2022 Series A Bonds outstanding of any maturity shall be called for redemption, such 2022 Series A Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.]

[The 2022 Series A Bonds maturing on March 1, 20__ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Sinking Fund Account, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the 2022 Series A Bonds on March 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

\$

*

*Final maturity.

The 2022 Series A Bonds maturing on March 1, 20__ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Sinking Fund Account, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the 2022 Series A Bonds on March 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------

\$

*

*Final maturity.]

Redemption of any of the 2022 Series A Bonds shall otherwise be effected in accordance with the Resolution.

In the event this 2022 Series A Bond shall be called for redemption, notice of such redemption shall be mailed, postage prepaid, not less than thirty (30) days prior to the redemption date, to the registered owners of any 2022 Series A Bonds to be redeemed at their last address

appearing on the registration books of the Authority kept by the Bond Registrar, and such mailing shall be a condition precedent to such redemption. Failure of any registered owner of any 2022 Series A Bond to receive such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of the 2022 Series A Bonds. Notice of redemption having been mailed as aforesaid, the 2022 Series A Bonds so called for redemption, on the date specified in such notice, shall become due and payable at the applicable Redemption Price herein provided, and from and after the date so fixed for redemption, interest on the 2022 Series A Bonds so called for redemption shall cease to accrue and be payable.

In case an event of default (as defined in the Resolution) shall occur, the principal of this 2022 Series A Bond may be declared due and payable in the manner and with the effect provided in the Resolution.

The 2022 Series A Bonds are special and limited obligations of the Authority payable from the Revenues, and neither the State of New Jersey nor any political subdivision thereof, other than the Authority, shall be obligated to pay the principal of or interest on the 2022 Series A Bonds except from the Revenues, and neither the faith and credit nor the taxing power of the State of New Jersey or any political subdivision thereof is pledged to the payment of the principal of or interest on the 2022 Series A Bonds. The Authority has no taxing power.

No recourse shall be had for the payment of the principal of or interest on this 2022 Series A Bond against any member, employee or other officer of the Authority or against any person executing this 2022 Series A Bond, all of such liability, if any, being hereby expressly waived and released by every registered owner of this 2022 Series A Bond by the acceptance hereof and as a part of the consideration hereof, as provided in the Resolution.

The Resolution contains provisions permitting the Authority, with the consent of the registered owners of not less than 66-2/3% in aggregate principal amount of the Outstanding Parity Bonds, the 2022 Series A Bonds and any Additional Parity Bonds outstanding, evidenced as provided in the Resolution, to adopt supplemental resolutions modifying any of the provisions of the Resolution, any supplemental resolution or the 2022 Series A Bonds or releasing the Authority from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained; *provided, however*, that no such supplemental resolution shall: (i) change any terms of redemption of the 2022 Series A Bonds or the due date of principal of or interest on the 2022 Series A Bonds or make any reduction in the principal or Redemption Price of or interest on any 2022 Series A Bond, without the consent of the registered owner of each 2022 Series A Bond so affected; or (ii) reduce the aforesaid percentage of bonds the consent of the registered owners of which is required for any such supplemental resolution, without the consent of the registered owners of all of said bonds then outstanding.

The 2022 Series A Bonds are issuable in the form of fully-registered bonds, without coupons, in denominations of \$5,000 each or any integral multiple thereof. This 2022 Series A Bond is transferable as provided in the Resolution, only upon the books of the Authority kept for that purpose at the above-mentioned office of the Bond Registrar, by the registered owner hereof in person or by his duly authorized attorney, upon surrender of this 2022 Series A Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered 2022 Series

A Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution and upon payment of the charges therein prescribed. The Authority, the Bond Registrar and any paying agent may deem and treat the person in whose name this 2022 Series A Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes.

It is hereby certified, recited and declared by the Authority that all acts, conditions and things required by the Constitution and statutes of the State of New Jersey and the Resolution to exist, to happen and to be performed precedent to and in the issuance of the 2022 Series A Bonds, of which this 2022 Series A Bond is a part, in order to make them the legal, valid and binding, special and limited obligations of the Authority in accordance with their terms, exist, have happened and have been performed in regular and due time, form and manner as required by law, and the issuance of the 2022 Series A Bonds, together with all other indebtedness of the Authority, does not exceed or violate any constitutional, statutory or other limitation relating to the amount of bonded indebtedness prescribed by law for the Authority.

This 2022 Series A Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this 2022 Series A Bond shall have been authenticated by the execution by the Trustee, or by any authenticating agent of the Trustee approved by the Authority, of the Certificate of Authentication hereon.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, New Jersey Educational Facilities Authority has caused this 2022 Series A Bond to be executed in its name by the manual or facsimile signature of its Acting Executive Director and its official common seal to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of an Assistant Secretary, all as of the Dated Date.

**NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY**

[SEAL]

By: _____
Sheryl A. Stitt
Acting Executive Director

ATTEST:

By: _____
Steven P. Nelson
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This 2022 Series A Bond is one of the 2022 Series A Bonds described in the within-mentioned Resolution.

**THE BANK OF NEW YORK MELLON,
as Trustee**

**By: _____
Authorized Signatory**

Date of Authentication: May __, 2022

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

*(Please Print or Typewrite Name, Address and Social Security
Number or Taxpayer Identification Number of Transferee)*

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney

To transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICES: This signature to this assignment must correspond with the name as it appears upon the fact of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution as defined by SEC Rule 17Ad-15 (12 *CFR* 240.17Ad-15) or any similar rule which the Trustee deems applicable)

By _____

Title _____

[End of Form of 2022 Series A Bond]

Section 2.15. Sale of 2022 Series A Bonds. Samuel A. Ramirez & Co., Inc. is hereby appointed the senior managing underwriter (the "*Senior Manager*") to purchase the 2022 Series A Bonds. Any Authorized Officer is hereby authorized to execute and deliver on behalf of the Authority a contract of purchase (the "*Purchase Contract*") by and among the Authority, the University and Samuel A. Ramirez & Co., Inc., on behalf of itself and any other members of an underwriting syndicate headed by such firm (collectively, the "*Underwriter*"), in substantially the form presented to this meeting with such changes as shall be approved by any Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State (such approval to be evidenced conclusively by such Authorized Officer's execution thereof), for the purchase of the 2022 Series A Bonds at the price or prices to be agreed upon; *provided, however*, that the Underwriter's discount for the 2022 Series A Bonds shall not exceed \$2.50 per \$1,000 of principal amount. A copy of the Purchase Contract as executed shall be filed with the records of the Authority.

The Executive Director, the Deputy Executive Director or any such officer designated "acting" or "interim" is hereby authorized to appoint one or more co-managing underwriters, if necessary, in connection with the financing in accordance with the Authority's standard procurement policies and procedures to purchase the 2022 Series A Bonds as members of an underwriting syndicate headed by the Senior Manager.

The Authority hereby finds and determines that the issuance of the 2022 Series A Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26 (Whitman 1994), namely, volatile market conditions and a complex financing structure, and that a competitive sale of the 2022 Series A Bonds is not in the best interest of the Authority and the University.

The preparation, publication and distribution of a Preliminary Official Statement (in substantially the form presented to the Authority at the time of adoption hereof, with such changes, omissions, insertions and revisions as any Authorized Officer shall deem necessary or advisable, with the advice of Bond Counsel and the Attorney General of the State) are hereby approved, ratified and confirmed, the preparation, publication and distribution of a final Official Statement for the 2022 Series A Bonds (in substantially the form of the Preliminary Official Statement, with such changes, omissions, insertions and revisions as any Authorized Officer shall deem necessary or advisable, with the advice of Bond Counsel and the Attorney General of the State) are hereby approved, and any Authorized Officer is hereby authorized to sign and deliver to the Underwriter of the 2022 Series A Bonds the Official Statement in final form acceptable to such Authorized Officer. Any Authorized Officer is hereby authorized, with the advice of Bond Counsel and the Attorney General of the State, to deem the Preliminary Official Statement final within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, and to provide written evidence relating thereto in form acceptable to Bond Counsel. Any Authorized Officer is hereby authorized and directed to deliver the 2022 Series A Bonds to the Underwriter and to approve, execute and deliver all documents and instruments required in connection therewith, with such changes, omissions, insertions and revisions as shall be deemed necessary or advisable by the officer executing the same.

The 2022 Series A Bonds shall be executed in the name of the Authority by the manual or facsimile signature of its Chair, Vice Chair or Executive Director (or such other Authorized Officer authorized by resolution of the Authority to execute Authority bonds) and its official common seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Secretary, any Assistant Secretary or any other Authorized Officer or in such other manner as may be permitted by law.

Section 2.16. Continuing Disclosure. Pursuant to Section 27 of the Loan Agreement, the University has undertaken all responsibility for compliance with all continuing disclosure requirements, and the Authority shall have no liability to the holders of the 2022 Series A Bonds or any other person with respect to such disclosure matters. The Trustee shall comply with and carry out all of the obligations imposed on the Trustee under the Continuing Disclosure Agreement and Section 27 of the Loan Agreement. The form of the Continuing Disclosure Agreement presented at this meeting (a copy of which shall be filed with the records of the Authority) is hereby approved. Notwithstanding any other provision of the Resolution and this 2022 Series A Series Resolution, failure of the University to comply with the Continuing Disclosure Agreement shall not be considered an "event of default" under Section 7.01 of the Resolution; *however*, the Trustee may (and at the request of any Participating Underwriter or the holders of at least twenty-five percent (25%) in aggregate principal amount of 2022 Series A Bonds Outstanding, the Trustee shall, subject to the provisions of Section 6.02 of the Resolution) or any holder of the 2022 Series A Bonds may take such actions as may be deemed necessary or appropriate, including seeking mandate or specific performance by court order, to cause the University to comply with its obligations under Section 27 of the Loan Agreement or to cause the Trustee to comply with its obligations under this Section 2.16.

ARTICLE III

APPLICATION AND DISBURSEMENT OF 2022 SERIES A BOND PROCEEDS, CERTAIN MONEYS AND REVENUES

Section 3.01 Confirmation of Establishment of Funds. The Authority hereby ratifies and confirms the establishment of the following funds and separate accounts within funds under the Resolution, which funds and accounts shall be held, maintained and applied by the Trustee in accordance with Article IV of the Resolution, except as so provided in this 2022 Series A Series Resolution, for the 2022 Series A Bonds:

Revenue Fund;
Debt Service Fund;
 Interest Account (for the 2022 Series A Bonds);
 Principal Account (for the 2022 Series A Bonds);
 Sinking Fund Account (for the 2022 Series A Bonds);
Rebate Fund; and
Redemption Fund.

The Trustee shall establish such additional accounts or subaccounts within such funds as are called for by the provisions hereof at such time or times as such accounts or subaccounts are required or become applicable or as directed by the Authority.

Section 3.02. Establishment of Construction Fund. Pursuant to Section 4.01 of the Resolution, the Construction Fund for the 2022 Series A Bonds is hereby created and established to be held by the Trustee and maintained and applied by the Authority.

Section 3.03. Application of 2022 Series A Bond Proceeds and Allocation Thereof. Upon receipt of the proceeds of the 2022 Series A Bonds, including accrued interest thereon, the Authority shall make payments from such moneys as follows: (a) a sum equal to the interest on the 2022 Series A Bonds accruing from their dated date to their date of delivery (if such dated date is not the date of delivery) will be paid to the Trustee for deposit in the Interest Account (for the 2022 Series A Bonds) of the Debt Service Fund; and (b) the balance of the proceeds shall be deposited in the Construction Fund for payment of the costs of the 2022 Series A Project and certain Costs of Issuance.

Section 3.04. Application of Certain Moneys. Upon receipt by the Authority of any moneys for the purpose of paying costs of the 2022 Series A Project pursuant to the Loan Agreement, the Authority shall deposit all such moneys so received in the Construction Fund for the 2022 Series A Project.

Section 3.05. Application of Moneys in Construction Fund. Moneys on deposit in the Construction Fund shall be applied as provided in Section 4.03 of the Resolution.

Section 3.06. Deposit of Revenues and Allocation Thereof. There is established and created by this 2022 Series A Series Resolution an account within the Revenue Fund to be designated the "2022 Series A Revenue Account". Notwithstanding anything in the Resolution to the contrary, moneys in the 2022 Series A Revenue Account of the Revenue Fund shall be paid to

the Trustee on or prior to the fifth (5th) day after deposit thereof as follows and in the following order of priority:

First: To the Interest Account of the Debt Service Fund, the amount necessary to equal the unpaid interest to become due on the 2022 Series A Bonds Outstanding on the next succeeding semiannual interest payment date.

Second: To the Principal Account of the Debt Service Fund, the amount, if any, necessary to make the amount on deposit in the Principal Account equal to the principal amount becoming due on the 2022 Series A Bonds Outstanding on the next succeeding March 1.

Third: To the Sinking Fund Account of the Debt Service Fund, the amount, if any, necessary to make the amount on deposit in the Sinking Fund Account equal to the sinking fund installment, if any, payable on the 2022 Series A Bonds Outstanding on the next succeeding March 1.

Fourth: To the Authority, the amounts as are payable to the Authority for (i) any expenditures of the Authority for insurance, fees and expenses of auditing and fees and expenses of the Trustee, all as required by the Resolution and not otherwise paid or caused to be paid or provided for by the University; (ii) all other expenditures reasonably and necessarily incurred by the Authority by reason of its financing of the 2022 Series A Project in accordance with the Loan Agreement, including expenses incurred by the Authority to compel full and punctual performance of all provisions of the Loan Agreement in accordance with the terms thereof; and (iii) the Annual Administrative Fee unless otherwise paid, but only upon receipt by the Trustee from the Authority of a certificate signed by an Authorized Officer stating in reasonable detail the amounts payable to the Authority.

Section 3.07. Investment of Moneys in Construction Fund. For purposes of the 2022 Series A Bonds only, notwithstanding anything contained in Section 4.08 of the Resolution to the contrary, in addition to any investment permitted in Section 4.08 of the Resolution with respect to the Construction Fund, moneys deposited in the Construction Fund may also be invested in the investments identified in **Exhibit A** to this 2022 Series A Series Resolution. No brokerage confirmations will be provided by the Trustee for so long as the Trustee provides periodic statements to the University and the Authority that include investment activity.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Loan Agreement and Investment of Funds. The form of the Loan Agreement, by and between the Authority and the University, in the form submitted to the Authority on this date, shall be, and the same is, in all respects, hereby authorized, approved and confirmed, and any Authorized Officer is authorized to execute and deliver the Loan Agreement to the University. The Loan Agreement shall be substantially in the form presented to the Authority with all necessary and appropriate variations, omissions and insertions as approved, permitted or required by any Authorized Officer or as advised by Bond Counsel and the Attorney General of the State, and the execution and delivery thereof by any such Authorized Officer shall be conclusive evidence of such approval.

Section 4.02. Investment of Proceeds of 2022 Series A Bonds. The Authority will make no use of the proceeds of the 2022 Series A Bonds that would cause the 2022 Series A Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "*Code*"); and the Authority hereby imposes on itself, on the Trustee and on all officers having custody or control of the proceeds of the 2022 Series A Bonds, throughout the term of the 2022 Series A Bonds, the obligation to comply with the applicable requirements of Section 148(a) of the Code and the Treasury Regulations promulgated thereunder, and all other applicable regulations, so that none of the 2022 Series A Bonds will be or become an arbitrage bond; *provided*, that the Trustee, in following the directions of the Authority, shall have no responsibility to determine whether such investment is in violation of such regulations.

Section 4.03. Covenant as to Program Investments. In accordance with the requirements applicable to the "program investments" under Treasury Regulations §1.148-1(b), the Authority covenants that it shall require that neither the University nor any person or related persons (within the meaning of Treasury Regulations §1.150-1(b)) shall purchase bonds of the Authority that finance the program in an amount related to the amount of the loan.

Section 4.04. Tax Covenants Relating to Internal Revenue Code of 1986. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2022 Series A Bonds, the Authority shall comply with the provisions of the Code applicable to the 2022 Series A Bonds, including, without limitation, the provisions of the Code relating to the computation of the yield on investments of the gross proceeds (as such term is used in the Authority Tax Certificate) of the 2022 Series A Bonds, reporting of earnings on the gross proceeds of the 2022 Series A Bonds and rebate of excess earnings to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Authority Tax Certificate, to be delivered by Bond Counsel at the time the 2022 Series A Bonds are issued, as to compliance with the Code with respect to the 2022 Series A Bonds, as such certificate may be amended from time to time, as a source of guidance for achieving compliance with the Code. All of the representations and warranties of the Authority contained in the Authority Tax Certificate and of the University contained in the University Tax Certificate are incorporated herein by reference with the same force and effect as if set forth in full herein.

The Authority may pay requisitions from 2022 Series A Bond proceeds or investment earnings thereon with respect to the Costs of Issuance of the 2022 Series A Bonds only to the extent that the aggregate requisitions paid with such proceeds with respect to the Costs of Issuance do not cause the amount paid for Costs of Issuance with the proceeds of the 2022 Series A Bonds or the investment earnings thereon to exceed two percent (2%) of the "proceeds" of the 2022 Series A Bonds (within the meaning of Section 147(g) of the Code).

The Authority shall not take or permit any action or fail to take any action that would adversely affect the status of the 2022 Series A Bonds as "qualified 501(c)(3) bonds" under Section 145(a) of the Code or otherwise cause the interest on the 2022 Series A Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code.

Notwithstanding any other provision of the Resolution and this 2022 Series A Series Resolution to the contrary, the covenants contained in this Section 4.04 shall survive the payment of the 2022 Series A Bonds and the interest thereon, including any payment or discharge thereof pursuant to Section 11.03 of the Resolution, as long as necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2022 Series A Bonds.

Section 4.05. Authorization to Invest 2022 Series A Bond Proceeds. The Authority's Director of Finance, or any such officer designated as "acting" or "interim", and any other person designated by the Executive Director pursuant to the Authority's Investment Policy (the "*Investment Officer*") is authorized to enter into, or direct the Trustee to enter into, one or more agreements to invest the proceeds of the 2022 Series A Bonds as provided in Section 4.08 of the Resolution and Section 3.07 of this 2022 Series A Series Resolution, in the event that such Investment Officer determines, in consultation with and with the consent of the University, that it is advantageous to the University for the Authority to invest any proceeds of the 2022 Series A Bonds as so provided in Section 4.08 of the Resolution and Section 3.07 of this 2022 Series A Series Resolution.

Section 4.06. Reimbursement. (a) The Authority reasonably expects that the University will seek reimbursement of its expenditures of costs of the 2022 Series A Project that were paid with funds of the University prior to the issuance of the 2022 Series A Bonds from proceeds of the 2022 Series A Bonds.

(b) This 2022 Series A Series Resolution is intended to be and hereby is a declaration of the Authority's official intent to reimburse the expenditures for costs of the 2022 Series A Project paid with funds of the University that are not proceeds of tax-exempt bonds prior to the issuance of the 2022 Series A Bonds, with the proceeds of the 2022 Series A Bonds in accordance with Treasury Regulations §1.150-2.

(c) The maximum principal amount of 2022 Series A Bonds expected to be issued to finance costs of the 2022 Series A Project, including amounts to be used to reimburse the expenditure of costs of the 2022 Series A Project that are paid prior to the issuance of the 2022 Series A Bonds, is an aggregate amount not-to-exceed \$350,000,000, including, without limitation, Costs of Issuance.

Section 4.07. Incidental Action. The Authorized Officers are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate, in order to (i) effectuate the delivery of the Preliminary Official Statement, the execution and delivery of the Official Statement and the Loan Agreement and the sale and issuance of the 2022 Series A Bonds, (ii) effectuate the 2022 Series A Project, (iii) implement the DTC book-entry-only system for the 2022 Series A Bonds, and (iv) maintain the tax-exempt status of the interest on the 2022 Series A Bonds (including the preparation and filing of any information reports or other documents with respect to the 2022 Series A Bonds as may at any time be required under Section 149 of the Code and any regulations thereunder).

Section 4.08. Conflict. All resolutions or parts of resolutions or other proceedings in conflict herewith are repealed insofar as such conflict exists.

Section 4.09. Effective Date. This 2022 Series A Series Resolution shall take effect as provided for under the Act.

EXHIBIT A

INVESTMENT OBLIGATIONS

Investment Types

- A. U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States of America for the payment of principal and interest.
- B. Federal agency or U.S. government sponsored enterprise obligations, participations or other instruments.
- C. Bonds or notes issued by any state or municipality.
- D. Negotiable bank certificates of deposit, deposit notes or other deposit obligations issued by a nationally or state chartered bank, credit union or savings association, or by a federally- or state-licensed branch of a foreign bank or financial institution.
- E. Commercial paper.
- F. Corporate bonds and medium-term notes.
- G. Asset-backed securities.
- H. Investment agreements or guaranteed investment contracts.
- I. Certificates of deposit of any bank, savings and loan or trust company organized under the laws of the United States of America or any state thereof, including the Trustee or any Holder of the Bonds; *provided*, that such certificates of deposit shall be fully collateralized (with a prior perfected security interest), to the extent they are not insured by the Federal Deposit Insurance Corporation, by the Investment Obligations described in (A) and (B) above having a market value at all times equal to the uninsured amount of such deposit.
- J. Repurchase agreements that meet the following requirements:
 - a. Must be governed by a written SIFMA Master Repurchase Agreement that specifies securities eligible for purchase and resale and that provides the unconditional right to liquidate the underlying securities should the counterparty default or fail to provide full and timely repayment.
 - b. Counterparty must be a Federal Reserve Bank, a Primary Dealer as designated by the Federal Reserve Bank of New York or a nationally chartered commercial bank.

- c. Securities underlying repurchase agreements must be delivered to a third-party custodian under a written custodial agreement that may be of deliverable or tri-party form. Securities must be held in the Authority's custodial account or in a separate account in the name of the Authority.
 - d. Acceptable underlying securities include only securities that are direct obligations of, or that are fully guaranteed by, the United States of America or any agency of the United States of America, including U.S. agency-issued mortgage-backed securities.
 - e. Underlying securities must have an aggregate current market value, including accrued interest, of at least 102% (or 100%, if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential at the close of each Business Day.
- K. Shares in open-end and no-load money market mutual funds that are backed by U.S. government securities; *provided*, such funds are registered under the Investment Company Act of 1940 and operate in accordance with Rule 2a-7 thereof.
- L. New Jersey Cash Management Fund.

Collateralization

All demand deposits, time deposits and certificates of deposit shall be collateralized for amounts over and above Federal Deposit Insurance Corporation coverage. All collateral shall be permitted investments as set out in the below chart. There shall be a written custodial agreement that, among other things, specifies the circumstances under which collateral may be substituted. The Authority shall not accept a pledge of a proportionate interest in a pool of collateral. The market value and accrued interest of collateral should, at least, equal the value of the investment plus any accrued interest at all times. The recorded value of collateral backing any investment should be compared with current market values (mark-to-market) at the time of the initial investment and monthly thereafter to be certain that it continues to be at least equal to the value of the investment plus accrued interest. The mark-to-market reviews should use "bid" prices from a constant source.

Investment Parameters

Sector Type	Sector Max (%)	Issuer Max (%)	Minimum Ratings Requirement ¹	Max Maturity
US Treasury	100%	N/A	N/A	10 Years
Federal Agency	25%	5%	N/A	10 Years
Municipals	25%	5%	Two Highest LT Rating Categories (AA-/Aa3/AA-)	10 Years
Negotiable CDs	50% in aggregate ²	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1/F-1; A-/A3/A-)	10 Years
Commercial Paper		5%	Highest ST Rating Category (A-1/P-1/F-1)	270 Days
Corporate Bonds & Medium-Term Notes		5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1/F-1; A-/A3/A-)	10 Years
Asset Backed Securities	20%	5%	Highest LT Rating (AAA/Aaa/AAA)	10 Year Avg. Life
Certificates of Deposit	25%	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1/F-1; A-/A3/A-)	10 Years
Repurchase Agreements	20%	5%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the highest ST Rating Category (A-1/P-1/F-1). If the counterparty is a Federal Reserve Bank, no rating is required.	90 Days
Government Money Market Funds	100%	25%	Highest rating by all NRSROs who rated the fund (AAAm or equivalent)	N/A
New Jersey Cash Management Fund	100%	N/A	N/A	N/A

¹Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. In the case of split-rated issuers, the lowest rating shall prevail. ST= Short-term; LT=Long-term.

²Funds invested in the credit sector may exceed the 50% target only with the written permission of the Authority and the borrowing institution.

In addition, the diversification parameters for investment agreements or guaranteed investment contracts are as follows:

- Investment agreements or guaranteed investment contracts with any financial institution whose senior long-term debt obligations, or whose obligations under such an investment agreement or guaranteed investment contract are guaranteed by a financial institution whose senior long-term debt obligations, have a rating (at the time the agreement or contract is entered into) of "Aa3" or higher by Moody's and "AA-" or higher by S&P.

_____ Mr. Rodriguez _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Mr. Feeney _____ and upon roll call the following members voted:

AYE: Joshua Hodes
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: Ridgeley Hutchinson

The Chair thereupon declared said motion carried and said resolution adopted.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

and

THE TRUSTEES OF PRINCETON UNIVERSITY

LOAN AGREEMENT

Dated as of May 1, 2022

Relating to

New Jersey Educational Facilities Authority

\$ __, __, 000 Princeton University Revenue Bonds, 2022 Series A

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LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of May 1, 2022 (this "*Loan Agreement*"), by and between NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, a public body corporate and politic with corporate succession, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter referred to as the "*Authority*"), and created pursuant to the provisions of the New Jersey Educational Facilities Authority Law, being Chapter 72A, Title 18A of the New Jersey Statutes, as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "*Act*"), and THE TRUSTEES OF PRINCETON UNIVERSITY, a not-for-profit educational corporation located in the State of New Jersey (hereinafter referred to as the "*University*"), constituting a "private college" as defined in the Act.

The Authority and the University hereby mutually covenant and agree as follows:

SECTION 1. Definitions. As used in this Loan Agreement, unless a different meaning clearly appears from the context, all words and terms defined in Section 1.01 of the Princeton University Revenue Bond Resolution, adopted by the Authority on February 16, 1999 (the "*Resolution*"), as amended and supplemented, and in Section 1.01 of the 2022 Series A Series Resolution, adopted by the Authority on April 26, 2022 (the "*2022 Series Resolution*"; and together with the Resolution, the "*Resolutions*"), shall have the same meanings, respectively, in this Loan Agreement as are given to such words and terms by such Resolutions.

SECTION 2. Loan of Bond Proceeds. (a) The University has applied to the Authority for a loan (the "*Loan*") under the Act and the Authority has approved a loan to the University to: (i) finance (in whole or in part) the costs of the acquisition, construction, renovation and installation of certain capital assets to be located at or near the University's main campus in Princeton, New Jersey, at its Forrestal Campus in Plainsboro, New Jersey, at its administrative building at 701 Carnegie Center in West Windsor, New Jersey, or at its Lake Campus in West Windsor, New Jersey (the "*2022 Series A Project*"), consisting of (A) the renovation and repair of various University buildings and other facilities, including utility systems, roads, grounds and parking, (B) the purchase of capital equipment for academic departments and administrative and supporting units, (C) the construction of academic, administrative, athletic, housing and/or student/faculty/staff-related capital facilities and utility/infrastructure-related assets, and (D) the acquisition of land (collectively, the "*2022 Series A Project Facilities*"); and (ii) pay certain costs incidental to the sale and issuance of the Bonds (defined below), including deposits to certain funds created under the Resolution and the 2022 Series Resolution.

(b) To provide funds for the Loan, the Authority proposes to issue and sell its Princeton University Revenue Bonds, 2022 Series A, in the aggregate principal amount of \$____,____,000 (the "*Bonds*"), pursuant to the Resolution and the 2022 Series Resolution.

SECTION 3. General Obligation of University. This Loan Agreement and the obligation of the University to make the payments required hereunder are general obligations of the University, such payments to be made from any moneys of the University legally available therefor.

SECTION 4. Duration of Loan Agreement. This Loan Agreement shall remain in full force and effect from the date hereof until the date on which the principal of and redemption premium, if any, and interest on the Bonds and any other costs of the Authority with respect to the 2022 Series A Project shall have been fully paid or provision for the payment thereof shall have been made as provided by the Resolution and the 2022 Series Resolution, at which time this Loan Agreement shall terminate.

SECTION 5. Agreement for Benefit of Bondholders. This Loan Agreement is executed in part to induce the purchase by others of the Bonds, and, accordingly, all covenants and agreements on the part of the University and the Authority, as set forth in this Loan Agreement, are hereby declared to be for the benefit of the holders of the Bonds and any other bonds issued and to be issued on a parity with the Bonds as permitted by the Resolution.

SECTION 6. University to Comply with Resolutions. The University agrees to do all things within its power in order to enable the Authority to comply with all requirements and to fulfill all covenants of the Resolutions that require the University to comply with requests or obligations so that the Authority will not be in default under the Resolution and the 2022 Series Resolution.

SECTION 7. Loan. The Authority agrees that upon the delivery of the Bonds, with the moneys available to it under the provisions of the Resolution and the 2022 Series Resolution, it shall make the Loan to the University from the proceeds of the Bonds to finance the costs of the 2022 Series A Project and pay certain costs incidental to the sale and issuance of the Bonds, including deposits to certain funds created under the Resolution and the 2022 Series Resolution.

SECTION 8. [Reserved.]

SECTION 9. Bonds and Additional Parity Bonds. The Authority agrees to use its best efforts to sell, issue and deliver the Bonds in accordance with the terms of the Resolution and the 2022 Series Resolution; *provided, however*, that the Authority may issue Additional Parity Bonds to finance the completion of the 2022 Series A Project or to finance any other eligible facility of the University on a parity as to payment from Revenues with the Bonds. The proceeds of the Bonds and any Additional Parity Bonds issued to make the Loan shall be used to finance the costs of the 2022 Series A Project, including the payment of legal, financing, administrative and other expenses incurred by the Authority or the University in connection with the 2022 Series A Project and the issuance of the Bonds. The Authority may, but shall not be required by the provisions of this Loan Agreement to, issue Additional Parity Bonds to finance the cost or estimated cost of completing the 2022 Series A Project. Nothing contained herein, in the Resolution or in the 2022 Series Resolution shall be interpreted as creating any obligation on the part of the Authority to issue Additional Parity Bonds, it being the intent hereof to reserve to the Authority full and complete discretion to decline to issue such Additional Parity Bonds in the performance of its duties under the Act.

SECTION 10. Conditions Precedent to Disbursement of Moneys. The obligation of the Authority to make any disbursement of moneys based upon construction or renovation shall be subject to the following conditions, as well as any others herein set forth: (i)

the University shall not be in default under this Loan Agreement; and (ii) construction shall have progressed at a rate and in a manner reasonably satisfactory to the Authority.

If the University fails to meet the conditions precedent to the full disbursement of the Loan as specified in the preceding paragraph, the obligation of the Authority to make further disbursements in connection with the Loan shall cease. In such event, the Authority may elect, in its sole discretion, either (i) to permit the Loan to continue, with the total of all disbursements or advances previously made to constitute the total amount of the Loan; or (ii) to declare the amount of all such disbursements or advances immediately due and payable, in accordance with the right reserved in this Loan Agreement; *provided, however*, the Authority, in its sole discretion, may waive any of the foregoing requirements and may take such other action as it deems appropriate. In any event, the approval of the disbursement of moneys shall not be unreasonably withheld.

SECTION 11. University to Provide Information. The University agrees, whenever requested by the Authority, to provide and certify or cause to be provided and certified such information concerning the University, its finances and other topics as the Authority reasonably considers necessary to enable counsel to the Authority to issue its opinions and otherwise advise the Authority as to the transactions contemplated by this Loan Agreement or the capacity of the parties to enter into the same, and to enable it to make any reports required by law, governmental regulations, the Resolution or the 2022 Series Resolution.

SECTION 12. Payment Unconditional. The University unconditionally agrees to pay to the Authority or on its order the payments required by this Loan Agreement in the manner and at the times provided by this Loan Agreement.

SECTION 13. Payment Obligations of University. The obligation of the University to pay or cause to be paid the amounts payable under this Loan Agreement shall be absolute and unconditional, and the amount, manner and time of payment of such amounts shall not be decreased, abated, postponed or delayed for any cause or by reason of the happening of any event. The amounts payable by the University shall include all sums necessary for the payment of certain fees and expenses of the Authority and the Trustee, and shall be calculated and payable as follows:

(a) For the Bond Year beginning March 1, 2022 and for each Bond Year thereafter, an amount equal to the amount of interest on the Bonds Outstanding becoming due on September 1 in such Bond Year, if any, and on the March 1 immediately succeeding the expiration of such Bond Year.

(b) For the Bond Year beginning March 1, 2022 and for each Bond Year thereafter, the amount of principal of the Bonds Outstanding becoming due on the March 1 immediately succeeding the expiration of such Bond Year.

(c) For the Bond Year beginning March 1, 2022 and for each Bond Year thereafter, an amount equal to the sum of the following three items: (i) any expenditures of the Authority for insurance, fees and expenses of auditing and fees and expenses of the Trustee, any paying agents and depositories, and not otherwise paid or provided for by

the University; (ii) all other expenditures reasonably and necessarily incurred by the Authority by reason of its financing of the 2022 Series A Project, including expenses incurred by the Authority to compel full and punctual performance of all of the provisions of this Loan Agreement in accordance with the terms hereof; and (iii) all amounts to the extent required to be deposited by the Authority in the rebate account for the Bonds in the Rebate Fund pursuant to Section 4.11 of the Resolution and the Authority Tax Certificate, less amounts transferred from the Construction Fund to satisfy such requirement. Any expenditures of the Authority made pursuant to items (i) and (ii) of this subparagraph shall be certified by the Authority to the University in writing as soon as practicable and shall thereupon be paid or caused to be paid by the University.

(d) For the Bond Year beginning March 1, 2022 and for each Bond Year thereafter, the Annual Administrative Fee to be paid to the Authority in the amount of 7/100 of 1% of the Outstanding principal amount of the 2022 Series A Bonds.

(e) On the date of the issuance and delivery of the 2022 Series A Bonds, the Initial Fee to be paid to the Authority calculated at the rate of 1/5 of 1% of the aggregate principal amount of the 2022 Series A Bonds, with a maximum initial fee of \$125,000.

To secure payment of the amounts required hereunder, the University has caused to be created a loan account for the Bonds (the "*Loan Account*") to be maintained with the Trustee. Except for the payments on account of rebate required by clause (iii) of subparagraph (c) of this Section 13, the University covenants and agrees that it will deposit or cause to be deposited with the Trustee: (i) no later than February 20th and August 20th in each Bond Year, into the Loan Account, one-half (1/2) of the portion of the Loan payments due in such Bond Year for the Bonds pursuant to subparagraphs (a), (c) and (d) of this Section 13; and (ii) no later than February 20th in each Bond Year, into the Loan Account, the full amount of the portion of the Loan payments due in such Bond Year for the Bonds pursuant to subparagraph (b) of this Section 13. Moneys in the Loan Account will be transferred by the Trustee to the Revenue Fund created by the Resolution on February 25 and August 25 of each Bond Year. The payments on account of rebate required by clause (iii) of subparagraph (c) of this Section 13 shall be paid by the University to the Trustee for deposit in the rebate account for the Bonds in the Rebate Fund at the times requested by the Authority.

The moneys in the Loan Account shall be invested in the investment obligations identified in Exhibit A to the 2022 Series Resolution. Such investments shall be made at the direction of the University with the approval of the Authority, or by the Authority if no instructions are received from the University.

The Authority shall not declare an Event of Default under this Loan Agreement with respect to the payments required in subparagraphs (c) and (d) of this Section 13 until the Authority has furnished the University with a statement of amounts due and the University has failed to pay the same within ten (10) days after receipt of such statement.

Any transfer required to be made on any date that is not a business day shall be made on the next succeeding business day.

SECTION 14. Voluntary Payments by University. The Authority and the University agree that the University shall have the right to make voluntary payments in any amount to the Trustee for deposit in the Redemption Fund, if the University is not in default under this Loan Agreement. Upon notification by the University to the Authority of any such voluntary payment, the Authority agrees that it shall direct the Trustee to purchase or redeem Bonds in accordance with the Resolution and the 2022 Series Resolution.

SECTION 15. Consent to Assignment by Authority. The University hereby consents to, and authorizes the assignment by the Authority to the Trustee of, the Authority's rights to receive the payments required by subparagraphs (a) and (b) of Section 13 hereof, and upon such assignment the Trustee shall be fully vested with all of the rights of the Authority so assigned and may, subject to the provisions of Section 6.02 of the Resolution, thereafter exercise or enforce, by any remedy provided therefor by law or by this Loan Agreement, such right directly in its own name.

SECTION 16. Pledge of University. The full faith and credit of the University is pledged to the payments required to be made by the University under this Loan Agreement.

SECTION 17. Obligation of Authority; Indemnification. The obligation of the Authority to make the Loan to the University for the purpose of financing the 2022 Series A Project and the costs incidental to the sale and issuance of the Bonds shall be limited to the amount of moneys available in the Construction Fund created pursuant to the 2022 Series Resolution. No recourse shall be had by the University for any claims based on the Resolution, the 2022 Series Resolution or this Loan Agreement against any member, officer, counsel, consultant, agent or employee of the Authority. All such recourse shall be only against the Authority. Recourse against such members, officers, counsel, consultants, agents and employees is expressly waived by the University by the execution of this Loan Agreement.

The University agrees to indemnify and hold harmless the Authority, any member, officer, official, employee, counsel, consultant or agent of the Authority, including the Trustee, the Underwriter and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Underwriter through the ownership of voting securities, by contract or otherwise (collectively, the "*Indemnified Parties*"), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any untrue or misleading statement or alleged untrue or misleading statement of a material fact contained in the official statement relating to the offer and sale of the Bonds (the "*Official Statement*") or caused by any omission or alleged omission from the Official Statement of any material fact required to be stated therein or necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading, but only if and insofar as such losses, claims, damages, liabilities or expenses are caused by any such untrue or misleading statement or alleged untrue or misleading statement contained in the Official Statement or such omission or alleged omission from the Official Statement with respect to information contained in the Official Statement furnished by, or on behalf of, or relating to, the University or the 2022 Series A Project. In case any action shall be brought against the Indemnified Parties based upon the Official Statement and in respect of which indemnity may be sought against the University, the Indemnified Parties shall promptly notify the University in writing. However, failure on the part of the Authority to give such notification shall not relieve the University from its obligation

under this Section 17 to the Authority. For any Indemnified Party other than the Authority, to the extent the University suffers actual prejudice as a result of any such failure to give such notification, such failure shall relieve the University from its indemnification obligation under this Section 17 to the extent of such prejudice or loss. Upon receipt of such notification, the University shall promptly assume the defense of such action, including the retention of counsel, the payment of all expenses in connection with such action, including any expenses incurred prior to such notification, and the right to negotiate and settle any such action on behalf of such Indemnified Parties. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party, unless the employment of such counsel has been specifically authorized by the University or unless by reason of conflict of interest (determined by the written opinion of counsel to any Indemnified Party) it is advisable for such Indemnified Party to be represented by separate counsel, in which case the fees and expenses of such separate counsel shall be borne by the University. The University shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the University or if there be a final judgment for the plaintiff in any such action with or without written consent, the University agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. Nothing in this Section 17 shall require or obligate the University to indemnify or hold harmless the Indemnified Parties from or against any loss, claim, damage, liability or expense caused by any gross negligence or intentional misconduct on the part of the Indemnified Parties in connection with the offer or sale of the Bonds.

The University releases the Authority and the Trustee from and agrees that the Authority and the Trustee shall not be liable for, and agrees to indemnify and hold the Authority and the Trustee harmless from, any liability for, or expense (including, but not limited to, reasonable attorneys' fees) resulting from, or any loss or damage that may be occasioned by, any cause whatsoever pertaining to the sale, issuance and delivery of the Bonds, or the actions taken or to be taken by the Authority or the Trustee under this Loan Agreement or the Resolutions, except for the gross negligence or willful misconduct of the Authority or the Trustee. The parties intend that no general obligation or liability or charge against the general credit of the Authority shall occur by reason of making this Loan Agreement, the issuance of the Bonds or performance of any act required of it by this Loan Agreement. Nevertheless, if the Authority shall incur any such pecuniary liability, then in such event the University shall indemnify and hold the Authority harmless by reason thereof, unless such liability results from the gross negligence or willful misconduct of the Authority.

The provisions of this Section 17 shall survive the termination of this Loan Agreement, the payment of the 2022 Series A Bonds and the resignation or removal of the Trustee.

SECTION 18. Insurance. The University agrees that, with respect to the 2022 Series A Project Facilities, it shall maintain, with responsible insurers, insurance of the kinds and in the amounts generally carried by institutions of similar size and character. All policies and certificates of insurance shall be open to inspection by the Authority and the Trustee at reasonable times and upon reasonable notice. The University agrees that it will insure such facilities at replacement cost subject only to standard insurance industry exclusion and that it will

notify the Authority and the Trustee within thirty (30) days of any deviation from standard insurance industry practice.

SECTION 19. Termination. The Authority and the University agree that, upon sixty (60) days' written notice to the Authority, the University shall have the right to terminate this Loan Agreement by paying to the Authority or to the Trustee for the account of the Authority an amount equal to the sum of the following items: (i) the aggregate principal amount of the Outstanding Bonds on the date of such termination; (ii) accrued interest thereon to the date that the Bonds are next redeemable; (iii) redemption premiums, if any, due thereon to the next applicable redemption date, all in accordance with the provisions of the Bonds, the Resolution and the 2022 Series Resolution; and (iv) all other costs of the Authority and the Trustee in connection with such redemption; *provided, however*, that the indemnification provisions set forth in Section 17 hereof shall survive the termination of this Loan Agreement and the resignation or removal of the Trustee.

SECTION 20. Redemption of Bonds. The Authority and the University agree that, if at any time the amount on deposit in the Construction Fund and the Debt Service Fund is at least equal to the sum of the following items: (i) the aggregate principal amount of the Bonds then Outstanding; (ii) accrued interest thereon to the date that the Bonds are next redeemable; (iii) redemption premiums, if any, due thereon to the next applicable redemption date, all in accordance with the provisions of the Bonds, the Resolution and the 2022 Series Resolution; and (iv) all other costs of the Authority and the Trustee in connection with such redemption, the Authority, upon the written request of the University, shall give notice to the Trustee of the Authority's election to redeem all of the Bonds Outstanding.

SECTION 21. Default; Remedies. (a) As used herein, the term "*Event of Default*" shall mean:

(1) If payment of any amount due under subparagraphs (a) or (b) of Section 13 of this Loan Agreement is not made when it becomes due and payable and if such amount remains unpaid for a period of two (2) days.

(2) If payment of any amount due under subparagraphs (c) or (d) of Section 13 of this Loan Agreement is not made when it becomes due and payable and if such amount remains unpaid for a period of ten (10) days after receipt of the statement required by Section 13 of this Loan Agreement.

(3) If the University shall:

(A) admit in writing its inability to pay its debts generally as they become due;

(B) file a petition to be adjudicated a voluntary bankrupt in bankruptcy or a petition otherwise to take advantage of any state or federal bankruptcy or insolvency law;

(C) make an assignment for the benefit of its creditors or seek a composition with its creditors; or

(D) consent to the appointment of a receiver of itself, its fees or charges or the whole or any substantial part of the 2022 Series A Project Facilities.

(4) If the University shall, upon an involuntary petition under any section or chapter of the federal bankruptcy laws filed against it, be adjudicated a bankrupt or if a court of competent jurisdiction shall enter an order or decree appointing a trustee or receiver (interim or permanent) or appointing the University a debtor-in-possession, with or without the consent of the University, or approving a petition filed against it seeking reorganization or an arrangement of the University under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof.

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

(6) If the University defaults in the due and punctual performance of any other covenant in this Loan Agreement and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given by the Authority or the Trustee.

(b) The Authority agrees that it shall notify the Trustee of the occurrence of an Event of Default hereunder. The Authority and the University agree that, upon the occurrence of an Event of Default, the Authority may, by notice in writing to the University, declare all, including future, payments under this Loan Agreement to be immediately due and payable. At the expiration of ten (10) days from the giving of such notice of such declaration, such payments shall become and be immediately due and payable, anything in this Loan Agreement to the contrary notwithstanding. At any time after such payments shall have been so declared to be due and payable and before the entry of a 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 remedies under this Loan Agreement, the Authority may annul such declaration and its

consequences if moneys shall have accumulated in any fund created or held under the Resolution or the 2022 Series Resolution sufficient to pay all arrears of such payments under this Loan Agreement, other than payments due only because of such declaration. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

(c) The Authority and the University further agree that, upon the occurrence of an Event of Default, the Authority may exercise, with respect to any amount in any fund under the Resolution, all of the rights of a secured party under the New Jersey Uniform Commercial Code.

SECTION 22. Agreement Non-Exclusive. All rights and remedies herein given or granted to the Authority are cumulative, non-exclusive and in addition to any and all rights and remedies that the Authority may have or be given by reason of any law, statute, ordinance or otherwise.

SECTION 23. Contracts or Agreements of University. The University agrees that it shall not enter into any contracts or agreements or perform any acts or request the Authority to enter into any contracts or agreements or perform any acts that may materially adversely affect any of the assurances or rights of the Authority or the Bondholders hereunder, under the Resolution or under the 2022 Series Resolution.

SECTION 24. Tax-Exempt Status. The University affirmatively represents and warrants that, as of the date of this Loan Agreement: (i) it is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*"), or corresponding provisions of prior law; (ii) it has received a letter from the Internal Revenue Service to that effect; (iii) such letter has not been modified, limited or revoked; (iv) it is in compliance with all of the terms, conditions and limitations, if any, contained in such letter; (v) the facts and circumstances that form the basis of such letter as represented to the Internal Revenue Service continue substantially to exist; and (vi) it is an organization exempt from federal income taxes under Section 501(a) of the Code.

The University affirmatively represents and warrants that, as of the date hereof, it is an organization (i) organized and operated exclusively for educational purposes; (ii) organized and operated not for pecuniary profit; and (iii) no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning of the Securities Act of 1933, as amended, and within the meaning of the Code. The University agrees that it shall not perform any act nor enter into any agreement that shall change its organization or operations as set forth in items (i), (ii) and (iii) of this paragraph.

SECTION 25. Tax Covenants. (a) The University covenants that:

(1) it will maintain its status as an organization described in Section 501(c)(3) of the Code that is exempt from federal income taxation under Section 501(a) of the Code, or corresponding provisions of future federal income tax laws, and it will use the proceeds of the Bonds exclusively with respect to facilities used in activities forming a part of the basis of such exemption and for costs and expenses necessary and incidental to such activities;

(2) it shall not perform any acts nor enter into any agreements that shall cause any revocation or adverse modification of such federal income tax status of the University;

(3) it shall not carry on or permit to be carried on in the 2022 Series A Project Facilities or permit any such facility to be used in or for any trade or business the conduct of which is not substantially related (aside from the need of the University for income or funds or the use it makes of the profits derived) to the exercise or performance by the University of the purposes or functions constituting the basis for its exemption under Section 501 of the Code, if such use of any such facility would cause interest on the Bonds to be included in gross income for purposes of federal income taxation;

(4) neither it nor any person or related persons (within the meaning of Treasury Regulations §1.150-1(b)) shall purchase bonds of the Authority that finance the program in an amount related to the amount of the Loan;

(5) it will not use any portion of the proceeds of the Bonds for the refinancing, acquisition, construction, improving or equipping of facilities for use in sectarian worship, sectarian instruction or other sectarian purposes or for other costs and expenses or activities of a sectarian character incident to any of the foregoing;

(6) it will comply with the requirements of the Code applicable to the Bonds in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, and it will not take any action or fail to take any action that would cause the loss of such exclusion;

(7) the proceeds of the Bonds, the earnings thereon and any other moneys on deposit in any fund or account maintained in respect of the Bonds (whether such moneys were derived from the proceeds of the sale of the Bonds or from other sources) will not be used by it in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations promulgated thereunder, as the same may from time to time be amended;

(8) it will create and maintain records that, in the judgment of the Authority, are sufficient to determine the compliance of the Bonds with the requirements of Sections 145 and 147 of the Code, including, but not limited to, (i) the allocation and use of the proceeds of the Bonds and any debt refinanced with proceeds of the Bonds and (ii) the ownership and use of all of the property financed with proceeds of the Bonds and any debt refinanced with proceeds of the Bonds, as such records are further described in the University Tax Certificate with respect to the Bonds;

(9) it will not take any action nor cause any action to be taken that would cause the Bonds to be "federally guaranteed" as defined in Section 149(b) of the Code;

(10) all representations made in the University Tax Certificate are true and correct and fully and accurately represent the facts as known to the University. The University agrees to comply with all of the covenants and requirements set forth in the University Tax Certificate. All of the representations and warranties of the University contained in the University Tax Certificate (i) are incorporated herein by reference with the same force and effect as if set forth in full herein and (ii) shall survive the discharge and satisfaction of the Bonds and the term of this Loan Agreement; and

(11) notwithstanding any other provision of the Resolution, the 2022 Series Resolution or this Loan Agreement to the contrary, so long as necessary in order to maintain the exclusion of interest on the Bonds from gross income under Section 103 of the Code, the covenants contained in subparagraphs (a)(1) through (a)(9) of this Section 25 shall survive the discharge and satisfaction of the Bonds and the term of this Loan Agreement.

(b) The University has adopted and implemented, or will adopt and implement, written tax compliance procedures to assure the compliance with the tax covenants contained in this Section 25 and in the University Tax Certificate (collectively, the "*Tax Covenants*") sufficient to (i) monitor the requirements of Section 148 of the Code and (ii) ensure that all nonqualified bonds are remediated in accordance with the requirements of the Code and the regulations thereunder.

(c) Post-Issuance Tax Compliance and Reporting.

(1) The University shall follow its tax compliance procedures adopted pursuant to Section 25(b) hereof in order to satisfy its Tax Covenants.

(2) At the time of filing its annual certification required pursuant to Section 26(b) hereof, the University will file with the Authority a certification to the effect that it is in compliance with its Tax Covenants in a form to be provided by the Authority.

(3) The University shall give written notice to the Authority and the Trustee as soon as practicable after it has made a determination that a change in law or fact, or the interpretation thereof, or after the occurrence or recognition of a fact, circumstance or situation that causes or could cause the loss of the exclusion from gross income provided under Section 103(a) of the Code for interest on the Bonds.

(4) If pursuant to the University's procedures the University determines that a remedial action must be taken to cure a violation of a Tax Covenant, the University will promptly notify the Authority and the Trustee as to the action to be taken.

(5) In the event the Authority becomes aware of a possible violation of a Tax Covenant, the Authority shall have the right, upon notice to the University, to conduct its own investigation and, at the sole cost and expense of the University, to retain Bond Counsel to determine any and all actions required to remediate such violation.

(d) The University acknowledges that the Authority shall calculate or cause to be calculated rebatable arbitrage at the times and in the manner set forth in the University Tax Certificate and shall pay or direct in writing the Trustee to pay (but only from amounts received from the University under this Loan Agreement) the amount to be paid to the United States of America pursuant to Section 148 of the Code from the Rebate Fund in the percentage, at the times and in the manner set forth in the University Tax Certificate.

SECTION 26. Reports and Records Furnished by University. (a) The University shall, if and when reasonably requested by the Authority, render reports to the Trustee and the Authority concerning the 2022 Series A Project and the condition of the University. The University also shall furnish annually to the Trustee, the Authority and such other parties as the Authority may designate copies of its audited financial statements, such other reports and such other information, as soon as practicable, as may be reasonably requested by the Authority. The Trustee shall not be required to review or verify the accuracy of such audited financial statements.

(b) The University shall, if and when reasonably requested by the Authority, deliver to the Authority any records required by Section 25(a)(8) of this Loan Agreement and the University Tax Certificate. The University also shall furnish annually to the Authority a certification to the effect that the University has retained such records. The University will retain all such records until three years after the last scheduled maturity date of the Bonds or, in the event the Bonds are retired early, three years after the final retirement of the Bonds.

(c) The University acknowledges that the Authority shall have the right at any time, and in the sole and absolute discretion of the Authority, to redetermine the particular records required under Section 25(a)(8) of this Loan Agreement. The University also acknowledges that if, in the judgment of the Authority, the records retained by the University are insufficient, the Authority shall have the right to obtain from the University all information necessary to construct the records necessary to demonstrate compliance with Sections 145 and 147 of the Code. Additionally, the Authority may, with reasonable cause, retain counsel to construct or review such records. The University hereby agrees to be bound by any such records or review, absent manifest error, and to pay the reasonable expenses of the Authority and the reasonable fees and expenses of counsel retained by the Authority.

SECTION 27. Continuing Disclosure. The University covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Loan Agreement, failure of the University to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default under Section 21 hereof; *however*, the Trustee may (and at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the holders of at least twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, the Trustee shall, subject

to the provisions of Section 6.02 of the Resolution) or any holder of the Bonds may take such actions as may be deemed necessary or appropriate, including seeking mandate or specific performance by court order, to cause the University to comply with its obligations under this Section 27.

SECTION 28. Maintenance. The University shall, at its own expense, hold, operate and maintain the 2022 Series A Project Facilities and its equipment in a careful and prudent manner, and keep any such 2022 Series A Project Facilities and its equipment in a good, clean and orderly fashion.

SECTION 29. Taxes. The University shall pay when due, at its own expense, all taxes, assessments, water and sewer charges and other impositions thereon, if any (except income taxes of the University, if any), that may be levied or assessed upon the 2022 Series A Project Facilities and all ordinary costs of operating, maintaining, repairing and replacing any such facility and its equipment. The University shall file exemption certificates as required by law. The University agrees to exhibit to the Authority, within ten (10) days after demand, certificates or receipts issued by the appropriate agency or taxing authority showing full payment of all such impositions; *provided, however*, the good faith contest of such impositions and deposit with the Authority of the full amount of such impositions shall be deemed to be complete compliance with this requirement.

SECTION 30. Compliance with Applicable Law. In connection with the operation, maintenance, repair and replacement of the 2022 Series A Project Facilities, the University shall comply with all applicable ordinances and laws of the United States of America, the State of New Jersey and the municipality in which any such facility or any part thereof is located.

In connection with the 2022 Series A Project, the University hereby acknowledges that the provisions of N.J.S.A. 18A:72A-5.1 to -5.4 relating to payment of the prevailing wage rate determined by the Commissioner of Labor and Workforce Development pursuant to the Prevailing Wage Act (N.J.S.A. 34:11-56.25 *et seq.*) apply to construction and rehabilitation undertaken in connection with the Authority's assistance in financing the 2022 Series A Project and covenants to comply with such provisions in connection with the construction of the 2022 Series A Project.

In accordance with P.L. 2005, c. 92, the University covenants and agrees that all services performed under this Loan Agreement by the University shall be performed within the United States of America.

SECTION 31. Notice. All notices required to be given or authorized to be given by either party pursuant to this Loan Agreement shall be in writing and shall be sent by registered or certified mail to the main office of the other party; in the case of the Authority, addressed to it at its office in Princeton, New Jersey, and in the case of the University, addressed to it in Princeton, New Jersey. All notices required to be given or authorized to be given to the Trustee by either party pursuant to this Loan Agreement shall be in writing and shall be sent by registered or certified mail to the principal corporate trust office of the Trustee at the address of such principal corporate trust office.

SECTION 32. Section Headings. All headings preceding the text of the several sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Loan Agreement nor affect its meaning, construction or effect.

SECTION 33. Execution of Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Both parties hereto may sign the same counterpart or each party hereto may sign a separate counterpart. The parties hereto acknowledge and agree that this Loan Agreement and any related documents, and any amendments or waivers hereto or thereto, may be executed and delivered by facsimile, by electronic copies in portable document format ("*PDF*") or any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means or by any digital or electronic signature process or program, and that any signature so delivered shall be treated as and have the same force and effect as an original signature, and copies of the same may be used and introduced as evidence at any legal proceedings relating to or arising under this Loan Agreement. The parties hereto (a) explicitly consent to the delivery by electronic means of this Loan Agreement, (b) agree that their present intent to be bound by this Loan Agreement may be evidenced by transmission of digital images of signed signature pages via electronic means, and (c) affirm that such transmission indicates a present intent to be bound by the terms of this Loan Agreement and is deemed to be valid execution and delivery as though an original ink or electronic signature. An electronic image of this Loan Agreement (including signature pages) shall be as effective as an original for all purposes.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their duly authorized officers as of the date first above written.

**NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY**

By: _____
**Sheryl A. Stitt
Acting Executive Director**

ATTEST:

By: _____
**Steven P. Nelson
Assistant Secretary**

**THE TRUSTEES OF PRINCETON
UNIVERSITY**

By: _____
**Timothy A. Graf
Associate Vice President for
Treasury Services**

ATTEST:

By: _____
**Robert C. Berness
Assistant Secretary**

CONTINUING DISCLOSURE AGREEMENT

by and between

THE TRUSTEES OF PRINCETON UNIVERSITY

and

THE BANK OF NEW YORK MELLON

Dated as of May 1, 2022

**Entered into with respect to
New Jersey Educational Facilities Authority
\$ __, __,000 Princeton University Revenue Bonds, 2022 Series A**

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (this "*Agreement*"), made and entered into as of May 1, 2022, by and between THE TRUSTEES OF PRINCETON UNIVERSITY, a not-for-profit educational corporation duly incorporated and validly existing under the laws of the State of New Jersey (the "*University*"), and THE BANK OF NEW YORK MELLON, a state banking corporation duly created and validly existing under the laws of the State of New York with trust and fiduciary powers in and authorization to conduct business in the State of New Jersey (the "*Trustee*" and "*Dissemination Agent*").

WITNESSETH:

WHEREAS, the New Jersey Educational Facilities Authority, a public body corporate and politic with corporate succession, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter referred to as the "*Authority*"), is issuing its \$____,____,000 Princeton University Revenue Bonds, 2022 Series A (the "*Bonds*"), dated May __, 2022; and

WHEREAS, the Bonds are being issued pursuant to the Authority's Princeton University Revenue Bond Resolution adopted by the Authority on February 16, 1999, as heretofore amended and supplemented (collectively, the "*General Resolution*"), and the 2022 Series A Series Resolution adopted by the Authority on April 26, 2022 (the "*Series Resolution*"; and collectively with the General Resolution, the "*Resolution*"); and

WHEREAS, the University has entered into a Loan Agreement with the Authority, dated as of May 1, 2022 (the "*Loan Agreement*"), whereby the Authority has loaned a portion of the proceeds of the Bonds to the University to finance the 2022 Series A Project (as defined in the Loan Agreement) and certain costs related to the sale and issuance of the Bonds and the University has agreed to repay the loan of such proceeds; and

WHEREAS, the Trustee has duly accepted the trusts imposed upon it by the Resolution as Trustee for the Holders (as defined herein) from time to time of the Bonds; and

WHEREAS, the Securities and Exchange Commission (the "*SEC*"), pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified as of the date hereof at 15 U.S.C. 77 *et seq.*), has adopted amendments effective July 3, 1995 to its Rule 15c2-12 (codified at 17 C.F.R. §240.15c2-12), as the same may be further amended, supplemented and officially interpreted from time to time or any successor provision thereto ("*Rule 15c2-12*"), generally prohibiting a broker, dealer or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and operating data, notices of the occurrence of certain disclosure events and notices of the failure to make a submission required by a continuing disclosure agreement to various information repositories; and

WHEREAS, the Authority and the University have determined that the University is an "obligated person" with respect to the Bonds within the meaning of Rule 15c2-12 and, in order to enable a "participating underwriter" (as such term is defined in Rule 15c2-12) to purchase the Bonds, is therefore required to cause the delivery of the information described in this Agreement to the municipal securities marketplace for the period of time specified in this Agreement; and

WHEREAS, the SEC has adopted amendments, effective July 1, 2009, to Rule 15c2-12 requiring that the annual financial information and operating data, notices of the occurrence of certain disclosure events and notices of the failure to make a submission required by a continuing disclosure agreement be provided to the Municipal Securities Rulemaking Board (the "*MSRB*") and not to the various information repositories, and requiring that such information be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB; and

WHEREAS, the SEC has adopted amendments, effective December 1, 2010, to Rule 15c2-12 revising the list of disclosure events and requiring that notices of such disclosure events be provided within ten (10) business days after the occurrence of the event; and

WHEREAS, the SEC has adopted amendments, effective February 27, 2019, to Rule 15c2-12 revising the list of disclosure events and requiring that notices of such additional disclosure events be provided within ten (10) business days after the occurrence of the event; and

WHEREAS, on May __, 2022, the Authority and the University entered into a contract of purchase with Samuel A. Ramirez & Co., Inc., on behalf of itself and each of the original underwriters for the Bonds (each a "*Participating Underwriter*"), for the purchase of the Bonds;

WHEREAS, the execution and delivery of this Agreement have been duly authorized by the University and the Dissemination Agent, respectively, and all conditions, acts and things necessary and required to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Agreement, do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the University and the Dissemination Agent are entering into this Agreement for the benefit of the Holders of the Bonds.

NOW, THEREFORE, for and in consideration of the promises and of the mutual representations, covenants and agreements herein set forth, the University and the Dissemination Agent, each binding itself, its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1. Terms Defined in Recitals. All of the terms defined in the preambles hereof shall have the respective meanings set forth therein for all purposes of this Agreement.

Section 1.2. Additional Definitions. The following additional terms shall have the meanings specified below:

"*Annual Report*" means Financial Statements and Operating Data provided at least annually. The Annual Report shall contain audited Financial Statements, if audited Financial Statements are then available. If audited Financial Statements are not available at the time the Annual Report is filed, then the Annual Report shall contain unaudited Financial Statements, and audited Financial Statements shall thereafter be provided as required by Section 2.1(c) hereof.

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

"*Business Day*" means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, the State or in the city or cities in which the principal corporate trust office of the Dissemination Agent is located are authorized or required by law to close, or (c) a day on which the New York Stock Exchange is closed.

"*Disclosure Event*" means any event described in Section 2.1(d) of this Agreement.

"*Disclosure Event Notice*" means the notice to the MSRB as provided in Section 2.1(d) of this Agreement.

"*Dissemination Agent*" means The Bank of New York Mellon, acting in its capacity as Dissemination Agent under this Agreement, or any successor Dissemination Agent designated in writing by the University that has filed a written acceptance of such designation.

"*Electronic Means*" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee or the Dissemination Agent, or another method or system specified by the Trustee or the Dissemination Agent, as available for use in connection with its services hereunder.

"*EMMA*" means the MSRB's Electronic Municipal Market Access system or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and certain other information.

"*Final Official Statement*" means the final Official Statement of the Authority, dated May __, 2022, pertaining to the Bonds.

"*Financial Obligation*" means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (iii) guarantee of (i) or (ii); *provided, however*, that the term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

"*Financial Statements*" means the statement of financial position, statement of activities, statement of cash flows or other statements that convey similar information of the University.

"*Fiscal Year*" means the fiscal year of the University. As of the date of this Agreement, the Fiscal Year of the University begins on July 1 of each calendar year and closes on June 30 of the next succeeding calendar year. If the Fiscal Year of the University should change, the Annual Reports under Section 2.1(a) of this Agreement shall be due not later than one hundred eighty (180) days after the end of each Fiscal Year.

"*GAAP*" means generally accepted accounting principles as in effect from time to time in the United States of America, consistently applied.

"*GAAS*" means generally accepted auditing standards as in effect from time to time in the United States of America, consistently applied.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Operating Data*" means the financial and statistical information of the University of the type included in the Final Official Statement in Appendix A thereto entitled "APPENDIX A – PRINCETON UNIVERSITY".

"*Opinion of Counsel*" means a written opinion of counsel expert in federal securities law and acceptable to the University.

"*State*" means the State of New Jersey.

"*Trustee*" means The Bank of New York Mellon, acting in its capacity as Trustee for the Bonds under the Resolution, and its successors and assigns.

Section 1.3. Capitalized Terms Not Defined Herein. Capitalized terms used but not defined herein shall have the meanings assigned to them in Section 1.01 of the General Resolution, Section 1.01 of the Series Resolution or Section 1 of the Loan Agreement, as the case may be.

Section 1.4. Interpretation. Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. Articles and Sections referred to by number mean the corresponding Articles and Sections of this Agreement. The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms as used in this Agreement refer to this Agreement as a whole unless otherwise expressly stated. The disjunctive term "or" shall be

interpreted conjunctively as required to ensure that the University performs any obligations mentioned in the passage in which such term appears. The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

ARTICLE 2
CONTINUING DISCLOSURE COVENANTS
AND REPRESENTATIONS

Section 2.1. Continuing Disclosure Covenants of University. The University agrees that it will provide, until such time as the University instructs the Dissemination Agent to provide, at which time the Dissemination Agent shall provide:

(a) Not later than each December 27th following the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2022, an Annual Report to the MSRB through EMMA, to the Trustee and to the Authority. If the University's audited Financial Statements are not available at the time the Annual Report is required to be filed, the Annual Report shall contain unaudited Financial Statements.

(b) Not later than fifteen (15) days prior to the date specified in Section 2.1(a) hereof, a copy of the Annual Report to the Dissemination Agent.

(c) If not submitted as part of the Annual Report, then when and if available, to the MSRB through EMMA, to the Trustee and to the Authority, audited Financial Statements for the University.

(d) In a timely manner not in excess of ten (10) Business Days after the occurrence of the event, to the MSRB through EMMA, to the Trustee and to the Authority, notice of any of the following listed events with respect to the Bonds (each a "*Disclosure Event*"):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to the rights of Holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;

- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar events 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;
- (xiii) The consummation of a merger, consolidation or acquisition involving the University or the sale of all or substantially all of the assets of the University, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) 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 Holders of the Bonds, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms or other similar events under a Financial Obligation of the University, if any such event reflects financial difficulties.

(e) In a timely manner, to the MSRB through EMMA, to the Trustee and to the Authority, notice of a failure by the University to provide the Annual Report within the period described in Section 2.1(a) hereof.

(f) In determining the materiality of the Disclosure Events specified in subsections (d)(ii), (vi), (vii), (viii), (x), (xiii), (xiv) or (xv) of this Section 2.1, the University may, but shall not be required to, rely conclusively on an Opinion of Counsel.

Section 2.2. Continuing Disclosure Representations. The University represents and warrants that:

(a) Financial Statements shall be prepared in accordance with GAAP.

(b) Any Financial Statements that are audited shall be audited by an independent certified public accountant in accordance with GAAS.

Section 2.3. Form of Annual Report. (a) The Annual Report may be submitted as a single document or as separate documents comprising a package.

(b) Any or all of the items that must be included in the Annual Report may be incorporated by reference from other documents, including official statements delivered in connection with other financings issued on behalf of the University or related public entities that are available to the public on the MSRB's website or filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The University shall clearly identify each such other document so incorporated by reference.

(c) The Annual Report for any Fiscal Year containing any modified operating data or financial information (as contemplated by Sections 4.9 and 4.10 hereof) for such Fiscal Year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Report being provided for such Fiscal Year.

Section 2.4. Documents to be Provided in Electronic Format and Accompanied by Identifying Information. The University agrees that each Annual Report, each Disclosure Event Notice and each notice pursuant to Sections 2.1(a), 2.1(b), 2.1(c), 2.1(d) and 2.1(e) hereof shall be provided to the MSRB in an electronic format as prescribed by the MSRB, and that all documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 2.5. Responsibilities and Duties of Dissemination Agent. (a) If the University or the Dissemination Agent has determined it necessary to report the occurrence of a Disclosure Event, the University or the Dissemination Agent shall, in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, file a Disclosure Event Notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB. The obligations of the University or the Dissemination Agent to provide the notices to the MSRB under this Agreement are in addition to, and not in substitution of, any of the obligations of the Trustee to provide notices of events of default to Bondholders under Section 7.11 of the General Resolution. The University or the Dissemination Agent shall file a copy of each Disclosure Event Notice with the Authority and the Trustee (for informational purposes only).

(b) If an Annual Report is received by it, the Dissemination Agent shall file a written report with the University and the Trustee (if the Dissemination Agent is not the Trustee), with a copy to the Authority, certifying that the Annual Report has been provided to the MSRB pursuant to this Agreement and stating the date it was provided to the MSRB.

Section 2.6. Appointment, Removal and Resignation of Dissemination Agent; Indemnification. (a) The University may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and it may discharge any such Dissemination Agent and appoint a successor Dissemination Agent, with written notice to the Authority, such discharge to be effective on the date of the appointment of a successor Dissemination Agent. The University hereby appoints The Bank of New York Mellon as Dissemination Agent, and The Bank of New York Mellon hereby accepts such appointment.

(b) The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Agreement, and the University agrees to indemnify and hold the Dissemination Agent and its officers, directors, employees and agents harmless against any loss, expense or liability it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liability due to the Dissemination Agent's negligence or willful misconduct. The obligations of the University under this Section 2.6(b) shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days' written notice to the University and the Authority. Such resignation shall take effect on the date specified in such notice. If the Trustee under the Resolution is removed or resigns pursuant to the terms of the Resolution and a successor trustee is appointed thereunder, such successor trustee shall, *ipso facto*, be the successor Dissemination Agent.

Section 2.7. Responsibilities, Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VI of the General Resolution, Section 2.16 of the Series Resolution and Section 27 of the Loan Agreement are each hereby made applicable to this Agreement as if the duties of the Trustee and the Dissemination Agent hereunder were (solely for this purpose) set forth in the General Resolution, the Series Resolution and the Loan Agreement, respectively.

ARTICLE 3
DEFAULTS AND REMEDIES

Section 3.1. Disclosure Default. The occurrence and continuation of a failure by the University to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in this Agreement, and such failure shall remain uncured for a period of thirty (30) days after written notice thereof has been given to the University by the Trustee or any Bondholder, shall constitute a disclosure default hereunder.

Section 3.2. Remedies on Default. (a) The Trustee may (and shall, at the written request of any Participating Underwriter or the Holders of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds, after provision of indemnity in accordance with Section 6.02 of the General Resolution), or any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may, take whatever action at law or in equity is necessary or desirable against the University and any of its officers, agents and employees to enforce the specific performance and observance of any obligation, agreement or covenant of the University hereunder and may compel the University or any such officers, agents or employees, except for the Dissemination Agent, to perform and carry out their duties hereunder; *provided*, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

(b) In case the Trustee or any Bondholder shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Bondholder, as the case may be, then and in every such case the University, the Trustee and any Bondholder, as the case may be, shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the University, the Trustee and any Bondholder shall continue as though no such proceedings had been taken.

(c) A default under this Agreement shall not be deemed an event of default under either the Resolution or the Loan Agreement, and the sole remedy under this Agreement in the event of any failure by the University to comply with this Agreement shall be as set forth in Section 3.2(a) hereof.

**ARTICLE 4
MISCELLANEOUS**

Section 4.1. Purpose of Agreement. This Agreement is being executed and delivered by the University and the Dissemination Agent for the benefit of the Bondholders and in order to assist each Participating Underwriter in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2. Third-Party Beneficiaries; Authority and Bondholders. (a) The Authority is hereby recognized as being a third-party beneficiary hereunder, and may enforce any such right, remedy or claim conferred, given or granted hereunder in favor of the Dissemination Agent or the Bondholders.

(b) Each Bondholder is hereby recognized as being a third-party beneficiary hereunder, and each may enforce, for the equal benefit and protection of all Bondholders similarly situated, any such right, remedy or claim conferred, given or granted hereunder in favor of the Dissemination Agent.

Section 4.3. No Recourse to Authority; Indemnified Parties. No recourse shall be had for the performance of any obligation, agreement or covenant of the University or the Dissemination Agent hereunder against the Authority or against any member, officer, official, employee, counsel, consultant or agent of the Authority or any person executing the Bonds.

The University agrees to indemnify and hold harmless the Authority, any member, officer, official, employee, counsel, consultant or agent of the Authority, including the Dissemination Agent, each Participating Underwriter and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies thereof (collectively, the "*Indemnified Parties*"), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by the University's failure to perform or observe any of its obligations, agreements or covenants under the terms of this Agreement, but only if and insofar as such losses, claims, damages, liabilities or expenses are caused by any such failure of the University to perform hereunder. In case any action shall be brought against the Indemnified Parties based upon this Agreement and in respect of which indemnity may be sought against the University, the Indemnified Parties shall promptly notify the University in writing. Upon receipt of such notification, the University shall promptly assume the defense of such action, including the retention of counsel, the payment of all expenses in connection with such action, including any expenses incurred prior to such notification, and the right to negotiate and settle any such action on behalf of such Indemnified Parties. However, failure on the part of the Authority to give such notification shall not relieve the University from its obligation under this Section 4.3 to the Authority. For any Indemnified Party other than the Authority, to the extent the University suffers actual prejudice as a result of any such failure to give such notification, such failure shall relieve the University from its indemnification obligation under this Section 4.3 to the extent of such prejudice or loss. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the sole expense of such Indemnified Party, unless the employment of such counsel has been specifically authorized by the University or unless by reason of conflict of interest (determined by the written opinion of counsel to any Indemnified Party delivered to the University) it is advisable for such Indemnified Party to be represented by separate counsel, in

which case the fees and expenses of such separate counsel shall be borne by the University. The University shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the University or if there be a final judgment for the plaintiff in any such action with or without written consent, the University agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. Nothing in this Section 4.3 shall require or obligate the University to indemnify or hold harmless the Indemnified Parties from or against any loss, claim, damage, liability or expense caused by any gross negligence or intentional misconduct on the part of the Indemnified Parties in connection with the University's performance of its obligations, agreements and covenants hereunder.

Section 4.4. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from (a) disseminating any other information using the means of dissemination set forth in this Agreement or any other means of communication, or (b) including, in addition to that which is required by this Agreement, any other information in any Annual Report or any Disclosure Event Notice. If the University chooses to include any information in any Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Agreement, the University shall not have any obligation under this Agreement to update such information or to include it in any future Annual Report or any future Disclosure Event Notice. The University shall reimburse the Dissemination Agent for any expenses incurred by the Dissemination Agent in providing such additional information pursuant to this Section 4.4.

Section 4.5. Notices. All notices required to be given or authorized to be given by either party pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail (as well as by Electronic Means, in the case of the Trustee or the Dissemination Agent) addressed to, in the case of the University, the Treasurer of the University, P.O. Box 35, Princeton, New Jersey 08543 (facsimile (609) 258-0442); and in the case of the Trustee/Dissemination Agent, its principal corporate trust office at The Bank of New York Mellon, c/o Corporate Trust Department, 385 Rifle Camp Road, 3rd Floor, Woodland Park, New Jersey 07424 (facsimile (973) 357-7840), with a copy to the Authority, at its offices at 103 College Road East, Princeton, New Jersey 08540 (facsimile (609) 987-0850).

Section 4.6. Assignments. This Agreement may not be assigned by either party hereto without the written consent of the other with written notice to the Authority and, as a condition to any such assignment, only upon the assumption in writing of all of the obligations imposed upon such party by this Agreement.

Section 4.7. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 4.8. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Both parties hereto may sign the same counterpart or each party hereto may sign a separate counterpart. The parties hereto acknowledge and agree that this Agreement and any related documents, and any amendments or waivers hereto or thereto, may be executed and delivered by facsimile, by electronic copies in portable document format ("*PDF*") or any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means or by any digital or electronic signature process or program, and that any signature so delivered shall be treated as and have the same force and effect as an original signature, and copies of the same may be used and introduced as evidence at any legal proceedings relating to or arising under this Agreement. The parties hereto (a) explicitly consent to the delivery by electronic means of this Agreement, (b) agree that their present intent to be bound by this Agreement may be evidenced by transmission of digital images of signed signature pages via electronic means, and (c) affirm that such transmission indicates a present intent to be bound by the terms of this Agreement and is deemed to be valid execution and delivery as though an original ink or electronic signature. An electronic image of this Agreement (including signature pages) shall be as effective as an original for all purposes.

Section 4.9. Amendments, Changes and Modifications. (a) Except as otherwise provided in this Agreement, subsequent to the initial issuance of the Bonds and prior to their payment in full (or provision for payment thereof having been made in accordance with the provisions of the Resolution), this Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Dissemination Agent (with written notice to the Authority).

(b) Without the consent of any Bondholders, the University and the Dissemination Agent at any time and from time to time may enter into any amendments or modifications to this Agreement for any of the following purposes:

(i) to add to the covenants and agreements of the University hereunder for the benefit of the Bondholders or to surrender any right or power conferred upon the University by this Agreement;

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices or legal requirements followed by or applicable to the University, to reflect changes in the identity, nature or status of the University or in the business, structure or operations of the University, or to reflect any mergers, consolidations, acquisitions or dispositions made by or affecting the University; *provided*, that any such modification shall not be in contravention of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity herein, to correct or supplement any provision hereof that may be inconsistent with any other provision hereof or to include any other provisions with respect to matters or questions arising under this Agreement, any of which, in each case, would have complied with the requirements of Rule 15c2-12 at the

time of the primary offering, after taking into account any amendments or interpretations of Rule 15c2-12 as well as any changes in circumstances;

provided, that prior to approving any such amendment or modification, the University determines that such amendment or modification does not adversely affect the interests of the Bondholders in any material respect.

(c) Upon entering into any amendment or modification required or permitted by this Agreement that materially affects the interests of the Bondholders, the University shall deliver, or cause the Dissemination Agent to deliver, to the MSRB through EMMA written notice of any such amendment or modification.

(d) The University and the Dissemination Agent shall be entitled to rely exclusively upon an opinion of Bond Counsel to the Authority to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.9.

Section 4.10. Amendments Required by Rule 15c2-12. The University and the Dissemination Agent each recognize that the provisions of this Agreement are intended to enable compliance with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof or the promulgation of a successor rule, statute or regulation thereto, a change in this Agreement shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery of an opinion of Bond Counsel to the Authority addressed to the University and the Dissemination Agent to the effect that such amendments shall be permitted or necessary to assure continued compliance with Rule 15c2-12 as so amended or interpreted, then the University and the Dissemination Agent shall amend this Agreement to comply with and be bound by any such amendment to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and shall provide written notice of such amendment as required by Section 4.9(c) hereof.

Section 4.11. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State and the laws of the United States of America, as applicable. The University and the Dissemination Agent agree that the University or the Authority may be sued only in a court in the County of Mercer in the State of New Jersey.

Section 4.12. Termination of University's Continuing Disclosure Obligations. The continuing obligation of the University under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of this Agreement shall terminate if and when either (i) the Bonds are no longer Outstanding in accordance with the terms of the Resolution or (ii) the University no longer remains an "obligated person" (as such term is defined in Rule 15c2-12) with respect to the Bonds, and, in either event, only after the University delivers, or causes the Dissemination Agent to deliver, notice to such effect to the MSRB through EMMA. This Agreement shall be in full force and effect from the date of issuance of the Bonds and shall continue in effect until the date the Bonds are no longer Outstanding in accordance with the terms of the Resolution; *provided, however*, that the indemnification provisions set forth in Sections 2.6(b) and 4.3 hereof shall survive the termination of this Agreement.

Section 4.13. Prior Undertakings. Except as disclosed in the Final Official Statement, the University has not failed during the previous five years to comply in all material respects with any prior continuing disclosure undertaking made by it in accordance with Rule 15c2-12.

Section 4.14. Covenant. In accordance with P.L. 2005, c. 92, the Dissemination Agent covenants and agrees that all services performed by it under this Agreement shall be performed within the United States of America.

Section 4.15. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the University and the Dissemination Agent and their respective successors and assigns.

Section 4.16. Compliance with P.L. 2005, c. 271, Reporting Requirements. The Dissemination Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("*ELEC*") pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, Section 3) if the Dissemination Agent enters into agreements or contracts, such as this Agreement, with a New Jersey public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from New Jersey public entities, such as the Authority, in a calendar year. It is the Dissemination Agent's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, THE TRUSTEES OF PRINCETON UNIVERSITY and THE BANK OF NEW YORK MELLON have caused this Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**THE TRUSTEES OF PRINCETON
UNIVERSITY**

By: _____
Timothy A. Graf
Associate Vice President for
Treasury Services

THE BANK OF NEW YORK MELLON

By: _____
David J. O'Brien
Vice President

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

HD&W DRAFT 4/13/22

PRELIMINARY OFFICIAL STATEMENT DATED MAY __, 2022

NEW ISSUE – BOOK-ENTRY-ONLY

**RATINGS: Moody's: "Aaa"
S&P: "AAA"**

In the opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel, assuming compliance by the Authority and the University (as each term is defined herein) with certain tax covenants described herein, under existing law, interest on the 2022 Series A Bonds (as defined herein) is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the 2022 Series A Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax. Based upon existing law, interest on the 2022 Series A Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.



NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY



\$ _____ * Princeton University Revenue Bonds, 2022 Series A

Dated: Date of Delivery

Due: March 1, as shown on the inside front cover hereof

The New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2022 Series A (the "2022 Series A Bonds") will be issued by the New Jersey Educational Facilities Authority (the "Authority") as fully-registered bonds by means of a book-entry system evidencing ownership and transfer thereof on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants. Purchases of the 2022 Series A Bonds will be made in book-entry form in denominations of \$5,000 each or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the 2022 Series A Bonds purchased. So long as DTC or its nominee is the registered owner of the 2022 Series A Bonds, payments of the principal of and redemption premium, if any, and interest on the 2022 Series A Bonds will be made directly to DTC. Disbursement of such payments to the Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners of the 2022 Series A Bonds is the responsibility of the Direct Participants and the Indirect Participants. See "DESCRIPTION OF THE 2022 SERIES A BONDS – Book-Entry-Only System" herein. The Bank of New York Mellon, Woodland Park, New Jersey, shall act as Trustee, Bond Registrar and Paying Agent for the 2022 Series A Bonds.

Interest on the 2022 Series A Bonds will be payable initially on September 1, 2022 and semiannually thereafter on each March 1 and September 1 until maturity or earlier redemption. The 2022 Series A Bonds are subject to redemption prior to maturity, as more fully described herein.

The 2022 Series A Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law (N.J.S.A. 18A:72A-1 *et seq.*), as amended and supplemented, and the Princeton University Revenue Bond Resolution adopted by the Authority on February 16, 1999, as heretofore amended and supplemented (collectively, the "General Resolution"), and as further amended and supplemented by the 2022 Series A Series Resolution adopted by the Authority on April 26, 2022 (the "2022 Series A Series Resolution"; and together with the General Resolution, the "Resolution"). The 2022 Series A Bonds are being issued for the purpose of making a loan to The Trustees of Princeton University (the "University") to (i) finance the costs of acquisition, construction, renovation and installation of capital projects and improvements for the University; and (ii) pay certain costs incidental to the sale and issuance of the 2022 Series A Bonds. See "INTRODUCTORY STATEMENT – Plan of Finance" herein. The Authority and the University will enter into a Loan Agreement, dated as of May 1, 2022, with respect to such loan.

THE 2022 SERIES A BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION), OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION). THE AUTHORITY HAS NO TAXING POWER. SEE "SECURITY FOR THE 2022 SERIES A BONDS" HEREIN FOR A DESCRIPTION OF THE SECURITY FOR THE 2022 SERIES A BONDS AND THE OTHER PARITY BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION.

This cover page contains certain information for quick reference only. It is not intended to be a summary of this issue. For a discussion of certain factors that should be considered, in addition to the other matters set forth on this cover page, in evaluating the investment quality of the 2022 Series A Bonds, investors must read the entire Official Statement, including, but not limited to APPENDIX A and APPENDIX B, to obtain information essential to the making of an informed investment decision.

The 2022 Series A Bonds are offered when, as and if issued by the Authority and delivered to the Underwriters, subject to prior sale or withdrawal or modification of the offer without notice, and subject to the approval of their legality by McManimon, Scotland & Baumann, LLC, Roseland, New Jersey, Bond Counsel to the Authority. Certain legal matters will be passed upon for the University by Ballard Spahr LLP, Philadelphia, Pennsylvania, and by Ramona E. Romero, Esq., General Counsel to the University. Certain legal matters will be passed upon for the Underwriters by their counsel, Hawkins Delafield & Wood LLP, Newark, New Jersey. The 2022 Series A Bonds are expected to be available for delivery through the facilities of DTC on or about May __, 2022.

Ramirez & Co., Inc.

BofA Securities

Loop Capital Markets

Dated: May __, 2022

* Preliminary, subject to change.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

\$ _____ * PRINCETON UNIVERSITY REFUNDING BONDS, 2022 SERIES A

MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIPS*

<u>Maturity</u> <u>(March 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP</u> <u>No.**</u>
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* Preliminary, subject to change.

** CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2022 CUSIP Global Services. All rights reserved. CUSIP data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for CGS database. CUSIP numbers are included solely for the convenience of the registered owners of the applicable 2022 Series A Bonds. None of the Authority, the University or the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable 2022 Series A Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2022 Series A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part.

IN CONNECTION WITH THE OFFERING OF THE 2022 SERIES A BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2022 SERIES A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE 2022 SERIES A BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

The purchase of the 2022 Series A Bonds involves certain investment risks. Accordingly, each prospective purchaser of the 2022 Series A Bonds should make an independent evaluation of the entirety of the information presented in the Official Statement, including, its appendices, to obtain information essential to the nature of an informed investment decision in the 2022 Series A Bonds.

The information contained herein relating to the Authority under the headings, “THE AUTHORITY” and “LITIGATION – The Authority”, has been obtained from the Authority (as hereinafter defined). All other information herein has been obtained by the Underwriters (as hereinafter defined) from the University (as hereinafter defined), the Underwriters and other sources deemed by the Underwriters to be reliable, and is not to be construed as a representation of the Authority or the Underwriters. The Authority has not participated in the making of the statements contained within this Official Statement other than the information under the headings, “THE AUTHORITY” and “LITIGATION – The Authority”, and does not represent that any such statements are accurate or complete for purposes of investors making an investment decision with respect to the 2022 Series A Bonds. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the University since the date hereof.

The University, in APPENDIX A, has provided the description of the University and certain relevant financial and operating data with respect thereto. It is noted that some of the financial information has been derived from the audited financial statements of the University. This information should be read in conjunction with the audited financial statements and the related notes which are included as APPENDIX B to this Official Statement.

No dealer, broker, salesperson or other person has been authorized by the Authority or the University to give any information or to make any representations with respect to the 2022 Series A Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of, the 2022 Series A Bonds by any person in any such jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Certain information contained herein has been obtained from the University and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness, and it is not to be construed as a representation of the Authority or the Underwriters.

The information set forth herein relative to The Depository Trust Company, New York, New York (“DTC”), and DTC’s book-entry-only system has been supplied to the Authority by DTC for inclusion herein, and the Authority takes no responsibility for the accuracy thereof. Such information has not been independently verified by the Authority or the University, and neither the Authority nor the University makes any representation as to the accuracy or completeness of such information.

The 2022 Series A Bonds have not been registered under the Securities Act of 1933, as amended, and the Resolution (as hereinafter defined) has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions contained in such federal laws. In making an investment decision, investors must rely upon their own examination of the 2022 Series A Bonds and the security therefor, including an analysis of the

risk involved. The 2022 Series A Bonds have not been recommended by any federal or state securities commission or regulatory authority. The registration, qualification or exemption of the 2022 Series A Bonds in accordance with applicable provisions of securities laws of the various jurisdictions in which the 2022 Series A Bonds have been registered, qualified or exempted cannot be regarded as a recommendation thereof. Neither such jurisdictions nor any of their agencies have passed upon the merits of the 2022 Series A Bonds or the adequacy, accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

References in this Official Statement to statutes, laws, rules, regulations, resolutions (including the Resolution), agreements (including the Continuing Disclosure Agreement) (as hereinafter defined), reports and documents do not purport to be comprehensive or definitive, and all such references are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. This Official Statement is submitted in connection with the sale of the 2022 Series A Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

If and when included in this Official Statement, the words “expects”, “forecasts”, “projects”, “intends”, “anticipates”, “estimates”, “will” and analogous expressions are intended to identify forward-looking statements. Any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance, governmental regulations, litigation and various other events, conditions and circumstances many of which are beyond the control of the Authority and the University. These forward-looking statements speak only as of the date of this Official Statement. The Authority and the University disclaim any obligation or agreement to release publicly any update or revision to any forward-looking statement contained herein to reflect any change in the Authority's or the University's expectation with regard thereto to any change in events, conditions or circumstances on which any such statement is based.

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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
103 COLLEGE ROAD EAST
PRINCETON, NEW JERSEY 08540-6612**

**OFFICIAL STATEMENT
RELATING TO**

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

**§ _____*
PRINCETON UNIVERSITY REVENUE BONDS, 2022 SERIES A**

INTRODUCTORY STATEMENT

General

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish information concerning the New Jersey Educational Facilities Authority (the "Authority") and its § _____* Princeton University Revenue Bonds, 2022 Series A (the "2022 Series A Bonds"), to be dated the date of issuance thereof, authorized by the Princeton University Revenue Bond Resolution, adopted by the Authority on February 16, 1999, as heretofore amended and supplemented (collectively, the "General Resolution"), and as further amended and supplemented by the 2022 Series A Series Resolution adopted by the Authority on April 26, 2022 (the "2022 Series A Series Resolution"; and together with the General Resolution, the "Resolution"). Capitalized terms used but not defined in this Official Statement shall have the respective meanings assigned to such terms in the Resolution. The information contained in this Official Statement has been prepared under the direction of the Authority for use in connection with the sale and delivery of the 2022 Series A Bonds.

Authority for Issuance

The 2022 Series A Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law, constituting Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act"). The Act, among other things, empowers the Authority to issue its bonds, notes and other obligations to obtain funds to finance and refinance an eligible project as such may be required or convenient for the purpose of a public or private participating institution of higher education, such as The Trustees of Princeton University, a New Jersey corporation and a privately endowed, non-sectarian institution for higher education situated in Princeton, Mercer County, New Jersey (the "University"). For information concerning the University, see "APPENDIX A – PRINCETON UNIVERSITY," "APPENDIX B – CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020, AND REPORT OF INDEPENDENT AUDITORS" hereto.

Plan of Finance

The 2022 Series A Bonds are being issued to provide funds to be loaned to the University to: (i) finance (in whole or in part) the costs of the acquisition, construction, renovation and installation of certain capital assets to be located at or near the University's main campus in Princeton, New Jersey, at its Forrestal Campus in Plainsboro, New Jersey, at its administrative building at 701 Carnegie Center in West Windsor, New Jersey, or at its Lake Campus in West Windsor, New Jersey (the "2022 Series A Project"), consisting of (A) the renovation and repair of various University buildings and other facilities, including utility systems, roads, grounds and parking, (B) the purchase of capital equipment for academic departments and administrative and supporting units, (C) the construction of academic, administrative, athletic, housing and/or student/faculty/staff-related capital facilities and utility/infrastructure-related assets, and (D) the acquisition of land; and (ii) pay certain costs incidental to the sale and issuance of the 2022 Series A Bonds.

* Preliminary, subject to change.

Concurrently with the issuance of the 2022 Series A Bonds, the University expects to issue its Taxable Bonds, Series 2022 (the “2022 Taxable Bonds”) in the approximate principal amount of \$_____.* The University expects to use the proceeds of the 2022 Taxable Bonds for its general corporate purposes. The 2022 Taxable Bonds are not being offered under this Official Statement. A separate Offering Memorandum will be prepared for the 2022 Taxable Bonds. The 2022 Taxable Bonds will constitute an unsecured general obligation of the University.

Security

The 2022 Series A Bonds will be issued on a parity with the Authority's outstanding Princeton University Revenue Bonds, 2014 Series A, 2015 Series A, 2015 Series D, 2016 Series A, 2016 Series B, 2017 Series B, 2017 Series C, 2017 Series I, 2021 Series B and 2021 Series C, heretofore issued under the General Resolution to finance certain facilities of the University and that will remain outstanding after the issuance of the 2022 Series A Bonds (the “Outstanding Parity Bonds”) and any additional parity bonds that may hereafter be issued under the General Resolution (the “Additional Parity Bonds”). The 2022 Series A Bonds are secured by a pledge of the revenues (the “Revenues”) derived by the Authority pursuant to a Loan Agreement to be dated as of May 1, 2022 (the “Loan Agreement”), by and between the Authority and the University relating to the 2022 Series A Project, pursuant to loan agreements relating to the facilities financed by the Outstanding Parity Bonds (the “Prior Loan Agreements”) and pursuant to any subsequent loan agreements relating to any approved facility that the Authority may finance in the future.

Pursuant to the Loan Agreement, the Prior Loan Agreements and any subsequent loan agreements relating to any approved facility, the University agrees to make loan repayments to the Authority equal to all sums necessary for the payment of the debt service on the 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds, and the full faith and credit of the University is pledged to the payments required to be made thereunder. See “SECURITY FOR THE 2022 SERIES A BONDS” herein.

THE 2022 SERIES A BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION), OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION). THE AUTHORITY HAS NO TAXING POWER. SEE “SECURITY FOR THE 2022 SERIES A BONDS” HEREIN FOR A DESCRIPTION OF THE SECURITY FOR THE 2022 SERIES A BONDS AND THE OTHER OUTSTANDING PARITY BONDS UNDER THE GENERAL RESOLUTION.

THE AUTHORITY

Powers of the Authority

The Authority was duly created under the Act (N.J.S.A. 18A:72A-1 *et seq.*) as a public body corporate and politic constituting an instrumentality exercising public and essential governmental functions of the State of New Jersey (the “State”). The Act empowers the Authority, among other things, to make loans to public and private colleges and universities for the construction, improvement, acquisition and refinancing of eligible projects in accordance with a lease agreement, a loan agreement or a mortgage approved by the Authority. The Authority is also authorized to provide financing for capital improvements at qualified public libraries.

The Act provides that the Authority shall not be required to pay taxes or assessments upon any of the property acquired or used by it or under its jurisdiction, control, possession or supervision, or upon its activities in the operation and maintenance of the facilities acquired or constructed for any participating college or university or upon any moneys, revenues or other income received therefrom by the Authority.

* Preliminary, subject to change.

Authority Organization and Membership

Under the Act and pursuant to Reorganization Plan 005-2011, the Authority membership consists of the State Treasurer, the Secretary of Higher Education, both *ex officio*, and five citizen members appointed by the Governor of the State (the “Governor”) with the advice and consent of the Senate for terms of five years each. The Act provides that deputies of the *ex officio* members may be designated to act on their behalf. Members of the Authority whose terms have expired continue to serve on the Authority until their successors are appointed and qualified. The members of the Authority serve without compensation, but are entitled to reimbursement of actual and necessary expenses incurred in the discharge of their official duties.

The present members and officers of the Authority, the dates of expiration of their terms as members and their business affiliations are as follows:

Joshua E. Hodes, Chair; term as a member expired April 30, 2014; Partner, Public Strategies Impact; Trenton, New Jersey.

Ridgeley Hutchinson, Vice Chair; term as a member expired April 30, 2015; President, Truehart Productions; Lambertville, New Jersey.

The Honorable Elizabeth Maher Muoio, Treasurer; Treasurer, State of New Jersey, *ex officio*.

The Honorable Dr. Brian K. Bridges, Secretary of Higher Education, *ex officio*.

Louis A. Rodriguez, P.E.; term as a member expired April 30, 2016; Retired; Marlboro, New Jersey.

Sheryl A. Stitt, Acting Executive Director, serves as the Acting Secretary to the Authority.

Steven P. Nelson, Acting Deputy Executive Director, serves as an Assistant Secretary to the Authority.

Brian Sootkoos, Director of Finance/Controller, serves as the Assistant Treasurer to the Authority.

Ellen Yang, Director of Compliance Management, serves as an Assistant Secretary to the Authority.

Outstanding Obligations of the Authority

As of December 31, 2021, the Authority has heretofore authorized and issued its obligations in a total outstanding amount of \$4,756,527,755 to finance and refinance eligible projects at certain of the participating public and private colleges and universities and public libraries located in the State.

The Authority has never defaulted in the payment of the maturing principal of or interest on any of its obligations.

STATE OF NEW JERSEY HIGHER EDUCATION

Pursuant to Governor Christie’s Reorganization Plan 005-2011 and P.L. 2015, c. 091, the Commission on Higher Education (the “Commission”) has been abolished and the responsibilities, duties and authorities of the former Commission have been transferred to the Secretary of Higher Education. The former Commission, established by the Higher Education Restructuring Act of 1994, provided coordination, planning, policy development and advocacy for the State’s higher education system. The Commission was also responsible for institutional licensure and the administration of the Educational Opportunity Fund and other programs. The Commission served as the principal advocate for an integrated system of higher education which provides a broad scope of higher education programs and services. The system includes 29 public colleges and universities and 60 independent institutions and, as of the 2020-21 fiscal year, enrolls over 504,380 full-time and part-time credit seeking students statewide.

The 29 public colleges and universities are comprised of 5 public research universities (Rutgers, The State University of New Jersey; the New Jersey Institute of Technology; Rowan University; Montclair State University; and Kean University); 2 state colleges (The College of New Jersey and Ramapo College of New Jersey); 4 state universities (Stockton University; Thomas Edison State University; New Jersey City University; and William Paterson University of New Jersey); and 18 community colleges. The 60 independent institutions include 15 senior colleges and universities with a public mission, two graduate degree-granting independent institutions, one independent two-year religious college, 31 talmudic institutions and theological seminaries and 11 proprietary institutions with degree-granting authority.

DESCRIPTION OF THE 2022 SERIES A BONDS

General

The 2022 Series A Bonds will be issued in the aggregate principal amount of \$ _____*. The 2022 Series A Bonds will be initially dated and bear interest from the date of issuance thereof at the rates per annum and will mature on March 1 in the years and in the principal amounts shown on the inside front cover page of this Official Statement.

The 2022 Series A Bonds will be issued in fully-registered form, without coupons, in denominations of \$5,000 each or any integral multiple thereof, all in accordance with the Resolution. Interest on the 2022 Series A Bonds will be payable initially on September 1, 2022 and semiannually thereafter on each March 1 and September 1 until maturity or earlier redemption. Interest on the 2022 Series A Bonds will be credited to the participants of DTC (as hereinafter defined) as listed on the records of DTC as of each February 15 and August 15 (the "Record Dates").

Book-Entry-Only System

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the 2022 Series A Bonds. The 2022 Series A 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 2022 Series A Bond certificate will be issued for each maturity of the 2022 Series A Bonds in the principal amounts shown on the inside front cover page of this Official Statement, and will be deposited with DTC.

DTC, the world's largest 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.

* Preliminary, subject to change.

Purchases of the 2022 Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2022 Series A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2022 Series A 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 2022 Series A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2022 Series A Bonds, except in the event that use of the book-entry system for the 2022 Series A Bonds is discontinued.

To facilitate subsequent transfers, all 2022 Series A 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 the 2022 Series A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2022 Series A Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such 2022 Series A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2022 Series A Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2022 Series A Bonds, such as redemptions, defaults and proposed amendments to the security documents. For example, Beneficial Owners of the 2022 Series A Bonds may wish to ascertain that the nominee holding the 2022 Series A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2022 Series A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2022 Series A Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2022 Series A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the 2022 Series A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC (nor its nominee), the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to the Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2022 Series A Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificated bonds are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In such event, certificated bonds will be printed and delivered.

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

Redemption Provisions

Optional Redemption. The 2022 Series A Bonds maturing on or before March 1, 20__ are not subject to optional redemption prior to their stated maturities. The 2022 Series A Bonds maturing on or after March 1, 20__ are subject to redemption prior to their stated maturities on or after March 1, 20__ at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the Outstanding 2022 Series A Bonds of any maturity shall be called for redemption, such 2022 Series A Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.

Mandatory Sinking Fund Redemption. The 2022 Series A Bonds maturing on March 1, 20__ shall be retired by Sinking Fund Installments which shall be accumulated in the Sinking Fund Account, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the 2022 Series A Bonds on March 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
	\$

*

*Final maturity.

Notice of Redemption

Notice of redemption will be mailed by the Trustee to DTC, as the registered owner of the 2022 Series A Bonds, and such mailing shall be a condition precedent to such redemption; provided, however, that the failure of any holder to receive any such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any 2022 Series A Bonds. If less than all of the 2022 Series A Bonds of one maturity shall be called for redemption, the Trustee, at the direction of the Authority, shall notify DTC not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption of the particular amount of such maturity to be redeemed. DTC shall determine the amount of each Participant's interest in such maturity to be called for redemption, and each Participant shall then select the ownership interest in such maturity to be redeemed. At such time as DTC or its nominee is not the registered owner of the 2022 Series A Bonds, the transfer provisions and notice of redemption provisions applicable to the 2022 Series A Bonds will be adjusted pursuant to the Resolution. Any notice of optional redemption of any 2022 Series A Bonds may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the Redemption Price of all the 2022 Series A Bonds or portions thereof that are to be redeemed on that date.

Negotiable Instruments

The 2022 Series A Bonds will be fully negotiable within the meaning of the Uniform Commercial Code of the State, subject only to the provisions for registration contained in the 2022 Series A Bonds.

Annual Debt Service Requirements

The following table sets forth, for each 12-month period ending on June 30, the amounts required for the payment of the principal of and interest on the Outstanding Parity Bonds issued under and pursuant to the General Resolution, the principal of and interest on certain additional long-term debt of the University, the principal of and interest on the 2022 Series A Bonds, and the total of all of such principal and interest.

12 Months Ending June 30*	General Resolution†	Additional Long-Term Debt††	2022 Series A Bonds			Total Debt Service
			PRINCIPAL	INTEREST	TOTAL	
2022	\$164,217,392	\$58,818,677	\$	\$	\$	\$223,036,069
2023	154,813,225	58,819,227				213,632,452
2024	152,072,725	58,818,389				210,891,114
2025	151,699,225	58,819,279				210,518,504
2026	149,421,225	83,818,729				233,239,954
2027	167,249,725	58,165,834				225,415,559
2028	163,895,775	58,165,826				222,061,601
2029	160,853,675	58,165,347				219,019,022
2030	111,068,425	58,166,227				169,234,652
2031	110,124,175	58,165,745				168,289,920
2032	110,345,325	58,165,996				168,511,321
2033	110,502,975	58,177,084				168,680,059
2034	110,561,025	58,176,901				168,737,926
2035	123,941,575	57,931,150				181,872,725
2036	84,110,425	57,931,150				142,041,575
2037	69,329,000	57,931,150				127,260,150
2038	69,449,900	57,931,150				127,381,050
2039	38,131,600	57,931,150				96,062,750
2040	55,995,200	29,431,150				85,426,350
2041	41,415,700	29,431,150				70,846,850
2042	16,869,400	199,431,150				216,300,550
2043	29,207,900	23,698,750				52,906,650
2044	66,252,350	98,698,750				164,951,100
2045	76,706,550	20,153,500				96,860,050
2046	11,110,450	146,318,500				157,428,950
2047	11,108,650	146,403,689				157,512,339
2048	1,868,250	155,700,392				157,568,642
2049	1,868,250	155,770,925				157,639,175
2050	1,868,250	155,926,836				157,795,086
2051	81,368,250	-				81,368,250
2052	-	-				-
TOTAL	\$2,597,426,592	\$2,735,063,804				\$5,332,490,396

* With respect to principal and interest payments by the University on the Outstanding Parity Bonds, the table reflects the amount of principal and interest payments required to be provided by the University to the Trustee during each 12-month period ending on June 30 and includes principal and interest due on July 1 of the following period. With respect to principal and interest on the taxable debt, the table reflects payments that are due on July 1 of the following period.

† Includes the Outstanding Parity Bonds.

†† Includes the University's portion of the Authority's Capital Improvement Fund Bonds that are not secured by the General Resolution and the Taxable Bonds, 2009 Series A, the 2012 Taxable Notes, the 2013 Taxable Notes, the Taxable Bonds, 2016 Series A, the Taxable Bonds, 2017 Series A and the Taxable Bonds, 2020 Series A, issued directly by the University. Does not include other third-party debt. See "APPENDIX A – PRINCETON UNIVERSITY – Third-Party Debt" herein for additional information regarding the outstanding indebtedness of the University.

** Totals may not add due to rounding.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the 2022 Series A Bonds, along with other available moneys of the University, will be applied approximately as follows:

Sources:

Principal Amount of 2022 Series A Bonds	\$
University Contribution for Costs of Issuance	\$
[Net] Original Issue Premium/Discount	_____
TOTAL SOURCES:	\$

Uses:

Deposit to Construction Fund	\$
Underwriters' Discount	
Costs of Issuance Expenses ¹	_____
TOTAL USES:	\$

¹ Includes fees and expenses of Bond Counsel, the Trustee, the Rating Agencies, and other associated issuance costs.

SECURITY FOR THE 2022 SERIES A BONDS

The 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds that may hereafter be issued under the General Resolution are special and limited obligations of the Authority payable from the Revenues received by the Authority pursuant to the Loan Agreement, the Prior Loan Agreements and any subsequent loan agreements relating to future facilities to be financed or refinanced by Additional Parity Bonds.

The General Resolution provides, among other things, that: (i) the General Resolution shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the owners, from time to time, of the 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds; (ii) the pledge made and the covenants and agreements set forth to be performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the owners of all of the 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds, which, regardless of their times of issue or maturity, shall be of equal rank without preference, priority or distinction of any of the 2022 Series A Bonds, the Outstanding Parity Bonds or any Additional Parity Bonds over any other thereof, except as expressly provided by or permitted under the General Resolution; (iii) the Authority pledges and assigns to the Trustee the Revenues as security for the payment of the 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds and the interest thereon and as security for the performance of any other obligation of the Authority under the General Resolution; (iv) the pledge made by the General Resolution is valid and binding from the time when such pledge is made, the Revenues shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof; and (v) the 2022 Series A Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds shall be special and limited obligations of the Authority payable from and secured by a pledge of the Revenues as provided in the General Resolution.

THE 2022 SERIES A BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE NOT A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION), OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION). THE AUTHORITY HAS NO TAXING POWER.

The 2022 Series A Bonds are secured by a pledge of the Revenues. The payments of the University required under the Loan Agreement are general, unconditional obligations of the University. The University has pledged its full faith and credit to make such payments pursuant to the Loan Agreement.

CONTINUING DISCLOSURE

Pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the University will enter into an undertaking in the form of a Continuing Disclosure Agreement, substantially in the form included as APPENDIX D to this Official Statement, in which the University will covenant, for the benefit of the holders of the 2022 Series A Bonds, to provide or cause a dissemination agent to provide certain financial information and operating data and notice of certain enumerated events to the MSRB (as such term is defined in the Continuing Disclosure Agreement) through its electronic data program, Electronic Municipal Market Access (“EMMA”), or such other program required by Rule 15c2-12.

The Underwriters’ obligation to purchase and accept delivery of the 2022 Series A Bonds is conditioned upon their receiving, at or prior to the delivery of the 2022 Series A Bonds, evidence that the University has made the continuing disclosure undertaking set forth in the Continuing Disclosure Agreement.

A failure by the University to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in the Continuing Disclosure Agreement will not constitute an Event of Default under either the Resolution or the Loan Agreement, and the holders of the 2022 Series A Bonds are limited to the remedies set forth in the Continuing Disclosure Agreement.

The Authority and the holders of the 2022 Series A Bonds are recognized under the Continuing Disclosure Agreement as being third-party beneficiaries thereunder and may enforce any such right, remedy or claim conferred, given or granted thereunder in favor of the Trustee or the holders of the 2022 Series A Bonds, as the case may be.

In connection with the issuance of the Outstanding Parity Bonds, the University entered into continuing disclosure undertakings to provide certain financial information, operating data and notices of certain listed events with the MSRB in accordance with the terms thereof. The continuing disclosure undertakings required the University to timely file, or cause its dissemination agent to file, for each fiscal year its annual audited financial statements and updates of financial and operating data contained in APPENDIX A of the offering documents for the Outstanding Parity Bonds (collectively, the “annual report”). In addition, in 2010 the University entered into a continuing disclosure undertaking relating to \$12,000,000 of bonds issued by the New Jersey Economic Development Authority (the “2010 NJEDA Bonds”) for the benefit of a non-profit entity unaffiliated with the University, which bonds are guaranteed as to payment of principal and interest by the University. The continuing disclosure undertaking for the 2010 NJEDA Bonds requires the University to file for each fiscal year an annual report with respect to the 2010 NJEDA Bonds. The University filed all required information in the annual reports for the Outstanding Parity Bonds and the 2010 NJEDA Bonds for each of the past five years; however, the University's annual report for the fiscal year ended in 2016 was not linked to the 2010 NJEDA Bonds until approximately 12 months after the filing deadline. The University intends to comply fully with all current and future continuing disclosure undertakings and has implemented internal procedures to ensure that all future filings are completed on a timely basis in accordance with said Rule 15c2-12.

RATINGS

Moody's Investors Service, Inc. (“Moody's”) and S&P Global Ratings, acting through Standard & Poor's Financial Services LLC (“S&P”), have assigned the 2022 Series A Bonds ratings of “Aaa” and “AAA”, respectively. The ratings represent the respective rating agency's evaluation of the debt service repayment capacity of the University.

Such ratings reflect the views of Moody's and S&P at the time such ratings were given and the Authority makes no representation as to the appropriateness of the ratings. Any explanation of the significance of the ratings may be obtained from Moody's and S&P. There is no assurance that the ratings will continue for any given period

of time or that they will not be revised downward or withdrawn entirely by Moody's and/or S&P if, in the judgment of Moody's and/or S&P, circumstances so warrant. Any such downward revision, qualification or withdrawal of the ratings can be expected to have an adverse effect on the market price or marketability of the 2022 Series A Bonds.

TAX MATTERS

Exclusion of Interest on the 2022 Series A Bonds From Gross Income for Federal Tax Purposes

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the 2022 Series A Bonds in order to assure that interest on the 2022 Series A Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the Authority or the University to comply with such requirements may cause interest on the 2022 Series A Bonds to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the 2022 Series A Bonds. The Authority and the University will make certain representations in their Arbitrage and Tax Certificates, which will be executed on the date of issuance of the 2022 Series A Bonds, as to various tax requirements. The Authority and the University have covenanted to comply with the provisions of the Code applicable to the 2022 Series A Bonds and have covenanted not to take any action or fail to take any action that would cause interest on the 2022 Series A Bonds to lose the exclusion from gross income under Section 103 of the Code. Bond Counsel (as defined herein) will rely upon the representations made in the Arbitrage and Tax Certificates and will assume continuing compliance by the Authority and the University with the above covenants in rendering its federal income tax opinions with respect to the exclusion of interest on the 2022 Series A Bonds from gross income for federal income tax purposes and with respect to the treatment of interest on the 2022 Series A Bonds for the purposes of alternative minimum tax.

Assuming the Authority and the University observe their covenants with respect to compliance with the Code, McManimon, Scotland & Baumann, LLC, Bond Counsel to the Authority ("Bond Counsel"), is of the opinion that, under existing law, interest on the 2022 Series A Bonds is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the 2022 Series A Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the 2022 Series A Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and enforcement of the Code or those regulations by the IRS.

Bond Counsel's engagement with respect to the 2022 Series A Bonds ends with the issuance of the 2022 Series A Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Authority or the owners of the 2022 Series A Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the 2022 Series A Bonds, under current IRS procedures, the IRS will treat the Authority as the taxpayer and the beneficial owners of the 2022 Series A Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including, but not limited to, selection of the 2022 Series A Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the 2022 Series A Bonds.

Payments of interest on tax-exempt obligations, including the 2022 Series A Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a 2022 Series A Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Original Issue Discount

Certain maturities of the 2022 Series A Bonds may be sold at an initial offering price less than the principal amount payable on such 2022 Series A Bonds at maturity (the “Discount Bonds”). The difference between the initial public offering price of the Discount Bonds at which a substantial amount of each of the Discount Bonds was sold and the principal amount payable at maturity of each of the Discount Bonds constitutes the original issue discount. Bond Counsel is of the opinion that the appropriate portion of the original issue discount allocable to the original and each subsequent owner of the Discount Bonds will be treated for federal income tax purposes as interest not includable in gross income under Section 103 of the Code to the same extent as stated interest on the Discount Bonds. Under Section 1288 of the Code, the original issue discount on the Discount Bonds accrues on the basis of economic accrual. The basis of an initial purchaser of a Discount Bond acquired at the initial public offering price of the Discount Bonds will be increased by the amount of such accrued discount. Owners of the Discount Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of the original issue discount properly accruable with respect to the Discount Bonds and the tax accounting treatment of accrued interest.

Original Issue Premium

Certain maturities of the 2022 Series A Bonds may be sold at an initial offering price in excess of the amount payable at the maturity date (the “Premium Bonds”). The excess, if any, of the tax basis of the Premium Bonds to a purchaser (other than a purchaser who holds such Premium Bonds as inventory, as stock-in-trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is amortizable bond premium, which is not deductible from gross income for federal income tax purposes. Amortizable bond premium, as it amortizes, will reduce the owner's tax cost of the Premium Bonds used to determine, for federal income tax purposes, the amount of gain or loss upon the sale, redemption at maturity or other disposition of the Premium Bonds. Accordingly, an owner of a Premium Bond may have taxable gain from the disposition of the Premium Bond, even though the Premium Bond is sold, or disposed of, for a price equal to the owner's original cost of acquiring the Premium Bond. Bond premium amortizes over the term of the Premium Bonds under the “constant yield method” described in regulations interpreting Section 1272 of the Code. Owners of the Premium Bonds should consult their own tax advisors with respect to the calculation of the amount of bond premium that will be treated for federal income tax purposes as having amortized for any taxable year (or portion thereof) of the owner and with respect to other federal, state and local tax consequences of owning and disposing of the Premium Bonds.

Bank-Qualification

The 2022 Series A Bonds will not be designated as qualified under Section 265 of the Code by the Authority for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

The Code denies the interest deduction for certain indebtedness incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations. The denial to such institutions of 100% of the deduction for interest paid on funds allocable to tax-exempt obligations applies to those tax-exempt obligations acquired by such institutions after August 7, 1986. For certain issues that are eligible to be designated, and that are designated, by the issuer as qualified under Section 265 of the Code, 80% of such interest may be deducted as a business expense by such institutions.

Additional Federal Income Tax Consequences of Holding the 2022 Series A Bonds

Prospective purchasers of the 2022 Series A Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the 2022 Series A Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the 2022 Series A Bonds from gross income pursuant to Section 103 of the Code and interest on the 2022 Series A Bonds not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the 2022 Series A Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the 2022 Series A Bonds.

Changes in Federal Tax Law Regarding the 2022 Series A Bonds

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State of New Jersey. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the 2022 Series A Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the 2022 Series A Bonds will not have an adverse effect on the tax status of interest on the 2022 Series A Bonds or the market value or marketability of the 2022 Series A Bonds. These adverse effects could result, for example, 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) or repeal (or reduction in the benefit) of the exclusion of interest on the 2022 Series A Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

State Taxation

Bond Counsel is of the opinion that, based upon existing law, interest on the 2022 Series A Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

THE OPINIONS EXPRESSED BY BOND COUNSEL WITH RESPECT TO THE 2022 SERIES A BONDS ARE BASED UPON EXISTING LAWS AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL DECISIONS AND REGULATORY CHANGES AS OF THE DATE OF ISSUANCE OF THE 2022 SERIES A BONDS, AND BOND COUNSEL HAS EXPRESSED NO OPINION WITH RESPECT TO ANY LEGISLATION, REGULATORY CHANGES OR LITIGATION ENACTED, ADOPTED OR DECIDED SUBSEQUENT THERETO. PROSPECTIVE PURCHASERS OF THE 2022 SERIES A BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE POTENTIAL IMPACT OF ANY PENDING OR PROPOSED FEDERAL OR STATE TAX LEGISLATION, REGULATIONS OR LITIGATION.

LEGALITY FOR INVESTMENT

Pursuant to the Act, all bonds, notes and other obligations issued by the Authority under the provisions of the Act, including the 2022 Series A Bonds, are securities in which the State and all political subdivisions of the State, their officers, boards, commissions, departments or other agencies, all banks, bankers, savings banks, trust companies, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever who now or hereafter may be authorized to invest in bonds or other obligations of the State, may properly and legally invest any funds, including capital belonging to them or within their control. Bonds, notes or other securities or obligations of the Authority are also securities that may properly and legally be deposited with and received by any State or municipal officer or agency of the State for any purpose for which the deposit of bonds or other obligations of the State are authorized by law.

PLEDGE OF STATE NOT TO AFFECT RIGHTS OF BONDHOLDERS

Pursuant to the provisions of the Act, the State has pledged to and agrees with the holders of the 2022 Series A Bonds issued pursuant to authority contained in the Act, and with those parties who may enter into contracts with the Authority pursuant to the provisions of the Act, that the State will not limit, alter or restrict the rights vested by the Act in the Authority and the participating colleges (as defined in the Act) to maintain, construct, reconstruct and operate any project (as defined in the Act) or to establish and collect such rents, fees, receipts or other charges as may be convenient or necessary to produce sufficient revenues to meet the expenses of maintenance and operation thereof and to fulfill the terms of any agreements made with the holders of the 2022 Series A Bonds

authorized by the Act, and with the parties who may enter into contracts with the Authority pursuant to the provisions of the Act, or in any way impair the rights or remedies of such holders or such parties until the 2022 Series A Bonds, together with interest thereon, are fully paid and discharged and such other contracts are fully performed on the part of the Authority.

LEGAL MATTERS SUBJECT TO APPROVAL OF COUNSEL

All legal matters incident to the authorization and issuance of the 2022 Series A Bonds are subject to the unqualified approving opinion of McManimon, Scotland & Baumann, LLC, Roseland, New Jersey, Bond Counsel to the Authority. Copies of said approving opinion, in substantially the form included as APPENDIX E to this Official Statement, will be available at the time of delivery of the 2022 Series A Bonds. Certain legal matters will be passed upon for the University by Ballard Spahr LLP, Philadelphia, Pennsylvania, Counsel to the University, and by Ramona E. Romero, Esq., Princeton, New Jersey, General Counsel to the University. Certain legal matters will be passed upon for the Underwriters by Hawkins Delafield & Wood LLP, Newark, New Jersey.

LITIGATION

The Authority

There is not now pending or, to the knowledge of the Authority, threatened any proceeding or litigation restraining or enjoining the issuance or delivery of the 2022 Series A Bonds or questioning or affecting the validity of the 2022 Series A Bonds or the proceedings or authority under which the 2022 Series A Bonds are to be issued. There is no litigation pending or, to the knowledge of the Authority, threatened that in any manner questions the right of the Authority to adopt the Resolution, to enter into the Loan Agreement or to secure the 2022 Series A Bonds in the manner herein described.

The University

There is not now pending or, to the knowledge of the University, threatened any proceeding or litigation contesting the 2022 Series A Project, the Loan Agreement or the 2022 Series A Bonds or the ability of the University to perform its obligations under the Loan Agreement.

FINANCIAL ADVISOR TO THE UNIVERSITY

The Yuba Group LLC, also known as Yuba Group Advisors, is serving as financial advisor to the University (the “University Financial Advisor”) in connection with the issuance of the 2022 Series A Bonds. The University Financial Advisor does not receive a fee related to or contingent upon the sale and closing of the 2022 Series A Bonds. The University Financial Advisor is not contractually obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for, the accuracy, completeness or fairness of the information contained in this Official Statement and the Appendices hereto. The University Financial Advisor is a financial advisory and consulting organization, and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiable instruments.

FINANCIAL ADVISOR TO THE AUTHORITY

The Authority has engaged _____ (“_____”) to act as its financial advisor for the 2022 Series A Bonds and as its Independent Registered Municipal Advisor for purposes of SEC Rule 15B1-1(d)(3)(vi). _____’s role has been limited to the final structuring and pricing of the 2022 Series A Bonds. Lamont did not participate in the preparation of this Official Statement. _____’s fee is not contingent upon the sale and issuance of the 2022 Series A Bonds.

INDEPENDENT ACCOUNTANTS

The financial statements of the University as of June 30, 2021 and 2020 and for the years then ended, included in APPENDIX B to this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report appearing therein.

UNDERWRITING

Samuel A. Ramirez & Co., Inc., as representative of the Underwriters of the 2022 Series A Bonds shown on the cover page hereof (the “Underwriters”), has agreed to purchase the 2022 Series A Bonds pursuant to the terms of a contract of purchase (the “Purchase Contract”), by and among the Authority, the University and the Underwriters, at an aggregate purchase price of \$ _____ (said aggregate purchase price reflecting the par amount of the 2022 Series A Bonds, [plus/minus] a [net] original issue [premium/discount] of \$ _____, and minus an Underwriters’ discount of \$ _____). The Purchase Contract provides that the Underwriters will be obligated to purchase all of the 2022 Series A Bonds, if any 2022 Series A Bonds are purchased. The Underwriters intend to offer the 2022 Series A Bonds to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriters reserve the right to join with dealers and other underwriters in offering the 2022 Series A Bonds to the public. The Underwriters may offer and sell the 2022 Series A Bonds to certain dealers (including dealers depositing the 2022 Series A Bonds into investment trusts) at yields higher than the public offering yields set forth on the inside front cover page, and such public offering yields may be changed, from time to time, by the Underwriters without prior notice.

The following paragraph has been furnished by BofA Securities, Inc. for inclusion in this Official Statement.

BofA Securities, Inc., as an underwriter of the 2022 Series A Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 2022 Series A Bonds.

Neither the Authority nor the University has been furnished with any documents relating to the MLPF&S distribution agreement referenced above and make no representations of any kind with respect thereto. Neither the Authority nor the University is a party to such distribution agreement and has not entered into any agreement or arrangement with MLPF&S with respect to the offering and sale of the 2022 Series A Bonds.

MISCELLANEOUS

The foregoing summaries of the provisions of the Act, the Resolution, the 2022 Series A Bonds and the Continuing Disclosure Agreement, and the summaries of the General Resolution, the 2022 Series A Series Resolution and the Loan Agreement contained in APPENDIX C of this Official Statement, do not purport to be complete and are made subject to the detailed provisions thereof to which reference is hereby made. Copies of the above and of the most recent financial statements of the Authority are available for inspection at the office of the Authority. So far as any statements are made in this Official Statement involving estimates, projections or matters of opinion whether or not expressly so stated, such statements are intended as such and not as representations of fact.

The Appendices attached to this Official Statement are hereby expressly incorporated as a part hereof. The Authority has not participated in the making of statements contained within this Official Statement other than the information under the headings, “THE AUTHORITY” and “LITIGATION – The Authority”, and does not represent that any such statements are accurate or complete for purposes of investors making an investment decision in the 2022 Series A Bonds. Except as otherwise stated, the Authority makes no representations or warranties whatsoever with respect to the information contained herein. This Official Statement is not to be construed as a contract or

agreement between or among the Authority, the University, the Underwriters or the Beneficial Owners of any of the 2022 Series A Bonds.

The description of the University contained in APPENDIX A to this Official Statement, the information contained in APPENDIX B to this Official Statement and the information under the headings “LITIGATION – The University” and “CONTINUING DISCLOSURE” have all been provided by the University.

The information herein regarding DTC has been provided by DTC and is not to be construed as a representation of either the Authority, the University or the Underwriters.

This Official Statement has been executed and delivered by the Authority and the University.

**NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY**

By: _____
Sheryl A. Stitt
Acting Executive Director

THE TRUSTEES OF PRINCETON UNIVERSITY

By: _____
James S. Matteo
Vice President for Finance and Treasurer

APPENDIX A

PRINCETON UNIVERSITY

APPENDIX B

**CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED
JUNE 30, 2021 AND 2020, AND REPORT OF INDEPENDENT AUDITORS**

APPENDIX C
SUMMARIES OF CERTAIN DOCUMENTS

[TO COME]

APPENDIX D
FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
Princeton University Revenue Bonds,
2022 Series A**

CONTRACT OF PURCHASE

May __, 2022

New Jersey Educational Facilities Authority
103 College Road East, 2nd Floor
Princeton, New Jersey 08540-6612

The Trustees of Princeton University
701 Carnegie Center, Suite 432
Princeton, New Jersey 08540

Ladies and Gentlemen:

Samuel A. Ramirez & Co., Inc. (the “Representative”), as representative acting for and on behalf of ourselves and the underwriters named on the list attached hereto as Schedule 1 and incorporated herein by this reference (the Representative and said underwriters being herein collectively referred to as the “Underwriters”), hereby offers to enter into this Contract of Purchase (this “Purchase Contract”) with the New Jersey Educational Facilities Authority (the “Authority”), and The Trustees of Princeton University (the “University”), which, upon your collective acceptance of this offer and upon execution hereof by the Authority and the University, will be binding upon the Authority, the University and the Underwriters. This offer is made subject to the acceptance by the Authority and the University at or prior to 6:00 P.M., prevailing Eastern time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Representative upon written notice delivered to the Authority at any time prior to acceptance hereof by the Authority. Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Resolution (as defined herein).

1. **Purchase and Sale of the Bonds and Payment of Underwriters’ Discount.** On the basis of the representations, warranties, covenants and agreements herein contained or referred to, but subject to the terms and conditions herein set forth, the Underwriters, jointly and severally, hereby agree to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriters, all (but not less than all) of its \$_____ New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2022 Series A (the “Bonds”) to be issued under and pursuant to the Princeton University Revenue Bond Resolution adopted by the Authority on February 16, 1999, as heretofore amended and supplemented (collectively, the “General Resolution”), and as further amended and supplemented by the 2022 Series A Series Resolution adopted by the Authority on April 26, 2022 (the “2022 Series A Resolution” and, together with the General Resolution, the “Resolution”), at an aggregate purchase price equal to \$_____ (such purchase price reflecting Underwriters’ discount of \$_____ and [net] original issue [premium/discount] of \$_____ in connection with the Bonds). The Bonds will be

dated the date of issuance thereof and will be issued in the principal amounts, at interest rates and maturing on the dates specified in, and having the redemption provisions as set forth in, the Pricing Summary attached hereto as Exhibit A hereto. The Resolution provides that The Bank of New York Mellon, Woodland Park, New Jersey, shall act as trustee for the Bonds (the "Trustee").

2. **Purpose of Bonds.** The proceeds of the Bonds, together with other available funds, will be used to provide funds to finance: (i) the costs of the 2022 Series A Project (as defined in the hereinafter defined Loan Agreement); and (ii) costs incidental to the issuance and sale of the Bonds (collectively, the "Project").

The Bonds shall be issued pursuant to and in accordance with the provisions of the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes, as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act") and the Resolution. The Bonds will be issued in authorized denominations of \$5,000 or any integral multiple thereof, and shall be fully registered in the form authorized by the Resolution.

Pursuant to Executive Order No. 9 (Codey 2004) ("Executive Order No. 9"), dated and effective as of December 6, 2004, it is the policy of the State of New Jersey (the "State") that in all cases where bond underwriting services are or may be required by the State or any of its departments, agencies or independent authorities, including the Authority, such department, agency or independent authority shall deal directly with the principals of the underwriting firms or their registered lobbyists. The department, agency or independent authority shall not discuss, negotiate or otherwise interact with any third-party consultant, other than principals of underwriting firms and their registered lobbyists, with respect to the possible engagement of the firm to provide bond underwriting services. Compliance with Executive Order No. 9 is a material term and condition of this Purchase Contract and binding upon the parties hereto, including the Underwriters.

Each of the Authority, the University and the Underwriters is acting for its own account and has made its own independent decision to enter into this Purchase Contract, and this Purchase Contract is appropriate and proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. None of the Authority, the University or the Underwriters is acting as a fiduciary for or as an advisor to the other in respect of this Purchase Contract.

3. **Delivery of the Bonds; Public Offering of the Bonds.** The Underwriters intend to make a bona fide public offering of all the Bonds at prices no higher than, or yields no lower than, those shown on the inside cover page of the Official Statement (as defined herein), but the Underwriters reserve the right to lower such initial prices as they shall deem necessary in connection with the marketing of the Bonds, subject to the issue price requirements set forth in Section 20 hereof. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower or yields higher than the initial public offering price or prices or yield or yields set forth on the inside cover page of the Official Statement, subject to the issue price requirements set forth in Section 20 hereof.

Delivery of the Bonds in definitive registered form, duly executed and authenticated, bearing CUSIP numbers, without coupons, with one Bond for each maturity, registered in the name of The Depository Trust Company (“DTC”), or its nominee, Cede & Co., shall be made to the Trustee as custodian for DTC at the Closing Time (as hereinafter defined), at such address as the Representative shall direct. Delivery of related documentation shall be made at the offices of McManimon, Scotland & Baumann, LLC, Roseland, New Jersey (“Bond Counsel”), at the Closing Time. Payment of the purchase price for the Bonds shall be made in Federal Reserve Funds or other immediately available funds at 10:00 a.m. prevailing Eastern time, on May __, 2022, or such other time or date as shall be mutually agreed upon by the Authority, the University and the Representative. The delivery of and payment for the Bonds are herein called the “Closing”, the date of such delivery and payment is herein called the “Closing Date”, and the hour and date of such delivery and payment is herein called the “Closing Time”. The Bonds shall be available for examination by the Representative at least twenty-four (24) hours prior to the Closing Time.

The Authority has previously authorized the distribution of the Preliminary Official Statement, dated May __, 2022 (the “Preliminary Official Statement”), relating to the Bonds, which the Authority hereby “deems final” as of its date within the meaning of Rule 15c2-12 promulgated under the provisions of the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”). The Official Statement dated the date hereof relating to the Bonds, as executed by an Authorized Officer of each of the Authority and the University (including the cover page, any and all appendices, exhibits, reports and summaries included therein or attached thereto and any amendment or supplement thereto), is herein called the “Official Statement”. The Authority shall deliver or cause to be delivered to the Representative within seven (7) business days after the date of this Purchase Contract (but in no event later than one (1) business day prior to the Closing), an electronic copy, subject to customary disclaimers regarding the transmission of electronic copies, of the Official Statement in the currently required designated format stated in the Municipal Securities Rulemaking Board (the “MSRB”) Rule G-32 and the EMMA Dataport Manual (as hereinafter defined). By acceptance of this Purchase Contract, the Authority authorizes the use by the Underwriters of the Official Statement in connection with the public offering and sale of the Bonds. Within one (1) business day after the receipt of the Official Statement from the Authority, but in no event later than the date of the Closing, the Representative shall, at its own expense, submit the Official Statement to EMMA (as hereinafter defined). The Representative will comply with the provisions of MSRB Rule G-32 as in effect on the date hereof, including without limitation the submission of Form G-32 and the Official Statement and notify the Authority of the date on which the Official Statement has been filed with EMMA.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system, or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and information.

“EMMA Dataport Manual” shall mean the document(s) designated as such published in the MSRB from time to time setting forth the processes and procedures with respect to submissions to be made to the primary market disclosure service of EMMA by underwriters under MSRB Rule G-32.

Within seven (7) business days after the date of this Purchase Contract (but in no event later than the Closing), the Authority shall deliver or cause to be delivered to the Representative an amount of printed Official Statements in such quantities that the Representative may reasonably request, provided, that the number of copies the cost for which the University is responsible will not exceed 250 copies. Should the Representative require additional copies of the Official Statement, the Authority agrees to cooperate with the Representative in obtaining such copies; provided, that the cost of such additional copies will be borne by the Underwriters.

4. **Representations, Warranties and Agreements of the Authority.** By its acceptance hereof the Authority hereby represents and warrants to, and agrees with, the Underwriters:

(a) The Authority is a public body corporate and politic constituting a political subdivision of the State, established as an instrumentality, created by and organized pursuant to the Act.

(b) The Authority has complied with all provisions of the laws of the State pertaining to the authorization, sale and issuance of the Bonds, including the Act, and no further approvals are necessary to be obtained prior to the issuance of the Bonds and the Authority has full power and authority to: (i) finance the 2022 Series A Project; (ii) execute and deliver the Official Statement; (iii) execute, issue, sell, deliver and perform its obligations under the Bonds; (iv) execute, deliver and perform its obligations under the Resolution, the Loan Agreement dated as of May 1, 2022 by and between the Authority and the University (the "Loan Agreement"), and this Purchase Contract; (v) apply and will apply or cause to be applied the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Resolution; and (vi) carry out and consummate all transactions contemplated by the Bonds, the Resolution, the Loan Agreement, the Official Statement and this Purchase Contract and any and all other agreements relating thereto.

(c) The information and statements in the Preliminary Official Statement and the Official Statement relating to the Authority under the captions "INTRODUCTORY STATEMENT", "THE AUTHORITY" and "LITIGATION - The Authority" were, as of the date of the Preliminary Official Statement, and are, as of the date hereof, true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make statements therein, in light of the circumstances under which they were made, not misleading.

(d) The Authority will advise the Representative and the University promptly of any proposal to amend or supplement the Official Statement pursuant to Section 8 hereof. The Authority will advise the Representative promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) The Bonds, the Resolution, the Loan Agreement and this Purchase Contract constitute, or upon execution will constitute, legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms except to the extent that: (i) the enforcement thereof may be limited or affected by bankruptcy, insolvency, reorganization or

other laws or equitable principles affecting creditors' rights generally; and (ii) equitable remedies, such as specific performance and injunctive relief, being discretionary, may be denied in a particular instance.

(f) The Bonds, when delivered to and paid for by the Representative at the Closing, will be in conformity with the description thereof in the Official Statement and will be in conformance with, and entitled to the benefits of the provisions of, the Act and the Resolution.

(g) Except as set forth in the Preliminary Official Statement and the Official Statement, to the knowledge of the Authority, as of the date hereof, there is not any action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board, governmental agency or body pending against the Authority, and, to the knowledge of the Authority, no such action is threatened against the Authority, in any way contesting or questioning the due organization and lawful existence of the Authority or the title of any of the officers or members of the Authority to their offices, or seeking to restrain or to enjoin the sale, issuance or delivery of the Bonds, or pledging of revenues and other funds of the Authority referred to in the Resolution thereto, or in any way contesting or affecting the validity or enforceability of the Bonds, the Resolution, the Loan Agreement or this Purchase Contract or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the Authority or its authority with respect to the Bonds, the Resolution, the Loan Agreement or this Purchase Contract.

(h) The execution or adoption, as applicable, and delivery of, and performance of the Authority's obligations under, the Resolution, the Loan Agreement, and this Purchase Contract and the other agreements contemplated thereby; the execution and delivery of the Official Statement; the sale, execution, issuance and delivery of the Bonds; and the consummation of all transactions to which the Authority is a party contemplated by the Bonds, the Resolution, the Loan Agreement, this Purchase Contract and the Official Statement have been duly authorized by all necessary action on the part of the Authority and do not and will not conflict with the Act or constitute on the Authority's part a breach of or a default under any existing law or administrative regulation, constitutional provision, judgment, decree or order or any agreement, indenture, mortgage, loan or other instrument to which the Authority is subject or by which the Authority is or may be bound.

(i) Any certificate signed by any of the Authority's Authorized Officers and delivered to the Representative shall be deemed a representation and warranty by the Authority to the Underwriters as to the statements made therein with the same effect as if such representation or warranty was set forth herein.

(j) The Authority will pay or cause to be paid only from the proceeds of the Bonds, and other available funds or other moneys provided by the University, all expenses incident to the performance of its obligations under this Purchase Contract and the fulfillment of the conditions imposed hereunder, including, but not limited to, the cost of preparing, executing, printing, engraving, photocopying, mailing and delivery of the Bonds in the form required hereby, the Preliminary Official Statement and the Official Statement (not to exceed 250 copies); the fees and disbursements of the Trustee and its counsel in connection with the issuance of the Bonds; the fees and expenses of Bond Counsel and the fees and expenses of obtaining credit

ratings, municipal bond insurance, if any, or any attorneys, auditors, consultants or other parties retained by the Authority or University in connection with the transactions contemplated herein; any expenses incurred on behalf of the Authority's or the University's employees which are incidental to the issuance of the Bonds, including, but not limited to, meals, transportation and lodging of those employees; and all other expenses relating to the sale and delivery of the Bonds, except those expressly provided for in the following sentence. The Authority shall be under no obligation to pay any expenses incident to the performance of the obligations of the Representative hereunder, including fees and disbursements of Underwriters' Counsel, "Blue Sky" filing fees or advertising expenses in connection with the public offering of the Bonds. If the Closing does not occur as a result of the failure of the University to meet its obligations under this Purchase Contract, the University shall pay all expenses incurred by the Authority and the Underwriters.

(k) None of the officers, members, agents or employees of the Authority shall be personally liable for the performance of any obligation under this Purchase Contract.

5. **Representations, Warranties and Agreements of the University.** By its acceptance hereof the University hereby represents and warrants to, and agrees with, the Authority and the Underwriters that:

(a) The University is a non-profit corporation duly incorporated and validly existing and in good standing under the laws of the State. The University has all necessary licenses and permits, if any, required to carry on its business and to operate all of its properties, except for those licenses and permits the failure of which to obtain would not have a material adverse effect on the operations or financial condition of the University. The University has not received any notice of an alleged violation and, to the best knowledge of the University, it is not in violation of any zoning, land use or other similar law or regulation applicable to any of its properties which could materially adversely affect the operations or financial condition of the University.

(b) The members of the Board of Trustees of the University (the "Board of Trustees"), as set forth in APPENDIX A to the Official Statement, are the duly appointed, qualified and presently acting members of the Board of Trustees of the University.

(c) The University hereby ratifies and consents to the use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement in connection with the public offering of the Bonds and confirms that it deems the Preliminary Official Statement to be "final" as of its date for purposes of Rule 15c2-12, except for the information not required to be included therein under Rule 15c2-12.

(d) (i) The University hereby authorizes the use and distribution of the Official Statement by the Underwriters in connection with the public offering and sale of the Bonds.

(ii) If, during the period from the date hereof, to and including the date which is twenty-five (25) days from the end of the underwriting period, there shall exist any event which, in the opinion of the Representative or in the opinion of the Authority or the

University, requires a supplement or amendment to the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, or it is necessary to amend or supplement the Official Statement to comply with law, the University will cooperate with the Authority, at the University's expense, to supplement or amend the Official Statement, in a form and in a manner approved by the Representative and the Authority, so that the statements in the Official Statement as so amended and supplemented will not, in light of the circumstances when the Official Statement is delivered to a prospective purchaser of the Bonds, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law.

(e) The information and statements in the Preliminary Official Statement and the Official Statement relating to the University and the 2022 Series A Project under the captions “INTRODUCTORY STATEMENT”, “DESCRIPTION OF THE 2022 SERIES A BONDS” (excluding the subsection “Book-Entry-Only System”), “ESTIMATED SOURCES AND USES OF FUNDS”, “SECURITY FOR THE 2022 SERIES A BONDS”, “CONTINUING DISCLOSURE”, “LITIGATION – The University”, and in APPENDIX A and APPENDIX B were as of the date of the Preliminary Official Statement and are, as of the date hereof, true and accurate in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and as of the date hereof and at all times subsequent thereto during the period up to and including the twenty-five (25) days subsequent to the end of the underwriting period, the information and statements in the Official Statement relating to the University and the 2022 Series A Project under the captions “INTRODUCTORY STATEMENT”, “DESCRIPTION OF THE 2022 SERIES A BONDS” (excluding the subsection “Book-Entry-Only System”), “ESTIMATED SOURCES AND USES OF FUNDS”, “SECURITY FOR THE 2022 Series A Bonds”, “CONTINUING DISCLOSURE”, “LITIGATION - The University”, and in APPENDIX A and APPENDIX B will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state any material fact which should be included therein which is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(f) The University will advise the Representative and the Authority promptly of the institution of any proceedings known to it by any governmental agency during the period from the date hereof to and including the date that is twenty-five (25) days following the end of the underwriting period for the Bonds (determined in accordance with Section 8 hereof) relating to the existence or legal powers of the University, affecting in any way the Loan Agreement or the Continuing Disclosure Agreement, dated as of May 1, 2022, by and between the Trustee, acting as dissemination agent, and the University (the “Continuing Disclosure Agreement”) or in which the result may materially adversely affect the financial condition or operation of the University.

(g) The Loan Agreement, the Continuing Disclosure Agreement and this Purchase Contract constitute, or upon execution will constitute, legal, valid and binding obligations of the University enforceable in accordance with their respective terms except to the

extent that: (i) the enforcement thereof may be limited or affected by bankruptcy, insolvency, reorganization or other laws or equitable principles affecting creditors' rights generally, (ii) equitable remedies, such as specific performance and injunctive relief, being discretionary, may be denied in a particular instance; and (iii) the enforcement of indemnification or contribution provisions therein may be limited by federal or state securities laws or regulations or by public policy.

(h) The University has complied with all applicable laws of the State in connection with, and has full power and authority to carry out and to consummate, all transactions contemplated to be performed by it pursuant to the Official Statement, the Loan Agreement, the Continuing Disclosure Agreement, this Purchase Contract, the Resolution, all loan agreements (the "Outstanding Parity Loan Agreements") by and between the Authority and the University relating to Outstanding Parity Bonds (as such term is defined in the Official Statement) and any and all other agreements relating hereto and thereto.

(i) The execution and delivery by the University of this Purchase Contract and the other documents contemplated herein and as described in the Official Statement, the execution and delivery of the Loan Agreement, the Continuing Disclosure Agreement and the Official Statement, the approval by the University of the Preliminary Official Statement, the Official Statement, the Resolution, the Loan Agreement, the Continuing Disclosure Agreement and this Purchase Contract, the compliance with the provisions of any and all of the foregoing documents, the compliance with the provisions of the Outstanding Parity Loan Agreements, and the application of the proceeds of the Bonds, together with certain other moneys, for the purposes described in the Official Statement, do not and will not constitute a default under any material agreement or instrument to which the University is a party or by which the University or any of its properties is or may be bound, nor will such action result in any violation of the Charter or By-Laws of the University, any statute, order, rule or regulation applicable to the University, or any order of any federal, State or other regulatory agency or other governmental body having jurisdiction over the University, and all consents, approvals, authorizations and orders of any governmental or regulatory agency that are required for the consummation of the transactions contemplated hereby, insofar as they may relate to the University, have been obtained or will be obtained prior to the delivery of the Bonds and are or will be in full force and effect at the Closing.

(j) No default, event of default or event which, with notice or lapse of time, or both, would constitute a default or an event of default under the Resolution, the Loan Agreement or any other material agreement or material instrument to which the University is a party or by which the University is or may be bound or to which any properties of the University are or may be subject, has occurred and is continuing.

(k) By official action of the University taken prior to or concurrent with the acceptance hereof, the University has duly authorized: (i) the approval of this Purchase Contract, the Loan Agreement, the Continuing Disclosure Agreement, the Official Statement and the execution and delivery of this Purchase Contract, the Loan Agreement, the Continuing Disclosure Agreement and the Official Statement and any amendment thereof or supplement thereto, as permitted hereby, by an authorized officer of the University; (ii) the due performance by the University of the obligations contained in this Purchase Contract, the Loan Agreement,

the Continuing Disclosure Agreement and any and all other agreements and instruments that may be required to be executed, delivered and performed by the University in order to carry out, give effect to and consummate the transactions contemplated by each of such documents and the Official Statement; and (iii) the Outstanding Parity Loan Agreements.

(l) Except as may be described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any public board or body pending wherein the University is named as a party or, to the knowledge of the University, threatened in writing against or affecting the University or any of its properties (or, to the best of the University's knowledge, any basis therefor) which would reasonably be expected to have a material adverse effect on: (i) the title of the University's officers to their respective offices, (ii) the existence or the organization of the University or any power of the University; (iii) the validity of the proceedings for the adoption, authorization, execution and repayment of the Bonds or its performance in connection with this Purchase Contract, the Loan Agreement, the Outstanding Parity Loan Agreements, the Continuing Disclosure Agreement or the Official Statement; (iv) the sale or issuance of the Bonds; (v) the pledge of the University referred to in the Loan Agreement; (vi) the 2022 Series A Project; (vii) the validity or the enforceability of the Bonds, the Resolution, this Purchase Contract, the Loan Agreement, the Outstanding Parity Loan Agreements, the Continuing Disclosure Agreement or of any agreement or instrument to which the University is a party and which is used or contemplated for use in consummation of the transactions contemplated by this Purchase Contract, the Loan Agreement, the Outstanding Parity Loan Agreements, the Continuing Disclosure Agreement or by the Official Statement, or (viii) the tax-exempt status of the Bonds or the University.

(m) To the best knowledge of the officers of the University, there has been no material adverse change in the condition, financial or otherwise, of the University since the end of the fiscal year of the University ended June 30, 2021 as shown in the Official Statement in "APPENDIX B - CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020, AND REPORT OF INDEPENDENT AUDITORS".

(n) The financial statements of and other financial information regarding the University in the Preliminary Official Statement and in the Official Statement fairly present the financial position and results of the University as of the dates and for the periods therein set forth. The financial statements of the University have been prepared in accordance with generally accepted accounting principles consistently applied, and except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial information set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the University's audited financial statements included in the Preliminary Official Statement and in the Official Statement.

(o) Prior to the Closing Date, the University will not, without prior written notice to the Representative, offer or issue any obligations except: (i) as described in or contemplated by the Official Statement or (ii) during the normal course of the University's operations and in connection with the University's existing commercial paper program, parental loan program, lines of credit, and/or mortgage and faculty loan programs.

(p) Any certificate signed by any of the University's authorized officers and delivered to the Representative and the Authority shall be deemed a representation and warranty by the University to the Underwriters and the Authority as to the statements made therein with the same effect as if such representation or warranty was set forth herein.

(q) The University has been determined to be and is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), by virtue of being an organization described in Section 501(c)(3) of the Code, and is not a "private foundation" as defined in Section 509(a) of the Code. The University has not impaired its status as an organization exempt from federal income taxes under the Code and will not, while any of the Bonds remain outstanding, impair its status as a 501(c)(3) organization, as that term is used in Section 145 of the Code.

(r) The University agrees to reasonably cooperate with the Underwriters and counsel to the Underwriters in any endeavor to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such states as the Underwriters may request and will assist, if necessary, in continuing the effectiveness of such qualification so long as required for the distribution of the Bonds; provided, however, that the University shall not be required to consent to service of process or to file a written consent to suit or service of process. The University consents to the use of the Official Statement by the Underwriters in obtaining such qualifications. The University's failure to consent to service of process or to file a written consent to suit or service of process shall not relieve the Underwriters of their obligation to purchase the Bonds under this Purchase Contract.

(s) Neither the University nor anyone acting on its behalf has, directly or indirectly, offered the Bonds for sale to, or solicited any offer to buy the same from, anyone other than the Underwriters.

(t) Between the date of this Purchase Contract and the Closing, the University will not, without the prior written consent of the Representative and the Authority, amend or modify the Loan Agreement or the Continuing Disclosure Agreement in any respect.

(u) If the Closing shall not occur as a result of the failure of the University to meet its obligations under this Purchase Contract, the University shall pay all of the expenses of the Authority as described in Section 4(j) above.

(v) None of the officers, members, agents or employees of the University shall personally be liable for the performance of any obligation under this Purchase Contract.

(w) The University has entered or will enter into, in accordance with Rule 15c2-12, the Continuing Disclosure Agreement for the benefit of bondholders to provide or cause to be provided to the MSRB: (a) certain annual financial information, including audited financial statements and operating data, generally consistent with the information contained in the Official Statement; (b) timely notice of any of the events identified in Rule 15c2-12 with respect to the Bonds; and (c) timely notice of any failure of the University to provide the required annual information on or before the date specified in the Continuing Disclosure Agreement. Except as otherwise noted in the Preliminary Official Statement and in the Official

Statement, the University has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure agreement under Rule 15c2-12.

(x) The University has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Loan Agreement and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(y) Prior to the Closing, the University will not take any action within or under its control that will cause any adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the University.

6. **Representations, Warranties and Agreements of the Representative.** By its acceptance hereof, the Representative hereby represents and warrants to, and agrees with, the Authority and the University that:

(a) The Representative is a duly organized New York corporation, validly existing under the laws of the jurisdiction of its organization, having all requisite power and authority to carry on its business as now constituted and has been duly authorized to execute this Purchase Contract and to act hereunder by and on behalf of the Underwriters pursuant to the Agreement Among Underwriters dated May __, 2022 (the "AAU").

(b) The Resolution, the Bonds, the Loan Agreement, the Continuing Disclosure Agreement and this Purchase Contract have been reviewed by the Representative.

(c) The Representative has the requisite authority to enter into this Purchase Contract, on behalf of itself and, pursuant to the AAU, the other Underwriters, and this Purchase Contract has been duly authorized, executed and delivered by the Representative on behalf of itself and, pursuant to the AAU, the other Underwriters and, assuming the due authorization, execution and delivery by the Authority and the University, is the binding obligation of the Underwriters, enforceable against the Underwriters in accordance with its terms, except that the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws or equitable principles affecting creditors' rights or remedies generally.

(d) The Representative has not entered into and, based solely upon the representations and warranties received by the Representative from the other Underwriters under the AAU, the other Underwriters have not entered into, any undisclosed financial or business relationships, arrangements or practices required to be disclosed in the Official Statement pursuant to Securities and Exchange Commission Release No. 33-7049; 34-33741; FR-42; File No. S7-4-94 (March 9, 1994) or required to be disclosed in the Official Statement pursuant to MSRB rules.

(e) The Representative represents and warrants for itself, and solely in reliance upon the representations and warranties made by the other Underwriters to the Representative under the AAU, for the other Underwriters, the Representative and each such Underwriter is in compliance with the provisions of Rules G-37 and G-38 of the MSRB.

(f) The Representative represents and warrants for itself, and solely in reliance upon the representations and warranties made by the other Underwriters to the Representative under the AAU, for the other Underwriters, that (x) all information, certifications and disclosure statements previously provided in connection with P.L. 2005, c. 51 and Executive Order No. 117 (Corzine 2008) (“Executive Order No. 117”) and as required by law, are true and correct as of the date hereof and (y) all such statements have been made with full knowledge that the Authority shall rely upon the truth of the statements contained therein in engaging the Underwriters in connection with this transaction. The Representative, for itself and solely in reliance upon the representations and warranties made by the other Underwriters to the Representative under the AAU, for the other Underwriters, agrees to execute and deliver at the Closing a “P.L. 2005, c. 51 and Executive Order No. 117 Certification of No Change” in the form attached hereto as Exhibit B, and to continue to comply with the provisions of P.L. 2005, c. 51 and Executive Order No. 117 and as required by law, during the term of this Purchase Contract and for so long as the Underwriters have any obligations under this Purchase Contract.

(g) In accordance with Executive Order No. 9, the Representative, for itself and solely in reliance upon the representations and warranties made by the other Underwriters to the Representative under the AAU, for the other Underwriters, certifies that neither the Representative nor any of the Underwriters has employed or retained, directly or indirectly, any consultant who will be paid on a contingency basis if the Authority engages such firm to provide such underwriting services in connection with the Bonds.

(h) The Representative, at or prior to the Closing, shall deliver to the Authority in form and substance satisfactory to Bond Counsel, a certificate in the form attached hereto as Exhibit C and such other information reasonably requested by Bond Counsel.

(i) The Representative represents and warrants for itself and solely in reliance upon the representations and warranties made by the other Underwriters to the Representative under the AAU, for the other Underwriters, that neither the Representative nor any of the Underwriters has entered into any financial contract or other financial arrangement with the Authority's or the University's financial advisor with respect to the Bonds.

(j) The Representative for itself and solely in reliance upon the representations and warranties made by the other Underwriters to the Representative under the AAU, for the other Underwriters, that each Underwriter has complied with the requirements of N.J.S.A. 52:32-58 and has filed a certification with the Authority that it is not identified on the list of persons engaging in investment activities in Iran.

(k) The Representative represents and warrants for itself, and in reliance upon the representations and warranties made by the other Underwriters to the Representative in the AAU, for the other Underwriters, that each Underwriter has filed a certification with the Authority that it is not, to its knowledge after reasonable inquiry, “engaged in prohibited activities in Russia or Belarus” (as such term is defined in P.L. 2022, c. 3, sec. (1)(e)) except as permitted by federal or international law or sanctions regimes.

7. **Conditions to the Underwriters' Obligations.** The Underwriters' obligations hereunder shall be subject to the due performance by the Authority and the University of their

respective obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the Authority's and the University's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) On the Closing Date, (i) the Resolution, the Loan Agreement, the Continuing Disclosure Agreement, the Official Statement and this Purchase Contract shall have been duly authorized, executed, as appropriate, and delivered by the Authority and by the University, as appropriate, and each of the foregoing and all related official actions of the Authority and of the University necessary to issue the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Representative; (ii) the Authority and the University shall have duly adopted and there shall be in full force and effect such additional acts or agreements as shall, in the opinion of Bond Counsel, be necessary in connection with the transactions contemplated thereby; (iii) the Authority shall perform or have performed all of its obligations required under or specified in the Act to be performed at or prior to the Closing; (iv) the Official Statement shall not have been amended or supplemented, except in such manner as may have been agreed to by the Representative, the Authority and the University; (v) no Event of Default (as defined in the Loan Agreement) or event which, with the lapse of time or the giving of notice or both would constitute such an Event of Default, shall have occurred and be continuing; and (vi) the Resolution, the Loan Agreement and the Continuing Disclosure Agreement shall be fully enforceable in accordance with their terms.

(b) The Underwriters shall not have elected to cancel their obligation hereunder to purchase the Bonds, which election shall be made by written notice by the Representative to the Authority only if between the date hereof and the Closing: (i) any event shall have occurred that, in the reasonable judgment of the Representative, either (A) makes untrue or incorrect in any materially adverse respect any statement or information contained in the Official Statement or (B) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any materially adverse respect and such event, in the reasonable judgment of the Representative, is such as to materially and adversely affect (x) the marketability of the Bonds, or (y) the ability of the Underwriters to enforce confirmations of or contracts for the sale of the Bonds; or (ii) there shall have occurred any new outbreak of hostilities or other national or international calamity or crisis, the effect of which on the financial markets of the United States of America, in the reasonable judgment of the Representative, is such as to materially and adversely affect the ability of the Underwriters to enforce confirmations of or contracts for the sale of the Bonds; or (iii) there shall be in force a general suspension of trading on the New York Stock Exchange the effect of which on the financial markets is such as to materially and adversely affect the marketability of the Bonds; or (iv) a general banking moratorium shall have been declared by either federal or State authorities having jurisdiction and shall be in force; or (v) legislation shall have been enacted by the Congress of the United States or a final decision by a court of the United States of America shall be rendered, that has the effect of requiring the Bonds to be registered under the Securities Act of 1933, as amended, or requiring the Resolution to be qualified under the Trust Indenture Act of 1939, as amended; or (vi) a stop order, ruling or regulation by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made

(which is beyond the control of the Underwriters or the Authority to prevent or avoid) to the effect that the issuance, offering or sale of the Bonds, as contemplated hereby or as described in the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the Federal securities laws at Closing, including the Securities Act of 1933, as amended, or of the Trust Indenture Act of 1939, as amended; or (vii) legislation shall be enacted by the Congress of the United States or any legislation, ordinance, rule or regulation shall be enacted by any governmental body, department or agency of the State or a final decision by a federal court (including the Tax Court of the United States) or a court of the State shall be rendered, or a final ruling, regulation or release or official statement by or on behalf of the President, the Treasury Department of the United States, the Internal Revenue Service or other federal or State agency shall be made, with respect to federal or State taxation upon revenues or other income of the general character of interest on the Bonds, or which would have the effect of changing directly or indirectly the federal or State income tax consequences of interest on bonds of the general character of the Bonds in the hands of the holders thereof and which, in the Representative's reasonable opinion, materially and adversely affects the marketability of the Bonds; or (viii) there shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial condition of the University, except for changes which the Official Statement discloses are expected to occur; or (ix) there shall have occurred any downgrading from a rating agency that, at the date of this Purchase Contract, has published a rating (or has been asked to furnish a rating on the Bonds) on any of the University's debt obligations, which action reflects a change in the ratings accorded any such obligations of the University (including any rating to be accorded the Bonds).

(c) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change, in the condition, financial or otherwise, of the University from that set forth in the Official Statement that in the reasonable judgment of the Representative, is material and adverse and that makes it, in the reasonable judgment of the Representative, impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement.

(d) The Authority shall have received the unqualified approving opinion of Bond Counsel, dated the Closing Date, substantially in the form set forth in APPENDIX E to the Official Statement, except as may be approved by the Representative and the Authority; and the Underwriters and the Trustee shall have received a letter from Bond Counsel, dated the Closing Date, authorizing them to rely on such unqualified approving opinion of Bond Counsel.

(e) Bond Counsel shall have delivered a supplementary opinion or opinions dated the Closing Date (addressed to the Authority, the University, the Representative and the Trustee), in the form satisfactory to the Authority and the Representative, to the effect that:

(i) the statements contained in the Preliminary Official Statement and the Official Statement in the sections captioned "INTRODUCTORY STATEMENT" (excluding the information therein relating to the 2022 Taxable Bonds), "DESCRIPTION OF THE 2022 SERIES A BONDS" (excluding the subsection "Book-Entry-Only System"), "SECURITY FOR THE 2022 SERIES A BONDS", "THE AUTHORITY", "STATE OF NEW JERSEY HIGHER EDUCATION", "CONTINUING DISCLOSURE" (excluding the last paragraph thereof), "LEGALITY FOR INVESTMENT", "PLEDGE OF STATE NOT TO AFFECT RIGHTS OF

BONDHOLDERS”, and in APPENDIX C – “SUMMARIES OF CERTAIN DOCUMENTS” and APPENDIX D – “FORM OF CONTINUING DISCLOSURE AGREEMENT” attached thereto, insofar as such statements purport to summarize certain provisions of the Act, the Bonds, the Resolution, the Loan Agreement and the Continuing Disclosure Agreement are reasonable summaries of such provisions. The statements on the cover page of the Official Statement relating to tax matters and under the section in the Official Statement captioned “TAX MATTERS” and in APPENDIX E – “FORM OF OPINION OF BOND COUNSEL” insofar as such statements purport to summarize certain provisions of tax law, regulations and rulings, are reasonable summaries of the provisions so summarized;

(ii) based upon the participation of Bond Counsel in the preparation of the Official Statement and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement (except for the sections referred to specifically in clause (i) above), Bond Counsel has no reason to believe that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date of and as of the date of Closing, (except for the financial, tabular and other statistical information included therein and except for the information under the headings “DESCRIPTION OF THE 2022 SERIES A BONDS - Book-Entry-Only System”, “CONTINUING DISCLOSURE” (solely as to the last paragraph thereof), “LITIGATION”, and in “APPENDIX A – PRINCETON UNIVERSITY”, and “APPENDIX B – CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2021 AND 2020, AND REPORT OF INDEPENDENT AUDITORS”, as to which no view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(iii) the Bonds are not required to be registered under the Securities Act of 1933, as amended, and the Resolution is not required to be qualified under the Trust Indenture Act of 1939, as amended;

(iv) this Purchase Contract has been duly authorized, executed and delivered by the Authority, is a legal, valid and binding obligation of the Authority, and is enforceable in accordance with its terms except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, moratorium or similar laws or equitable principles relating to the enforcement of creditors' rights; and

(v) the Official Statement and the distribution thereof have been approved by the Authority and the Official Statement has been duly approved and executed by the Authority and the University.

(f) The Authority shall have received an opinion of the Attorney General of the State.

(g) The Underwriters shall have received a certificate, dated the Closing Date, signed by an Authorized Officer of the Authority, to the effect that, except as disclosed in the Official Statement, no litigation is pending or, to the knowledge of the signer of such certificate, threatened: (i) in any way attempting to restrain or enjoin the sale, issuance, execution or

delivery of any of the Bonds, the application of the proceeds thereof, the payment, collection or application of payments under the Loan Agreement or the pledge thereof, or of the other moneys, rights and interest pledged pursuant to the Resolution, or the execution, delivery or performance of the Resolution, the Loan Agreement or this Purchase Contract; (ii) in any way contesting or otherwise affecting the authority for or the validity of the Bonds, the Resolution, the Loan Agreement or this Purchase Contract, any of the matters referred to in clause (i) above or any other proceedings of the Authority taken with respect to the sale or issuance of the Bonds; or (iii) in any way contesting the powers of the Authority.

(h) The Underwriters shall have received a certificate, dated the Closing Date, signed by an Authorized Officer of the Authority, to the effect that: (i) each of the representations and warranties of the Authority contained in this Purchase Contract has remained true and correct from the date hereof through the Closing Date and is true and correct as of the Closing Date as though made at the Closing Time, the Authority has duly complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date, and no Event of Default (as defined in the Loan Agreement) or event which with the lapse of time or the giving of notice or both, would constitute such an Event of Default has occurred and is continuing; and (ii) there has been no material adverse change in the condition and affairs of the Authority, financial or otherwise, during the period from the date of the Official Statement to the Closing Date which was not disclosed in or contemplated by the Official Statement, such certificate being in form and substance satisfactory to the Representative.

(i) The Underwriters shall have received an opinion of the University's Office of the General Counsel, Princeton, New Jersey ("Counsel to the University"), dated the Closing Date, and addressed to the Authority, the Representative, Bond Counsel and the Trustee, to the effect that: (i) the University is a non-profit corporation incorporated, validly existing and in good standing under the laws of the State; (ii) the University has the power and authority to execute, deliver and perform its obligations under this Purchase Contract, the Loan Agreement and the Continuing Disclosure Agreement (collectively, the "University Documents") and to incur the obligations provided therein, and has taken all corporate action necessary to authorize the execution, delivery and performance thereof, and such agreements have been duly authorized, executed and delivered by the University and constitute the legal, valid and binding obligations of the University enforceable against the University in accordance with their respective terms; (iii) the University is an organization described in Section 501(c)(3) of the Code, to the best of Counsel to the University's knowledge is in compliance with the terms, conditions and limitations contained in the most recent determination letter of the Internal Revenue Service with respect to the status of the University as an organization described in said Section 501(c)(3), is exempt from federal income taxes under Section 501(a) of the Code and is not a "private foundation" as defined in Section 509(a) of the Code; (iv) no consent or approval of, or notice to or filing with, any federal or state regulatory authority of the United States or the State is required by the University in connection with the execution or delivery by the University of any of the University Documents or the payment or performance of the University's obligations under the University Documents; (v) the execution and delivery by the University of the University Documents do not and the performance of the obligations thereunder will not (a) violate the University's Charter or By-Laws, (b) violate any present statute, rule or regulation promulgated by the United States or the State which in the experience of Counsel to the

University is normally applicable both to entities similar to the University and to transactions of the type contemplated by the University Documents, or (c) to the knowledge of Counsel to the University, breach or result in a default under any agreement or other instrument to which the University is a party or by which it or its property is bound or any existing court order or consent decree to which the University is subject; (vi) the University has duly authorized the taking of any and all actions necessary to be performed on its part to carry out and give effect to the transactions contemplated by the University Documents and the Official Statement; (vii) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, regulatory agency, public board or body pending wherein the University is named as a party or, to the best of Counsel to the University's knowledge, threatened in writing against the University, that challenges the validity or enforceability of, or seeks to enjoin the performance of, the University Documents or the Bonds or seeks to restrain or to enjoin the issuance, sale or delivery of the Bonds or the execution and delivery of the University Documents, the application of the proceeds of the Bonds in accordance with the Resolution or the collection or application of the revenues and assets of the University pledged or to be pledged to pay the principal of, premium, if any, and interest on the Bonds, or which would reasonably be expected to have a material adverse effect on the operations or financial condition of the University; (viii) the information set forth in the Official Statement under the caption "LITIGATION – The University" is accurate and fairly presents the information intended to be shown with respect thereto; and (ix) based upon Counsel to the University's participation in the preparation of the Official Statement and without having undertaken to determine independently the accuracy, the completeness or the adequacy of the statements contained in the Official Statement, except as noted in clause (viii) above, nothing has come to the attention of Counsel to the University that would lead Counsel to the University to believe that the Official Statement (except for any information or statements relating to the book-entry-only system and The Depository Trust Company and the financial and statistical data included therein, as to which no opinion need be expressed) as of the date thereof or as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(j) The Underwriters shall have received an opinion of Ballard Spahr LLP, special counsel to the University ("Special Counsel"), dated the Closing Date, addressed to the Representative, the Authority, Bond Counsel and the Trustee, to the effect that: (i) the University is a non-profit corporation incorporated, validly existing and in good standing under the laws of the State; (ii) the University has the power and authority to execute the Official Statement and to execute, deliver and perform its obligations under the University Documents and to incur the obligations provided therein, and has taken all corporate action necessary to authorize the execution, delivery and performance thereof, and such agreements have been duly authorized, executed and delivered by the University and constitute the legal, valid and binding obligations of the University enforceable against the University in accordance with their respective terms; (iii) the University is a "private institution for higher education" and a "private college," as these terms are defined by the New Jersey Educational Facilities Authority Law, N.J.S.A. 18A:72A-1 et seq., as amended and supplemented, and, as such, is eligible to obtain a loan from the Authority; (iv) no consent or approval of, or notice to or filing with, any federal or state regulatory authority of the United States or the State of New Jersey is required by the University in connection with the execution of the Official Statement, and the execution and delivery by the

University of any of the University Documents or the payment or performance of the University's obligations under the University Documents; (v) the University has duly authorized the taking of any and all actions necessary to be performed on its part to carry out and give effect to the transactions contemplated by the University Documents and the Official Statement; and (vi) based upon Special Counsel's participation in the preparation of the Official Statement and without having undertaken to determine independently the accuracy, the completeness or the adequacy of the statements contained in the Official Statement, nothing has come to the attention of Special Counsel that would lead Special Counsel to believe that the Official Statement (except for any information or statements relating to the book-entry only system and The Depository Trust Company and the financial and statistical data included therein, as to which no opinion need be expressed) as of the date thereof or as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(k) The Underwriters shall have received a certificate, dated the Closing Date, signed by the Vice President for Finance and Treasurer of the University, to the effect that each of the representations and warranties of the University contained in this Purchase Contract has remained true and correct from the date thereof through the Closing Date and is true and correct as of Closing Date as though made at the Closing Time, the University has duly complied with all agreements and satisfied all conditions of its part to be performed or satisfied at or prior to the Closing Date, no Event of Default (as defined in the Loan Agreement) has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice or both would constitute such an Event of Default, such certificate being in form and substance satisfactory to the Representative.

(l) The Underwriters shall have received a certificate executed by an authorized officer of the University with respect to its affairs and matters relating to the documents or instruments to be executed, delivered, accepted or approved by it, addressed to the Underwriters, dated the Closing Date, in form and substance satisfactory to the Representative, to the effect that: (i) the descriptions and information contained in the Official Statement relating to (A) the University and its properties, (B) the operations and financial and other affairs of the University, (C) the application of the proceeds to be received from the sale of the Bonds and other available funds, (D) the participation by the University in the transactions contemplated by the Resolution, and (E) the information contained under the caption "LITIGATION – The University" and in APPENDIX A thereto are, as of its date and as of the Closing Date, true and correct in all material respects; (ii) such descriptions and information as of the date of the Official Statement did not, and as of the Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; (iii) since June 30, 2021, no material adverse change has occurred in the financial position of the University or in its results of operations, except as set forth in or contemplated by the Official Statement; (iv) the University has not, since June 30, 2021, incurred any material liabilities other than in the ordinary course of business or as set forth or contemplated in the Official Statement; (v) no litigation or proceeding is pending or, to the best of such officer's knowledge, threatened in any court, tribunal or administrative body, nor is there any basis for any litigation which would (A) contest the due organization, corporate existence or corporate powers of the

University, (B) contest or affect the validity or execution of the Loan Agreement, the Continuing Disclosure Agreement, the Official Statement, the Outstanding Parity Loan Agreements or this Purchase Contract, (C) limit, enjoin or prevent the University from making payments under the Loan Agreement, (D) restrain or enjoin the execution or delivery of this Purchase Contract, the Continuing Disclosure Agreement, or the Loan Agreement, and (E) adversely affect the 501(c)(3) status of the University; (vi) the representations and warranties of the University in this Purchase Contract and in the Loan Agreement are true and correct in all material respects as of the Closing Date; (vii) at the time of the Closing, no default or event of default has occurred and is continuing, and no event has occurred and is continuing which, with the lapse of time or the giving of notice, or both, would constitute a default or an event of default under the Resolution or the Loan Agreement, the Bonds, this Purchase Contract, the Outstanding Parity Loan Agreements or any other material agreement or material instrument which the University is a party or by which it is or may be bound or to which any of its properties or other assets is or may be subject; (viii) the resolutions of the Board of Trustees authorizing and approving the transactions described or contemplated in this Purchase Contract, the Loan Agreement, the Continuing Disclosure Agreement, the Outstanding Parity Loan Agreements, the Official Statement, and the execution of or approval, as the case may be, of the respective forms of this Purchase Contract, the Outstanding Parity Loan Agreements, the Continuing Disclosure Agreement and the Loan Agreement have been duly adopted by the Board of Trustees, are in full force and effect and have not been modified, amended or repealed; (ix) the executed copies of this Purchase Contract, the Continuing Disclosure Agreement and the Loan Agreement are true, correct and complete copies of such documents and such documents have not been modified, amended, superseded or rescinded, and remain in full force and effect as of the Closing Date; (x) this Purchase Contract, the Loan Agreement, the Outstanding Parity Loan Agreements, the Continuing Disclosure Agreement, the Official Statement and any and all other agreements and documents required to be executed and delivered by the University in order to carry out, to give effect to and to consummate the transactions contemplated hereby and as described in the Official Statement have each been duly authorized, executed and delivered by the University and, as of the Closing Date, each is in full force and effect; (xi) no further authorization, approval, consent or other order of any governmental authority or agency or of any other entity or person (or persons) is required for the adoption, authorization, execution and delivery of the Loan Agreement, the Continuing Disclosure Agreement, the Official Statement or any other agreement or instrument to which the University is a party and which is used in the consummation of the transactions contemplated by this Purchase Contract; and (xii) the authorization, execution and delivery of the Loan Agreement, the Continuing Disclosure Agreement, the Official Statement, this Purchase Contract and any other agreement or instrument to which the University is a party and which is used in consummation of the transactions contemplated by this Purchase Contract and the fulfillment of the terms and the provisions of such agreements and instruments by the University will not (A) to the best of such officer's knowledge, conflict with, violate or result in a breach of any law or any administrative regulation or decree applicable to the University or (B) conflict with or result in a breach of or constitute a default under any indenture, mortgage, deed of trust, agreement or other instrument to which the University is a party or by which it is bound or any order, rule or regulation applicable to the University of any court or other governmental body, in each case except for such conflicts, violations, breaches or defaults which (X) would not affect the validity or enforceability of the

foregoing documents or affect the transactions contemplated thereby or (Y) would not have a material adverse effect on the operations or financial condition of the University.

(m) The Underwriters shall have received an Arbitrage and Tax Certificate of the Authority and an Arbitrage and Tax Certificate from the University in form and substance satisfactory to the Representative and to Bond Counsel.

(n) The Underwriters shall have received a certificate, dated the Closing Date and executed by an authorized officer of the University, to the effect that: (i) the University is an organization described in Section 501(c)(3) of the Code (or corresponding provisions of prior law); (ii) it has received a recent determination letter from the Internal Revenue Service to that effect, a copy of which letter shall be attached thereto; (iii) such letter has not been modified, limited or revoked; (iv) it is in compliance with all terms, conditions and limitations, if any, contained in such letter and the facts and circumstances which form the basis of such letter as represented to the Internal Revenue Service continue substantially to exist; and (v) it is exempt from federal income taxation under Section 501(a) of the Code.

(o) The Underwriters shall have received evidence of either (i) the approval by the Governor of the State (the "Governor") of the minutes of the Authority authorizing the adoption of the Resolution by the Authority and the sale of the Bonds pursuant hereto and the transactions contemplated hereby and/or (ii) expiration of the period during which the Governor may veto such action by the Authority and the absence of such veto.

(p) The Underwriters shall have received ratings letters or other documents providing evidence of the underlying ratings of "AAA" and "Aaa" on the Bonds from S&P Global Ratings, acting through Standard & Poor's Financial Services LLC, and Moody's Investors Service, respectively, on or prior to the Closing Date, which ratings shall not have been suspended, lowered or withdrawn prior to the Closing Date.

(q) The Underwriters shall have received certified true copies of the resolutions of the Authority and of the University relating to the Bonds (including the General Resolution), and executed true copies of the Loan Agreement, the Continuing Disclosure Agreement and the Official Statement, all in form and substance satisfactory to the Representative.

(r) The Authority shall have received (1) a certificate of the Trustee, in its capacities as trustee, paying agent and bond registrar in form and substance satisfactory to the Authority and the Representative; and (2) an opinion of Trustee's counsel with respect to the Bonds dated the Closing Date stating that (A) the Trustee is duly organized and validly existing as a banking corporation organized and existing under the laws of the State of New York with trust powers, authorized to conduct business and serve as a trustee, paying agent, bond registrar, dissemination agent and fiduciary under the laws of the State; (B) the Trustee has duly accepted its appointment as Trustee under the Resolution and as dissemination agent under the Continuing Disclosure Agreement, and possesses all necessary trust, fiduciary and other powers to carry out the duties and obligations imposed, respectively, by the Resolution and Continuing Disclosure Agreement; (C) the Trustee has duly authenticated the Bonds and has duly executed and delivered the Continuing Disclosure Agreement; (D) the duties and responsibilities created by

the Resolution and the Continuing Disclosure Agreement constitute the valid, legal and binding obligations of the Trustee, enforceable against the Trustee in accordance with their respective terms; (E) the acceptance, execution, delivery and performance by the Trustee of the duties and obligations of the Trustee under the Resolution, and as dissemination agent under the Continuing Disclosure Agreement, will not conflict with or constitute a breach of or default under the Trustee's charter, by-laws or other authorizing documents or any law, administrative regulation or consent decree to which the Trustee is subject; (F) the execution and delivery of the Continuing Disclosure Agreement, and the due performance by the Trustee as trustee, and dissemination agent, respectively, of its obligations thereunder have been duly authorized by all necessary corporate actions on the part of the Trustee; and (G) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter, if any, which would constitute a condition precedent to the performance by the Trustee as trustee and dissemination agent, respectively, of its obligations under the terms of the Resolution and the Continuing Disclosure Agreement have been obtained and are in full force and effect.

(s) The Underwriters shall have received such additional certificates, dated the Closing Date, executed by authorized officers of the Trustee and the University, and the Authorized Officers of the Authority, and such additional documentation of organization, authority and incumbency, as may be reasonably satisfactory to the Representative and to Bond Counsel.

(t) The Underwriters shall have received an opinion of Hawkins Delafield & Wood LLP, Underwriters' Counsel, dated the Closing Date, in form and substance satisfactory to the Representative in substantially the form attached hereto as Exhibit D.

(u) The Authority shall have received: (i) from the University copies of letters addressed to the University from the University's independent accountant, PricewaterhouseCoopers LLP (the "Independent Accountant"), stating that the Independent Accountant agrees to the inclusion of its report regarding the financial statements of the University in the Preliminary Official Statement and Official Statement, respectively; and (ii) a privity letter from the Independent Accountant in a form acceptable to the Attorney General of the State and Bond Counsel, addressed to the University and copied to the Authority, which acknowledges that the Authority intends to rely on its financial statements in connection with the issuance of the Bonds and waiving the provisions of N.J.S.A. 2A:53A-25 with respect to its professional accounting services.

(v) Evidence that the approval of the "applicable elected representative" after a public hearing, all as described in Section 147(f) of the Code, has been obtained (and such hearing has been held) with respect to the Bonds.

(w) Evidence, acceptable to Bond Counsel, that a public hearing was properly called, advertised and conducted in connection with the issuance of the Bonds with respect to the TEFRA hearing.

(x) The Underwriters shall have received such additional certificates, opinions and other documents as the Representative or Bond Counsel may reasonably request to evidence performance of or compliance with the provisions of this Purchase Contract and the transactions

contemplated hereby and by the Official Statement; all such certificates, opinions and other documents to be in form and substance satisfactory to the Representative. If the Authority shall be unable to satisfy or cause to be satisfied any condition of the obligations of the Representative contained in this Purchase Contract and the satisfaction of such condition shall not be waived by the Representative or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Authority nor the University shall have any further obligations or liabilities hereunder.

8. **Amendments and Supplements to the Official Statement.** The “end of the underwriting period” for the Bonds for all purposes of Rule 15c2-12 is the Closing Date. During the period from the date hereof to and including a date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with this Section 8), the Authority will (a) not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and the University, which shall not be unreasonably withheld, and (b) if any event relating to or affecting the Authority, the University or the Bonds shall occur as a result of which it is necessary, in the written opinion of Bond Counsel, to amend or to supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to the Representative, forthwith prepare and furnish to the Representative (at the expense of the University) up to 250 copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Authority, the Attorney General of the State, Bond Counsel and the Representative) which will amend or supplement the Official Statement so that the Official Statement, as amended or supplemented, will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to the Representative, not misleading. The cost of any copies of such amendment or supplement to the Official Statement in excess of 250 shall be borne by the Representative. In addition, the Authority will provide, subject to customary disclaimers regarding the transmission of electronic copies, an electronic copy of the amendment or supplement to the Official Statement to the Representative in the currently required designated electronic format stated in Rule G-32. The Representative shall comply with the provisions of Rule G-32 as in effect on the date hereof, with respect to the filing of such amendment or supplement to the Official Statement with the MSRB and to notify the Authority of the date on which such amendment or supplement to the Official Statement is filed with the MSRB through EMMA. For the purpose of this Section 8, the Authority will furnish such information that the Representative may from time to time reasonably request with respect to itself or the University, and the University will cooperate with the Authority in furnishing such information.

9. **Indemnification and Contribution.** The University agrees to indemnify and hold harmless the Authority, the Trustee, each Underwriter and each person, if any, who controls an Underwriter within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended, from and against any and all losses, claims, damages, liabilities and expenses caused by any untrue or misleading statement or alleged untrue or misleading statement of a material fact contained in the Official Statement or any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the

statements therein, in light of the circumstances under which they were made, not misleading, and will reimburse each Indemnified Party (as defined herein) for any legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such action or claim as such expenses are incurred, except, with respect to each Indemnified Party, insofar as such losses, claims, damages, liabilities or expenses are caused by any such untrue or misleading statement or omission or alleged untrue or misleading statement or omission based upon information relating to an Indemnified Party provided to the University in writing by such Indemnified Party (which in the case of the Underwriter Indemnified Parties shall have been provided by the Representative) expressly for use therein. For the sake of clarity, the only information relating to the Underwriters provided by the Representative expressly for inclusion in the Official Statement (or any amendment or supplement thereto) is the information in the first paragraph under the heading “UNDERWRITING”.

In case any proceeding shall be instituted involving any person in respect of which indemnity may be sought pursuant to the preceding paragraph, such person (each, an “Indemnified Party”) shall, if a claim in respect thereof is to be made against the University pursuant to the immediately preceding paragraph, promptly notify the University in writing and the University shall promptly assume the defense of such action, including the retention of counsel reasonably acceptable to such Indemnified Party, and the payment of all expenses in connection with such action. However, failure on the part of the Authority to give such notification shall not relieve the University from its obligation under this Section 9 to the Authority. For any Indemnified Party other than the Authority, to the extent the University suffers actual prejudice as a result of any such failure to give such notification, such failure shall relieve the University from its indemnification obligation under this Section 9 to the extent of such prejudice or loss. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party, unless the employment of such counsel has been specifically authorized by the University or unless by reason of conflict of interest (determined by such Indemnified Party in consultation with counsel to any Indemnified Party) it is advisable for such Indemnified Party to be represented by separate counsel, in which case the fees and expenses of such separate counsel shall be borne by the University. The University shall not be liable for any settlement of any such action effected without its written consent (such consent not to be unreasonably withheld), but if settled with the written consent of the University or if there be a final judgment for the plaintiff in any such action with or without written consent, the University agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. The University shall not, without the written consent of the Indemnified Party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not such Indemnified Party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the Indemnified Party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

If the indemnification provided for in the first paragraph of this Section 9 is unavailable to an Underwriter Indemnified Party in respect of any losses, claims, damages, liabilities or

expenses referred to therein, the University shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages, liabilities or expenses (i) in such proportion as is appropriate to reflect the relative benefits received by the University and the Underwriters from the offering of the Bonds, or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the University and of the Underwriters in connection with the statements or omissions that resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the University and the Underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) received by the University and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the Official Statement. The relative fault of the University and the Underwriters shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the University or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The University, the Authority and the Underwriters agree that it would not be just and equitable if contribution pursuant to the immediately preceding paragraph were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by any Underwriter Indemnified Party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this Section 9 to contribute are several in proportion to their respective underwriting obligations and not joint.

The indemnity and contribution agreements contained in this Section 9 and the representations and warranties of the University contained in this Purchase Contract shall remain operative and in full force and effect regardless of (i) any termination of this Purchase Contract, (ii) any investigation made by or on behalf of the Underwriters or any person controlling an Underwriter or by or on behalf of the University, its officers or directors or any other person controlling the University, and (iii) acceptance of and payment for any of the Bonds.

10. **Survival of Certain Representations and Obligations.** After the Closing, the respective agreements, representations, warranties and other statements of the Authority, of the University and their officials and of the Underwriters set forth in or made pursuant to this Purchase Contract shall remain in full force and effect, regardless of any investigation or

statement as to the results thereof, made by or on behalf of the Underwriters, the University, or the Authority and will survive delivery of and payment for the Bonds.

11. **Notices.** Any notice or other communication to be given to the Underwriter pursuant to this Purchase Contract may be given by mailing or delivering the same in writing to:

Samuel A. Ramirez & Co., Inc.
61 Broadway, 29th Floor
New York, New York 10006
Attention: Sarah Snyder, Managing Director

Any notice or other communication to be given to the Authority under this Purchase Contract may be given by mailing or delivering the same in writing to:

New Jersey Educational Facilities Authority
103 College Road East, 2nd Floor
Princeton, New Jersey 08540-6612
Attention: Executive Director

Any notice or other communication to be given to the University under this Purchase Contract may be given by mailing or delivering the same in writing to:

The Trustees of Princeton University
701 Carnegie Center, Suite 432
Princeton, New Jersey 08540
Attention: Vice President for Finance and Treasurer

12. **Governing Law.** This Purchase Contract shall be governed by and enforced in accordance with the laws of the State of New Jersey without regard for conflict of law principles.

13. **Successors.** This Purchase Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, and no other person will have any right or obligation hereunder.

14. **Execution of Counterparts.** This Purchase Contract may be executed in several counterparts, any of which may be in facsimile form and each of which shall be regarded as an original and all of which shall constitute one and the same document.

15. **Assignment.** This Purchase Contract may not be assigned by any of the parties without the written consent of the other parties hereto.

16. **Benefit.** This Purchase Contract is made solely for the benefit of the Authority, the University and the Underwriters (including the successors or assigns of any of said parties) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. The terms “successors” and “assigns” as used herein shall not include any purchaser, as such purchaser, of any of the Bonds from the Underwriters. All representations and agreements of the Authority, the University and the Underwriters in this Purchase Contract shall remain operative and in full force and effect regardless of any

investigation made by or on behalf of the Underwriters and shall survive the delivery of and payment for the Bonds.

17. **Compliance with L. 2005, c. 271 Reporting Requirements.** The Underwriters are advised of their responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, section 3) if the Underwriters enter into agreements or contracts such as this Purchase Contract, with a public entity, such as the Authority, and receive compensation or fees in excess of \$50,000 or more in the aggregate from public entities, such as the Authority, in a calendar year. It is the Underwriters’ responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

18. **Cooperation.** The Authority agrees to reasonably cooperate with the Underwriters and counsel to the Underwriters in any endeavor to qualify the Bonds for offering and sale under the securities or “Blue Sky” laws of such states as the Underwriters may request and will assist, if necessary, in continuing the effectiveness of such qualification so long as required for the distribution of the Bonds; provided, however, that the Authority shall not be required to consent to service of process or to file a written consent to suit or service of process. The Authority consents to the use of the Official Statement by the Underwriters in obtaining such qualifications. The Authority’s failure to consent to service of process or to file a written consent to suit or service of process shall not relieve the Underwriters of their obligation to purchase the Bonds under this Purchase Contract.

19. **No Fiduciary Duty.** The Authority acknowledges and agrees that: (i) the primary role of the Representative, as an underwriter, is to purchase securities, for resale to investors, in an arm’s-length commercial transaction between the Authority and the Representative and that the Representative has financial and other interests that differ from those of the Authority; (ii) the Representative is not acting as a municipal advisor, financial advisor, or fiduciary to the Authority and has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Representative has provided other services or is currently providing other services to the Authority on other matters); (iii) the only obligations the Representative has to the Authority with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract; and (iv) the Authority has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Authority would like a municipal advisor in this transaction that has legal fiduciary duties to the Authority, then the Authority is free to engage a municipal advisor to serve in that capacity.

20. **Establishment of Issue Price.**

(a) The Representative, on behalf of the Underwriters, agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate substantially in the form attached hereto as Exhibit C, together with the supporting pricing wires or equivalent communications,

with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Authority and Bond Counsel (as hereinafter defined), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) [Except for the maturities set forth in Exhibit A attached hereto,] the Authority will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) [The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the final official statement. Exhibit A sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Authority and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise the Authority when the Underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Authority acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set

forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that each Underwriter shall be solely liable for its failure to comply with the requirements for establishing issue price of the Bonds, including, but not limited to its agreement to comply with the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which any Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A)(1) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, (B) to promptly notify the Representative of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public; and

(ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.]

(f) The Authority will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(g) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.

21. **Entire Agreement.** This Purchase Contract constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties. This Purchase Contract shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

22. **Severability.** If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions because it conflicts with any provision of any constitution, statute, rule of public policy or any other reasons, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatsoever.

23. **Effect.** The performance of obligations of the Authority hereunder is subject to the performance by the Underwriters of their obligations hereunder.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow.]

Very truly yours,

SAMUEL A. RAMIREZ & CO., INC.

By: _____

Name: Sarah Snyder

Title: Managing Director

Accepted as of the date first written above:

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

By: _____

Name: Sheryl A. Stitt

Title: Acting Executive Director

THE TRUSTEES OF PRINCETON UNIVERSITY

By: _____

Name: James S. Matteo

Title: Vice President for Finance and Treasurer

[Signature page to Purchase Contract]

SCHEDULE 1
LIST OF UNDERWRITERS

Samuel A. Ramirez & Co., Inc.
BofA Securities, Inc.
Loop Capital Markets

**EXHIBIT A
PRICING SUMMARY**

\$ _____ Serial Bonds

<u>Maturity</u> <u>March 1,</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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*Yields and Prices to the first optional redemption date of _____.

Maturities Satisfying 10% Test: _____.

Redemption Provisions

Optional Redemption. The Bonds maturing on or before _____ are not subject to optional redemption prior to their stated maturities. The Bonds maturing on or after _____ are subject to redemption prior to their stated maturities on or after _____ at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the Outstanding Bonds of any maturity shall be called for redemption, such Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.

EXHIBIT B

**P.L. 2005, c. 51 AND EXECUTIVE ORDER NO. 117
CERTIFICATION OF NO CHANGE**

I, Sarah Snyder, the Managing Director of Samuel A. Ramirez & Co., Inc. (the “Representative”), and based solely upon the representations and warranties made to the Representative in the Agreement Among Underwriters dated May __, 2022, by the other underwriters (collectively, the “Underwriters”) listed on Schedule 1 of the Contract of Purchase (the “Purchase Contract”) dated May __, 2022 relating to the Authority’s \$ _____ Princeton University Revenue Bonds, 2022 Series A (the “Bonds”) do hereby certify on behalf of itself and the other Underwriters that all information, certifications and disclosure statements previously provided in connection with L. 2005, c. 51, enacted March 22, 2005, and Executive Order No. 117 (Corzine 2008) and as required by law, are true and correct as of the date hereof, and that all such statements have been made with full knowledge that the Authority and the State of New Jersey shall rely upon the truth of the statements contained herein and in the Purchase Contract in engaging the Representative and the other Underwriters in connection with the sale and issuance of the Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of May, 2022.

Samuel A. Ramirez & Co., Inc.

By: _____
Sarah Snyder
Managing Director

EXHIBIT C
FORM OF ISSUE PRICE CERTIFICATE

EXHIBIT D

FORM OF OPINION OF UNDERWRITERS' COUNSEL

May __, 2022

Samuel A. Ramirez & Co., Inc.,
as Representative
61 Broadway, 29th Floor
New York, New York 10006

Re: New Jersey Educational Facilities Authority
\$ _____ Princeton University Revenue Bonds,
2022 Series A

Ladies and Gentlemen:

We have acted as counsel to you, Samuel A. Ramirez & Co., Inc., as representative (the "Representative") of the underwriters (the "Underwriters") named in the Purchase Contract (as hereinafter defined), in connection with the sale, issuance and delivery by the New Jersey Educational Facilities Authority (the "Authority") of its \$ _____ aggregate principal amount of Princeton University Revenue Bonds, 2022 Series A (the "Bonds"), pursuant to the Contract of Purchase dated May __, 2022 (the "Purchase Contract"), by and among the Authority, the Representative, as representative of the Underwriters, and The Trustees of Princeton University (the "University"). The Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act"), a Princeton University Revenue Bond Resolution adopted by the Authority on February 16, 1999, as heretofore amended and supplemented (collectively, the "General Resolution"), and as further amended and supplemented by the 2022 Series A Resolution adopted by the Authority on April 26, 2022 (the "2022 Series A Resolution" and, together with the General Resolution, the "Resolution"). The Resolution provides that The Bank of New York Mellon, Woodland Park, New Jersey is trustee for the Bonds (the "Trustee"). This opinion is being delivered to you pursuant to Section 7(u) of the Purchase Contract. Capitalized terms used in this opinion and not otherwise specifically defined herein have the meanings assigned to them in the Purchase Contract or the Official Statement (as hereinafter defined), as the case may be, unless the context clearly indicates otherwise.

We have examined and relied upon originals, or certified copies or copies otherwise identified to our satisfaction, of the following:

- (a) the Resolution;
- (b) the Loan Agreement, dated as of May 1, 2022, by and between the Authority and the University (the "Loan Agreement");

(c) the Preliminary Official Statement of the Authority dated May __, 2022, with respect to the Bonds (the “Preliminary Official Statement”);

(d) the Official Statement of the Authority dated May __, 2022, with respect to the Bonds (the “Official Statement”);

(e) the Purchase Contract;

(f) the Continuing Disclosure Agreement, dated as of May 1, 2022, by and between the University and The Bank of New York Mellon, as dissemination agent thereunder; and

(g) the opinions of counsel, certificates, letters and others documents required by the Purchase Contract.

In addition, we have examined and relied upon originals or certified copies or copies otherwise identified to our satisfaction, of all such other agreements, certificates, records of proceedings, instruments and documents of the Authority and of the University, public officials and other persons as we have deemed appropriate as a basis for the opinions hereinafter expressed. In rendering the opinions hereinafter expressed, we have assumed, but have not independently verified, that the signatures on all opinions, certificates, agreements, instruments and other documents that we have examined are genuine.

In connection with the sale of the Bonds, at your request we participated and assisted as your counsel in the preparation of the Preliminary Official Statement and the Official Statement and have reviewed the information and representations contained therein. Rendering such assistance involved, among other things, discussions and inquiries concerning various subjects, and reviews of certain documents and proceedings. We also participated in conferences with representatives of the Representative, with officers, agents, and employees of the Authority and the University, with McManimon, Scotland & Baumann, LLC, Bond Counsel, with the Office of the Attorney General of the State of New Jersey, as counsel to the Authority, and with Ballard Spahr LLP, Counsel to the University, at which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and reviewed.

Based upon the foregoing, we are of the opinion that:

(1) the Bonds are not required to be registered under the Securities Act of 1933, as amended;

(2) the Resolution is exempt from qualification as an indenture under the Trust Indenture Act of 1939, as amended;

(3) assuming, with your permission, that the parties thereto comply on a continuing basis with the terms and provisions thereof, the provisions of the Continuing Disclosure Agreement satisfy the requirements contained in Rule 15(c)(2)-12 promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”), for an undertaking, for the benefit of the holders of the Bonds, to provide information at the times and in the manner required by the Rule; and

(4) based on our role as counsel to the Underwriters and our participation in certain meetings held in connection with the preparation of the Preliminary Official Statement and the Official Statement, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Official Statement, nothing has come to our attention which would lead us to believe that the Preliminary Official Statement, as of its date and as of the date of the Purchase Contract, and the Official Statement, as of its date and as of the date hereof (in each case, except for the financial and statistical data included therein, APPENDIX B thereto, and the information contained under the heading “DESCRIPTION OF THE 2022 SERIES A BONDS – Book-Entry-Only System”, and in the case of the Preliminary Official Statement, except for information that is permitted to be excluded pursuant to the Rule, all as to which no view is expressed) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The phrase “to our attention” means conscious awareness of lawyers in the primary lawyer group of factual matters such lawyers recognize as being relevant to the opinion or confirmation so qualified. “Primary lawyer group” means any lawyer in this firm (i) who signs this opinion letter, (ii) who is actively involved in negotiating or documenting the issuance of the Bonds, the Resolution, the Purchase Contract, the Preliminary Official Statement or the Official Statement, or (iii) solely as to information relevant to a particular opinion or factual confirmation issue, who is primarily responsible for providing the response concerning the particular opinion or issue.

The foregoing opinions are qualified to the extent that the enforceability of the Bonds and the Resolution may be limited under bankruptcy, insolvency, moratorium or other similar laws or equitable principles affecting creditors' rights or remedies generally and may be subject to the exercise of judicial discretion in applicable cases.

The opinions expressed herein are limited to the laws and judicial decisions of the State of New Jersey, exclusive of conflicts of law provisions, and the federal laws and judicial decisions of the United States of America.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States of America as of the date hereof and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinion, or laws or judicial decisions hereafter enacted or rendered. Our engagement with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

This opinion letter is being furnished solely to the party to whom it is addressed and may not be relied upon by any other person or quoted in whole or in part or otherwise referred to without our prior written consent except as required by law. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Very truly yours,



103 COLLEGE ROAD EAST • PRINCETON, NEW JERSEY 08540
 PHONE 609-987-0880 • FAX 609-987-0850 • www.njefa.com

BOND SALE SUMMARY

Borrower:	Ramapo College of New Jersey, Ramapo, New Jersey
Issue:	Series 2022 A Series 2022 B (Federally Taxable)
Amount:	Series 2022 A: \$67,880,000 Series 2022 B: \$13,465,000
Purpose:	The Series 2022 Bonds are being issued to: (i) current refund all of the Authority's Outstanding Revenue Bonds, Ramapo College of New Jersey Issue, Series 2012 B, (ii) advance refund on a federally taxable basis a portion of the Authority's Outstanding Revenue Refunding Bonds, Ramapo College of New Jersey Issue, Series 2015 B, and the Authority's Outstanding Revenue Refunding Bonds, Ramapo College of New Jersey Issue, Series 2017 A; (iii) finance a portion of the cost of a capital project consisting of academic building and administrative office renovations, infrastructure upgrades and various other capital improvements; and (iv) pay certain costs incidental to the issuance and sale of the Series 2022 Bonds.
Structure:	Negotiated, Fixed Rate
Final Maturity:	Series 2022 A: July 1, 2052 Series 2022 B: July 1, 2042
True Interest Cost:	Series 2022 A: 2.45% Series 2022 B: 4.32%
Net Present Value Savings:	\$ 9,801,158/11.43%
Bond Ratings:	A2/Stable (Moody's) A/Negative (S&P)

Priced: 3/2/2022

Closed: 4/6/2022

Professionals on the Transaction:

Bond Counsel:	M. Jeremy Ostow, Esq.
Authority's Counsel:	Attorney General of the State of New Jersey
University's Financial Advisor:	Janney Montgomery Scott LLC
Trustee:	U.S. Bank National Association
Trustee's Counsel:	McManimon, Scotland & Bauman, LLC
Senior Manager:	Morgan Stanley & Co., LLC
Co-Manager(s):	UBS Financial Services, Inc. Loop Capital Markets, LLC Drexel Hamilton, LLC
Underwriter's Counsel:	Connell Foley LLP
Escrow Agent:	US Bank National Association Bank of New York Mellon
Escrow Agent's Counsel:	McManimon Scotland & Baumann
Verification Agent:	Causey Demgen & Moore P.C.
Printer:	McElwee & Quinn LLC

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
AUTHORIZING A TWELVE-MONTH EXTENSION OF THE APPOINTMENT OF
POOLS OF UNDERWRITERS TO SERVE AS SENIOR MANAGERS AND
CO-MANAGERS**

Adopted: April 26, 2022

- WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority"), a public body corporate and politic of the State of New Jersey (the "State") created pursuant to the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented, N.J.S.A. 18A:72A-1 et seq. (the "Act"), is authorized to issue its obligations to provide a means for State public and private colleges and universities to obtain financing to construct educational facilities as defined in the Act; and
- WHEREAS:** In order for the Authority to publicly issue bonds, the bonds must generally be sold to an underwriting firm, which provides for the public distribution of the bonds; and
- WHEREAS:** The policies and procedures of the Authority with regard to the selection of professionals are governed, inter alia, by Executive Order No. 26 (Whitman) ("EO 26") which took effect on January 1, 1995, and which supersedes Executive Orders No. 79 and 92, and Executive Order No. 37 (Corzine) ("EO 37") which took effect on November 25, 2006; and
- WHEREAS:** On March 28, 2018, under its standard procurement process and procedures, the Authority issued a Request for Qualifications for Underwriting Services ("RFQ"), and thereafter, in accordance with EO 26 and EO 37, adopted a Resolution on May 16, 2018, to appoint a pool of fifteen (15) Senior Managers (the "Senior Pool") and a pool of thirteen (13) Co-Managers (the "Co-Manager Pool" and, together with the Senior Pool, the "Pools") to serve as Underwriters to the Authority, and to authorize the Pools for a thirty-six (36) month period from July 1, 2018 to June 30, 2021 with the option to extend the term of the Pools for two (2) additional successive periods of twelve (12) months each in the sole discretion of the Authority; and
- WHEREAS:** By subsequent Resolutions adopted on November 27, 2018, November 26, 2019, and February 25, 2020, the Authority amended the list of Underwriter firms designated as members of the Pools, which list, as set forth in **EXHIBIT A**, is attached hereto and incorporated herein; and
- WHEREAS:** By Resolution adopted on April 27, 2021, the Authority exercised its first option to extend the term of the Pools for an additional twelve (12) month period from July 1, 2021 to June 30, 2022; and
- WHEREAS:** The Authority now wishes to exercise its second option to extend the appointment of the Pools for an additional twelve (12) month period from July 1, 2022 to June 30, 2023; and

WHEREAS: Notwithstanding the extension of the appointment of the Pools, as provided for by the terms and conditions of the RFQ, the Authority reserves the right to review, revise and/or terminate either of the Pools at any time during the term of the Pools as deemed necessary with written notice, and further reserves the right to solicit requests for proposals/qualifications from underwriting firms that are not in the current Pools to perform particular services on a particular Authority transaction.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority hereby authorizes an extension of the appointment of the Pools, as set forth in **EXHIBIT A**, to serve as Underwriters to the Authority for an additional twelve (12) month period from July 1, 2022 to June 30, 2023.

SECTION 2. The Authority hereby authorizes the Executive Director, the Deputy Executive Director or the Director of Project Management, including any serving in an interim or acting capacity, to take and do any and all acts and things as may be necessary or desirable in connection with implementation of this Resolution.

SECTION 3. This Resolution shall take effect in accordance with the Act.

EXHIBIT A

Senior Manager Pool

- Bank of America Merrill Lynch
- Barclays Capital, Inc.
- Citigroup Global Markets Inc.
- D.A. Davidson & Co.
- Goldman, Sachs & Co.
- Janney Montgomery Scott LLC
- Jefferies LLC
- J.P. Morgan Securities LLC
- Morgan Stanley & Co. LLC
- Ramirez & Co., Inc.
- Raymond James & Associates, Inc.
- RBC Capital Markets, LLC
- Siebert Williams Shank & Co., LLC
- Stifel, Nicolaus & Company, Incorporated
- UBS Financial Services Inc.
- Wells Fargo Bank, N.A.

Co-Manager Pool

- Academy Securities, Inc.
- AmeriVet Securities, Inc.
- BNY Mellon Capital Markets, LLC
- Drexel Hamilton LLC
- Fidelity Capital Markets
- FTN Financial Capital Markets
- Loop Capital Markets LLC
- PNC Capital Markets LLC
- Rice Securities, LLC
- Stern Brothers & Co.
- TD Securities (USA) LLC

_____ Mr. Rodriguez _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Ms. Bethea _____ and upon roll call the following members voted:

AYE: Joshua Hodes
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: Ridgeley Hutchinson

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
APPROVING AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF
UNDERSTANDING BY AND BETWEEN THE OFFICE OF THE SECRETARY OF
HIGHER EDUCATION AND THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY RELATING TO BONDS ISSUED AND GRANTS FUNDED PURSUANT
TO THE HIGHER EDUCATION CAPITAL IMPROVEMENT FUND ACT, THE
HIGHER EDUCATION EQUIPMENT LEASING FUND ACT, THE HIGHER
EDUCATION TECHNOLOGY INFRASTRUCTURE FUND ACT AND THE HIGHER
EDUCATION FACILITIES TRUST FUND ACT**

Adopted: April 26, 2022

WHEREAS: The New Jersey Educational Facilities Authority (the "Authority") is a public body corporate and politic of the State of New Jersey (the "State") and was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, *N.J.S.A. 18A:72A-1 et seq.*, as amended and supplemented (the "Act"); and

WHEREAS: Pursuant to the Higher Education Capital Improvement Fund Act, *N.J.S.A. 18A:72A-72 et seq.* ("CIF"); the Higher Education Equipment Leasing Fund Act, *N.J.S.A. 18A:72A-40 et seq.* ("ELF"); the Higher Education Technology Infrastructure Fund Act, *N.J.S.A. 18A:72A-59 et seq.* ("HETI"); and the Higher Education Facilities Trust Fund Act, *N.J.S.A. 18A:72A-49 et seq.* ("HEFT", and together with CIF, ELF, and HETI, the "Grant Programs"), the Secretary is authorized to establish procedures to solicit applications from New Jersey's public and private institutions of higher education (the "Institutions") for grants that are eligible for funding under the Grant Programs (the "Grants"), and to establish procedures for the review and approval of, and eligibility criteria, for the Grants; and

WHEREAS: Funding for the Grants is provided through issuance by the Authority of bonds payable by the State of New Jersey (the "State") subject to appropriation pursuant to applicable Grant Programs (the "Bonds"); and

WHEREAS: The Authority finances capital projects at the State's public and private institutions of higher education through the issuance of bonds, and is responsible for disbursing the proceeds of such bonds and overseeing compliance of the expenditure of such bond proceeds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS: Pursuant to *N.J.S.A. 52:14-1 et seq.*, departments are authorized to work collaboratively in matters germane to the duties of said departments through a memorandum of understanding; and

WHEREAS: The Parties entered into an Amended and Restated Memorandum of Understanding dated as of June 13, 2016, (the “Original MOU”) and an Amendment No. 1 to the Original MOU dated as of June 1, 2017 (the “Amendment No. 1”, and together with the Original MOU, the “2016 MOU”), for prior grants (“Prior Grants”) awarded under the Grant Programs and the Building Our Future Bond Act during the Spring 2013 Cycle and the Fall 2015 Cycle, which 2016 MOU, shall remain in effect for such Prior Grants; and

WHEREAS: OSHE wishes to continue its partnership with the Authority to benefit from the experience and expertise of the Authority to assist in fulfilling certain obligations with respect to the Grants to be awarded under the Grant Programs, commencing with the next solicitation, anticipated to occur in 2022 (the “2022 Solicitation Cycle”); and

WHEREAS: The Authority is willing and able to provide such assistance; and

WHEREAS: OSHE and the Authority wish to enter into a memorandum of understanding (the “MOU”) relating to Grants to be awarded under the Grant Programs for the 2022 Solicitation Cycle, which MOU is attached hereto and incorporated herein as **EXHIBIT 1**; and

WHEREAS: The Authority’s staff has advised the Members of the Authority that the Authority’s staff is willing and able to provide the assistance to OSHE as outlined in the MOU; and

WHEREAS: The Members of the Authority have determined that it is necessary and advisable for the Authority to provide the requested assistance and to enter into the MOU.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:

SECTION 1. The Members of the Authority hereby approve and authorize the execution of the MOU by the Authority’s Executive Director or Deputy Executive Director, including any such officers serving in an interim or acting capacity, as attached hereto and incorporated herein as **EXHIBIT 1**.

SECTION 2. The Chair, Vice Chair, Executive Director, or Deputy Executive Director, including any such officers serving in an interim or acting capacity (each an “Authorized Officer”), is hereby authorized to take all appropriate and necessary actions to implement the MOU consistent with reporting obligations to the Members of the Authority.

SECTION 3. This Resolution shall take effect immediately in accordance with the Act.

EXHIBIT 1

**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE OFFICE OF THE SECRETARY OF HIGHER EDUCATION
OF THE STATE OF NEW JERSEY AND THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
RELATING TO BONDS ISSUED AND GRANTS FUNDED PURSUANT TO THE HIGHER EDUCATION CAPITAL
IMPROVEMENT FUND ACT, THE HIGHER EDUCATION EQUIPMENT LEASING FUND ACT, THE HIGHER EDUCATION
TECHNOLOGY INFRASTRUCTURE FUND ACT AND THE HIGHER EDUCATION FACILITIES TRUST FUND ACT**

**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE OFFICE
OF THE SECRETARY OF HIGHER EDUCATION OF THE STATE OF NEW
JERSEY AND THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
RELATING TO BONDS ISSUED AND GRANTS FUNDED PURSUANT TO THE
HIGHER EDUCATION CAPITAL IMPROVEMENT FUND ACT, THE HIGHER
EDUCATION EQUIPMENT LEASING FUND ACT, THE HIGHER
EDUCATION TECHNOLOGY INFRASTRUCTURE FUND ACT AND THE
HIGHER EDUCATION FACILITIES TRUST FUND ACT**

This Memorandum of Understanding (the "MOU") by and between the Office of the Secretary of Higher Education of the State of New Jersey ("OSHE") under the direction of the New Jersey Secretary of Higher Education (the "Secretary") and the New Jersey Educational Facilities Authority (the "Authority" or "NJEFA") (collectively, the "Parties") will confirm the mutual understanding and intention of the Parties hereto as to the following:

WHEREAS, pursuant to *N.J.S.A. 52:14-1 et seq.*, departments are authorized to work collaboratively in matters germane to the duties of said departments through a memorandum of understanding; and

WHEREAS, pursuant to the Higher Education Capital Improvement Fund Act, *N.J.S.A. 18A:72A-72 et seq.* ("CIF"); the Higher Education Equipment Leasing Fund Act, *N.J.S.A. 18A:72A-40 et seq.* ("ELF"); the Higher Education Technology Infrastructure Fund Act, *N.J.S.A. 18A:72A-59 et seq.* ("HETI"); and the Higher Education Facilities Trust Fund Act, *N.J.S.A. 18A:72A-49 et seq.* ("HEFT", and together with CIF, ELF, and HETI, the "Grant Programs"), the Secretary is authorized to establish procedures to solicit applications from New Jersey's public and private institutions of higher education (the "Institutions") for grants that are eligible for funding under the Grant Programs (the "Grants"), and to establish procedures for the review and approval of, and eligibility criteria, for the Grants; and

WHEREAS, the Secretary is authorized to certify and submit to the New Jersey State Legislature (the "Legislature"), with a copy to the Authority, a list of eligible projects for the CIF and HEFT Grant Programs along with the amount of the grant for each project that become approved for funding when reviewed by the Legislature and/or applicable committee thereof without adverse action; and

WHEREAS, the Secretary is authorized to certify and submit to the Authority a list of eligible projects for the HETI and ELF Grant Programs along with the proposed grant award amount for each eligible project; and

WHEREAS, funding for the Grants is provided through issuance by the Authority of bonds payable by the State of New Jersey (the "State") subject to appropriation pursuant to applicable Grant Programs (the "Bonds"); and

WHEREAS, the Authority finances capital projects at the State’s public and private institutions of higher education through the issuance of bonds and is responsible for disbursing the proceeds of such bonds and overseeing compliance of the expenditure of such bond proceeds with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Parties entered into an Amended and Restated Memorandum of Understanding dated as of June 13, 2016 (the “Original MOU”), and an Amendment No. 1 to the Original MOU dated as of June 1, 2017 (the “Amendment No. 1”, and together with the Original MOU, the “2016 MOU”), for prior grants (“Prior Grants”) awarded under the Grant Programs and the Building Our Future Bond Act during the Spring 2013 Cycle and the Fall 2015 Cycle, which 2016 MOU, shall remain in effect for such Prior Grants; and

WHEREAS, OSHE wishes to continue its partnership with the Authority to benefit from the experience and expertise of the Authority to assist in fulfilling certain obligations with respect to the Grants to be awarded under the Grant Programs, commencing with the next solicitation, anticipated to occur in 2022 (the “2022 Solicitation Cycle”); and

WHEREAS, the Authority is willing and able to provide such assistance; and

WHEREAS, the Parties wish to enter into this MOU relating to Grants to be awarded under the Grant Programs for the 2022 Solicitation Cycle.

NOW THEREFORE, the Parties agree as follows:

Section 1. Administrative Matters.

1.1 This MOU is being entered into for the sole purpose of evidencing the mutual understanding and intention of the Parties for the implementation of certain provisions of the Grant Programs and the regulations for the Grant Programs (“Regulations”).

1.2 The Parties acknowledge and agree that there is no delegation of duties to the Authority under this MOU by the Secretary under the Grant Programs which are reserved for the Secretary’s discretion; and that the Authority is assisting OSHE solely in the performance of certain ministerial duties under the Grant Programs as provided in this MOU.

1.3 In consideration for the responsibilities undertaken by the Authority, pursuant to this MOU, including but not limited to all work performed in advancement of the execution of this MOU; and for all work performed up to and including through the date of issuance of the first series of the Bonds; and for all work performed in the administration of the Grants through the completion of each grant agreement, the Authority shall be paid as follows:

1.3.1 The Authority shall be paid in accordance with the terms set forth below:

The Authority's total administration fee for Grants to be awarded under the Grant Programs in calendar year 2022 is one percent (1.00%) of par value of Bonds issued to be split between an initial fee and an ongoing annual fee. The initial fee will be calculated at twenty (20) basis points of par value issued to be recognized at the closing of the transaction. The annual fee will be calculated at eighty (80) basis points of par value issued to be recognized equally over a ten (10) year period beginning in calendar year 2023.

1.3.2 Funding for payments to the Authority in accordance with the terms of this MOU is as follows:

a. CIF/ELF

Initial Fee – Twenty (20) basis points per series of par value issued; paid at closing from costs of issuance.

Annual Fees – Eighty (80) basis points of par value issued; paid equally over a ten-year period on a per grant basis paid by the institutions as part of their semi-annual debt service payments.

b. HEFT/HETI

Initial Fee – Twenty (20) basis points per series of par value issued; paid at closing from costs of issuance.

Annual Fees – Eighty (80) basis points of par value issued; paid equally over a ten-year period from interest earnings, excess costs of issuance, premium and/or any stranded project funds.

1.4 The Authority shall not be responsible for any fees associated with legal services provided by bond counsel or the Attorney General's Office in connection with the issuance of the Bonds. Neither shall the Authority be responsible for any fees associated with legal services provided by bond counsel or the Attorney General's Office in connection with any post-issuance compliance matters on the Grants or any other matter relating to issuance of the Bonds or grant awards that arises after the grant agreements are executed. The Parties agree that the Authority shall not be liable for any costs or expenses not agreed to in writing between the Parties in advance of any such expense.

1.5 The Parties acknowledge that they are public entities of the State. Therefore, the Parties agree that each entity shall be liable for its own conduct and any claims against it arising out of its own conduct, without indemnification from the other Party.

1.6 This MOU may be executed in counterparts, each of which shall be an original and all of which together shall be considered one instrument.

1.7 The 2016 MOU shall remain in effect for grants awarded under the Grant Programs and the Building Our Future Bond Act during the Spring 2013 Cycle and the Fall 2015 Cycle.

Section 2. Responsibilities of the Parties.

2.1 The Parties agree that the Secretary has sole responsibility and authority to solicit applications pursuant to the Grant Programs.

2.2 The Secretary may request assistance from the Authority in connection with developing and distributing the solicitation, and receiving applications as submitted.

2.3 The Secretary may seek assistance from the Authority in reviewing submitted Grant applications for conformity with Regulations and the solicitation. In such event, upon completion of its review the Authority shall advise the Secretary of any non-conformities and shall proceed in accordance with the Secretary's determination and direction.

2.4 The Parties agree that the Secretary has sole responsibility and authority to certify Grants as follows:

2.4.1 Submit to the Legislature a copy of the list of eligible projects for the HEFT and CIF Grant Programs along with the proposed Grant award amount for each eligible project for approval; and

2.4.2 Submit to the Authority a certified list of eligible projects for the HEFT, CIF, HETI and ELF Grant Programs along with the proposed Grant award amount for each eligible project for approval.

2.5 The Parties agree that OSHE shall advise the Authority in writing of any reductions in the amount of any Grant award and/or re-allocation of any portion of any Grant award amount.

2.6 The Parties agree that the Authority has the sole responsibility and authority to:

2.6.1 Submit a copy of the list of eligible projects for the ELF and HETI Grant Programs to the Joint Budget Oversight Committee (“JBOC”).

2.6.2 Submit a form of lease agreement for each project on the list of eligible projects as certified by the Secretary for the ELF Grant Program to JBOC for its review and approval.

2.7 The Authority may assist OSHE in developing, writing, reviewing and/or obtaining requisite approvals of the Regulations.

2.8 The Authority will, in consultation with and as requested by OSHE, coordinate the development of Grant Program documents, including, but not limited to: grant agreements and/or lease agreements; due diligence requests and tax questionnaires; and closing and tax certificates. The Authority shall coordinate the dissemination and execution of these documents to the grant applicants.

2.9 The Authority shall, in consultation with OSHE, develop the requisition form and procedures to be utilized for disbursement of Grant funds for projects that are approved under the Grant Programs (“Approved Projects”).

2.10 The Authority will review requisitions so that: (a) proceeds of the Bonds are only disbursed for approved requisitions and only for allowable costs of Approved Projects; and (b) the Grantee has satisfied any obligation to match grant funding. The Authority shall be responsible for directing the trustee to release the funds to pay the grant requisitions following the Authority’s review of the grant requisition submitted by a Grantee.

2.11 In the event that the Authority believes that a requisition requests a disbursement for a cost that is not an allowable cost of an Approved Project, the Authority shall consult with the Secretary on the propriety of the request and/or whether the requisition does, in fact, include (an) allowable cost(s).

2.12 The Authority shall maintain a separate database of all requisitions and recommendations for payment. The Authority shall not pay any requisition that would cause a Grant amount for any Approved Project to be exceeded nor shall the Authority knowingly pay any requisition that would adversely affect the tax-exempt status of the Bonds.

2.13 The Authority will implement Post-Issuance Compliance Tax Procedures for the Bonds and will engage rebate specialists.

2.14 In the event that a Grantee requests a change for an Approved Project, the Authority, in consultation with the Secretary, shall act in accordance with the terms and conditions of the grant and/or lease agreement, the Regulations, and any and all applicable federal and state laws.

Section 3. General Provisions

3.1 This MOU may be modified or extended only by prior written agreement by the Parties. This MOU may be terminated by either Party upon thirty (30) days prior written notice to the other Party.

3.2 This MOU is being entered into for the sole purpose of evidencing the mutual understanding and intention of the Parties.

3.3 There are no third-party beneficiaries of this MOU.

- 3.4 This MOU shall be administered consistent with *N.J.S.A. 52:14-1 et seq.*
- 3.5 The Effective Date of this MOU shall be the later of the date executed by the Parties below. The term of this MOU shall remain in effect until the Bonds or any bonds issued to refund such Bonds are no longer outstanding unless extended by agreement of the Parties.
- 3.6 The Authority and the Secretary shall retain all the powers, obligations and immunities provided by law.
- 3.7 The Parties acknowledge that the successful completion of each Party's duties hereunder will require cooperation between the Parties. The Parties agree to work cooperatively to achieve the goals of this MOU.
- 3.8 The recitals appearing before Section 1 are made part of this MOU and are specifically incorporated herein by reference.

IN WITNESS WHEREOF, the Parties by their duly authorized representatives, each acting in its official capacity, have caused this Memorandum of Understanding to be executed and delivered as of the Effective Date.

SECRETARY OF HIGHER EDUCATION OF THE STATE OF NEW JERSEY

BY: _____

Name: Brian K. Bridges
Title: Secretary of Higher Education
Date:

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

BY: _____

Name: Sheryl A. Stitt
Title: Acting Executive Director
Date:

____ Mr. Feeney ____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ____ Mr. Rodriguez ____ and upon roll call the following members voted:

AYE: Joshua Hodes
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: Ridgeley Hutchinson

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
EXTENDING THE ENGAGEMENT OF THE AUTHORITY'S
INVESTMENT ADVISOR**

Adopted: April 26, 2022

- WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, *N.J.S.A.* 18A:72A-1 et seq., as amended (the "Act") for the purpose of issuing its obligations to obtain funds to finance eligible educational facilities as such may be required for the purposes of State of New Jersey (the "State") public and private institutions of higher education, private colleges and public libraries, (collectively, "Borrowers") and to sell such obligations at public or private sale at a price or prices and in a manner as the Authority shall determine; and
- WHEREAS:** By resolution adopted on May 28, 2019, the members of the Authority approved the engagement of PFM Asset Management (the "Firm") to serve as the Authority's Investment Advisor to manage the investing of: i) Authority Bond Funds, which are bond proceeds of the various financing transactions the Authority undertakes on behalf of State public and private colleges and universities and the State; ii) Authority Operating Funds which are monies used to pay Authority expenses, and revenues that flow into these funds represent initial and annual fees charged by the Authority to its college and university borrowers and the State in connection with the financings it undertakes; and iii) Other Post-Employment Benefit ("OPEB") Trust Funds of the Authority, for a period twenty-four (24) months, commencing on May 28, 2019 and ending May 27, 2021 with two (2) additional and successive periods of twelve (12) months each at the discretion of the Authority unless terminated earlier in the sole discretion of the Authority; and
- WHEREAS:** By resolution adopted on February 23, 2021, the Authority exercised its first one-year renewal period option to extend the term of the engagement for an additional twelve (12) months, commencing May 28, 2021, and ending May 27, 2022, and based upon the continuing terms and conditions of agreement entered by the Parties dated May 28, 2019; and
- WHEREAS:** The staff of the Authority has found the performance of the Firm to be extremely professional, knowledgeable and responsive; and
- WHEREAS:** Based on the performance of the Firm and based upon the proposed fee structure which remains unchanged, the Authority staff recommends that the engagement of the Firm be extended for the second one-year renewal period of twelve (12) months commencing May 28, 2022, and ending May 27, 2023 and based upon the continuing terms and conditions of the Parties agreement dated May 28, 2019; and

WHEREAS: The members of the Authority have determined that it is in the best interests of the Authority to extend the engagement of the Firm as recommended by the Authority staff.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority hereby authorizes the execution of the first one-year optional renewal period of twelve (12) months to engage the Firm upon continuing terms and conditions of the Parties' agreement dated May 28, 2019, commencing May 28, 2022, and ending May 27, 2023.

SECTION 2. The Authority hereby authorizes the Executive Director, the Deputy Executive Director or the Director of Finance/Controller, including any serving in an interim or acting capacity, to take and do any and all acts and things as may be necessary or desirable in connection with the engagement of PFM Asset Management as the Authority's Investment Advisor, including without limitation, executing agreements or amendments to agreements.

SECTION 3. This Resolution shall take effect in accordance with the Act.

_____ Ms. Bethea _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Mr. Hodes _____ and upon roll call the following members voted:

AYE: Joshua Hodes
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: Ridgeley Hutchinson

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACCEPTING AND ADOPTING THE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT FOR 2020**

Adopted: April 26, 2022

- WHEREAS:** The New Jersey Educational Facilities Authority (the "Authority") was duly created and now exists under the New Jersey Educational Facilities Authority Law, Public Laws of 1967, Chapter 271, N.J.S.A. 18A:72A-1 et seq., as amended (the "Act"); and
- WHEREAS:** The Authority annually prepares financial statements, and pursuant to a Resolution adopted on October 23, 2018, the Authority authorized the engagement of the independent auditing firm of PKF O'Connor Davies, LLP (the "Independent Auditors") to provide outside auditing services for a period of five (5) years commencing with the audit period for the Authority's fiscal year ending December 31, 2018, and ending after the audit period for the Authority's fiscal year ending December 31, 2022; and
- WHEREAS:** The Authority has engaged the Independent Auditor to perform an audit of the Authority's financial statement for the years ending December 31, 2020 (the "2020 Financial Statements") in accordance with N.J.S.A. 18A:72A-21; and
- WHEREAS:** In accordance with Executive Order No.122 (McGreevey 2004) ("EO 122"), and the Authority's By-Laws, the members of the Authority's Audit Committee have received and reviewed the 2020 Financial Statements and the unmodified Report of the Independent Auditors thereon dated March 4, 2022 (the "Independent Auditors' Report") and have held a private meeting with representatives of the Independent Auditors to discuss the 2020 Financial Statements and the Independent Auditors' Report; and
- WHEREAS:** The members of the Authority have received the 2020 Financial Statements and the Independent Auditors' Report; and
- WHEREAS:** The members of the Authority's Audit Committee have recommended that the members of the Authority accept the 2020 Financial Statements and the Independent Auditors' Report, attached hereto as EXHIBIT A; and
- WHEREAS:** The members of the Authority wish to accept and adopt the 2020 Financial Statements and the Independent Auditors' Report.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:

SECTION 1. The Authority hereby accepts and adopts the 2020 Financial Statements and the Independent Auditors' Report, as attached hereto as **EXHIBIT A** and incorporated by reference as if set forth in full herein.

SECTION 2. This resolution shall take effect in accordance with N.J.S.A. 18A:72A-4(i).

_____ Mr. Rodriguez _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Mr. Hodes _____ and upon roll call the following members voted:

AYE: Joshua Hodes
Louis Rodriguez
Brian Bridges
Elizabeth Maher Muoio (represented by Ryan Feeney)

NAY: None

ABSTAIN: None

ABSENT: Ridgeley Hutchinson

The Chair thereupon declared said motion carried and said resolution adopted.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2020 AND 2019

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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REPORT OF MANAGEMENT

Management of the Authority is responsible for the preparation, integrity, and fair presentation of these financial statements. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and, consequently, they reflect certain amounts based upon the best estimates and judgment of management.


The financial statements have been audited by the independent firm of PKF O'Connor Davies, LLP, which was given unrestricted access to all financial records and related data, including minutes of all meetings of the Authority. The independent auditors' opinion is presented on page 2-4.

The Authority maintains a system of internal controls to provide reasonable assurance that transactions are executed in accordance with management's authorization, that financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, that assets of the Authority are properly safeguarded, and that the covenants of all financing agreements are honored. There are, however, inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls. Accordingly, even an effective internal control system can provide only reasonable assurance that its goals are achieved.

Consistent with Executive Order No. 122, the Authority, through its Audit and Evaluation Committees, engages the independent auditors. The Audit and Evaluation Committees comprise individuals who are not employees of the Authority, and who meet certain standards of independence and financial expertise. The Audit Committee periodically meets with the independent auditors, and is responsible for assisting the Members of the Authority in overseeing the Authority's compliance with legal, regulatory and ethical requirements, as well as overseeing the integrity and quality of the Authority's financial statements. The independent auditors have unrestricted access to the Audit Committee.



Sheryl A. Stitt
Acting Executive Director



Brian Sootkoos
Director of Finance

March 7, 2022



INDEPENDENT AUDITORS' REPORT

**Management and Members of
New Jersey Educational Facilities Authority
Princeton, New Jersey**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and fiduciary funds of the New Jersey Educational Facilities Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | www.pkfod.com

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

**Management and Members of
New Jersey Educational Facilities Authority
Princeton, New Jersey**

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Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and fiduciary funds of the Authority as of December 31, 2020 and 2019, and the respective changes in its financial position, and, where applicable their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 – 9, the schedule of Authority's proportionate share of the net OPEB liability and schedule of Authority OPEB contributions pages 35 and 36, and the schedule of Authority's proportionate share of net pension liability and schedule of Authority pension contributions on pages 37 and 38, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplemental financial information on pages 39 – 49, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

**Management and Members of
New Jersey Educational Facilities Authority
Princeton, New Jersey**

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The supplemental financial information has not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2022, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
March 7, 2022

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Introduction

This section of the New Jersey Educational Facilities Authority's ("NJEFA" or the "Authority") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal year ended December 31, 2020 and the two immediately preceding years. It should be read in conjunction with the Authority's financial statements and accompanying notes.

Background

The New Jersey Educational Facilities Authority ("NJEFA" or "Authority"), is an independent and self-supporting state entity created pursuant to Chapter 271 of the Public Laws of 1966, N.J.S.A. 18A:72A-1 et seq., as amended and supplemented (the "Act"), to provide a means for New Jersey public and private colleges and universities ("Institutions") to construct educational facilities through the financial resources of a public fiduciary empowered to sell tax-exempt and taxable bonds, notes and other obligations. NJEFA is New Jersey's primary issuer of higher education purpose municipal bonds to finance and refinance the construction and development of campus facilities at Institutions throughout the State.

The Authority finances and refinances various types of projects for approximately 50 public and private institutions of higher education in New Jersey. Projects include, but are not limited to, the construction, renovation and acquisition of residential, academic, and research facilities; libraries; technology infrastructures; student life and athletic facilities; parking structures; utilities-related projects; and refinancing of existing debt.

In conjunction with the Office of the Secretary of Higher Education, the Authority also administers the State of New Jersey's higher education capital facilities grant programs and from time to time, issues state-backed bonds under these programs to fund grants for their various purposes. These state-backed bonds are secured by a contract with the State Treasurer to pay principal of and interest on such bonds subject to appropriations being made, from time to time, by the New Jersey State Legislature (the "Legislature").

The obligations issued by the Authority are special and limited obligations of the Authority and are not a debt or liability of the State of New Jersey or of any political subdivision thereof other than the Authority, and are not a pledge of the faith and credit of the State of New Jersey or of any such political subdivision thereof. The Authority has no taxing power. The obligations issued by the Authority are payable solely from amounts received from the borrowers by the Authority under the transaction documents and amounts on deposit in certain funds established under the transaction documents.

The Authority is governed by a seven-member board composed of five public, unsalaried members appointed by the Governor with confirmation by the New Jersey Senate. The State Treasurer and the Secretary of Higher Education serve as ex-officio members and by statute, the Governor has veto authority over all actions of the Authority members.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Business Overview

Today, the NJEFA offers colleges and universities a range of services and products to meet institution's financing objectives, including tax-exempt and taxable bond financings, direct bank placement/ purchase transactions, and tax-exempt equipment leasing. Financing options include new money transactions, refunding transactions or a combination of the two. More than just financing a transaction, NJEFA remains involved with their clients from concept to closing and beyond. NJEFA provides its clients with in-house expertise in the financial markets, tax and securities law, and post-issuance matters, among others. In addition, the Authority assists in the processing of all requisitioning and bond fund accounting for college borrowers; manages the investment and reinvestment of bond funds; and manages all arbitrage compliance.

The Authority's operating revenue is derived from initial and annual fees related to the issuance and administration of stand-alone bond transactions, as well as the issuance and administration of state-backed bonds under the State's higher education capital facilities grant programs.

Stand-Alone Debt Transactions

The Authority's operating revenues primarily result from initial and annual financing fees related to stand-alone financing transactions. Generally, upon the closing of a transaction, higher education institutions pay an initial financing fee to cover the services provided by NJEFA to manage and complete the desired financing. The fee is calculated using a percentage of the total issuance amount. Annual financing fees are calculated using a percentage of the total outstanding par amount on the bonds. The annual financing fee, typically referred to as the annual administrative fee, covers ongoing bond fund administration and post issuance debt compliance, including: investment of bond funds; requisition review and payment; audit support as requested; arbitrage monitoring; real estate matters; and assisting institutions with continuing post-issuance compliance matters.

State Grant Administration

The Authority, in partnership with the Office of the Secretary of Higher Education and the Department of Treasury, administers the New Jersey Higher Education Capital Grant Programs. Through NJEFA's issuance of state-backed bonds and the State's issuance of General Obligation bonds, New Jersey's institutions of higher education are able to increase capacity, modernize facilities and equipment, expand access to and provide state-of-the-art academic opportunity for New Jersey's students.

The Authority is highly involved in every aspect of the grant process and post issuance administration. During the solicitation process, the Authority assists in the development, distribution and review of applications for conformity to solicitation requirements. In consultation with the Office of the Secretary of Higher Education and the Attorney General's Office, the Authority develops grant and lease agreements in accordance with state law and regulations, reviews financing documents, and corresponds with institutions needing assistance throughout the process. The Authority receives and reviews all requisitions for approved projects. Requisitions are reviewed to ensure grant proceeds are expended only for costs of an approved project, that the institution has satisfied any obligation to match grant funding, and that reimbursement is permissible per the grant agreement and applicable IRS rules and regulations.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

The Authority assists the Secretary of Higher Education in fulfilling obligations under the post-issuance compliance tax procedures and in addressing any tax issues that may arise when a contract or arrangement might create "private business use" of bond-financed facilities.

The Authority's operating revenues related to the administration of the Higher Education Capital Grant Programs are derived from initial fees on NJEFA issued State-backed bonds and annual fees for ongoing bond fund and grant management and debt compliance. Generally, the Authority collects an initial fee for each completed State-backed financing and annual fees for each grant, funded throughout the term of the bonds. Both the initial fee and the annual fee are based on a contracted amount as defined in the grant or lease agreements.

Overview of Financial Statements

The Authority is a self-supporting, special purpose government entity supported entirely by fees charged for the services it provides. Accordingly, the Authority is considered an Enterprise Fund and utilizes the accrual basis of accounting. The basic financial statements provide information about the Authority's overall financial condition and operations. The notes provide explanations and more details about the content of the basic financial statements.

This report consists of three parts: management's discussion and analysis, financial statements and the accompanying notes and the required supplementary information. The three financial statements presented are as follows:

Statement of Net Position – The statement of net position presents information reflecting the Authority's assets, deferred outflow of resources, liabilities, deferred inflows of resources and net position. The Authority's net position represents the amount of total assets and deferred outflows of resources less liabilities and deferred inflows of resources and is one way to measure the Authority's financial position and operational solvency.

Statement of Revenues, Expenses and Changes in Net Position – The statement reflects the Authority's operating and nonoperating revenues and expense for the fiscal year. Nonoperating activity primarily relates to investment income.

Statement of Cash Flows – The statement of cash flows is presented using the direct method which reflects cash flows from operating, investing and capital financing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for each year. The statement also includes a reconciliation between operating income or loss for the period per the Statement of Revenues, Expenses and Changes in Net Position to net cash provided or used from operating activities per the Statement of Cash Flows.

Statement of Fiduciary Net Position – The statement of fiduciary net position presents information reflecting the Authority's trust fund for Other Post Employment Benefit (OPEB) assets, deferred outflow of resources, liabilities, deferred inflows of resources and net position. The Authority's fiduciary net position represents the amount of total assets and deferred outflows of resources less liabilities and deferred inflows of resources and is one way to measure the Authority's financial position and operational solvency for the OPEB plan.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Statement of Changes in Fiduciary Net Position – The statement reflects the Authority's additions and deductions to the OPEB trust during the fiscal year.

Financial Highlights 2020:

- The Authority issued \$292 million of conduit debt for educational institutions during 2020.
- Cash and Investments represent approximately 97% of Total Assets at the end of 2020.
- The Authority's 2020 operating margin (net operating income as a percentage of operating revenues) was 21.5%.
- At December 31, 2020, Net Position represents approximately 2 times 2020 total operating expenses.

During 2020, the Authority's volume of financing activity, excluding the state-backed bond programs was approximately \$270 million more than 2019. The increased volume was due primarily to the result of market conditions. The Authority continued to work with the State's public and private institutions on their multi-year plans to invest in the upgrading of their capital facilities, technology infrastructures and capital equipment to accommodate growing demand for higher education. The Authority also helped New Jersey colleges and universities restructure outstanding issues for the greatest benefit to the institutions.

Condensed Financial Information

The following table represents condensed statement of net position information and changes between December 31, 2019 and December 31, 2020 and between December 31, 2018 and December 31, 2019:

	2020	2019	2018	Increase (Decrease) 2019 to 2020	Increase (Decrease) 2018 to 2019
Current Assets	\$ 9,982,124	\$ 10,000,057	\$ 10,662,151	-0.18%	-6.21%
Noncurrent Investments	1,676,119	863,393	-	94.13%	100.00%
Capital Assets, Net	53,395	66,142	86,049	-19.27%	-23.13%
Security Deposit	21,505	21,505	21,505	0.00%	0.00%
Net OPEB Asset	82,325	385,851	-	-78.66%	100.00%
Deferred Outflows of Resources	1,377,923	1,130,156	1,526,382	21.92%	-25.96%
Total Assets and Def. Outflows	<u>13,193,391</u>	<u>12,467,104</u>	<u>12,296,087</u>	5.83%	1.39%
Current Liabilities	768,783	712,898	645,259	7.84%	10.48%
Noncurrent Liabilities	2,961,073	3,468,062	3,921,922	-14.62%	-11.57%
Total Liabilities	<u>3,729,856</u>	<u>4,180,960</u>	<u>4,567,181</u>	-10.79%	-8.46%
Deferred Inflows of Resources	<u>3,440,055</u>	<u>3,711,608</u>	<u>3,384,687</u>	-7.32%	9.66%
Total Net Position	<u>\$ 6,023,480</u>	<u>\$ 4,574,536</u>	<u>\$ 4,344,219</u>	31.67%	5.30%

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

The following table represents condensed information from the Statements of Revenues, Expenses, and Changes in Net Position, and changes between 2019 and 2020 and between 2018 and 2019:

	2020	2019	2018	Increase (Decrease) 2019 to 2020	Increase (Decrease) 2018 to 2019
Operating Revenues:					
Administrative Fees	\$ 3,218,653	\$ 2,437,351	\$ 2,493,007	32.06%	-2.23%
Total Operating Revenues	3,218,653	2,437,351	2,493,007	32.06%	-2.23%
Operating Expenses:					
Salaries and Related Expenses	1,902,881	1,855,729	2,076,501	2.54%	-10.63%
General and Administrative Expenses	548,689	511,616	599,007	7.25%	-14.59%
Professional Fees	75,425	59,133	92,427	27.55%	-36.02%
Total Operating Expenses	2,526,995	2,426,478	2,767,935	4.14%	-12.34%
Net Operating Income/(Loss)	691,658	10,873	(274,928)	6261.24%	-103.95%
Nonoperating Revenues (Expenses):					
Loss of Asset Disposal	-	(129)	(895)	-100.00%	-85.59%
Investment Income	757,286	219,573	202,123	244.89%	8.63%
Change in Net Position	1,448,944	230,317	(73,700)	529.11%	-412.51%
Net Position - Beginning of Year	4,574,536	4,344,219	4,417,919	5.30%	-1.67%
Net Position - End of Year	\$ 6,023,480	\$ 4,574,536	\$ 4,344,219	31.67%	5.30%

Analysis of Overall Financial Position and Results of Operations

The Authority's solid financial position and strong operating results continued.

Revenues

The Authority's revenues are derived primarily from two fees; annual fees charged with respect to existing bond issues, and initial fees charged with respect to the issuance of new debt. Total revenues for 2020 increased approximately \$781,300 from 2019 and total revenues for 2019 decreased approximately \$56,000 from 2018.

Expenses

Operating expenses increased in 2020 by 4.14% from 2019, and 2019 decreased 12.34% from 2018.

Assets and Liabilities

Net position increased \$1,448,944, or 31.67% from 2019 to 2020 and increased \$230,317, or 5.30% from 2018 to 2019. Net position increased in 2020 as a result of an increase in revenues.

Contacting the Authority's Financial Management

If you have questions about this report or need additional financial information, contact the Office of the Chief Finance Officer, New Jersey Educational Facilities Authority, 103 College Road East, Princeton, New Jersey 08540-6612. Readers are invited to visit the Authority's website at www.njefa.com.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
STATEMENTS NET POSITION
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash	\$ 595,681	\$ 905,527
Investments	9,272,225	9,052,158
Fees Receivable	45,820	2,078
Prepaid Expenses and Other Assets	68,398	40,294
Total Current Assets	9,982,124	10,000,057
NONCURRENT ASSETS		
Investments	1,676,119	863,393
Capital Assets, at cost, Less Accumulated Depreciation of \$402,679 and \$377,529 Through 2020 and 2019, Respectively	53,395	66,142
Security Deposit	21,505	21,505
Net OPEB asset	82,325	385,851
Total Noncurrent Assets	1,833,344	1,336,891
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals	714,843	1,109,809
OPEB deferrals	663,080	20,347
Total Deferred Outflows of Resources	1,377,923	1,130,156
Total Assets and Deferred Outflows of Resources	\$ 13,193,391	\$ 12,467,104
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 763,783	\$ 712,898
Unearned Revenue	5,000	
Total Current Liabilities	768,783	712,898
NONCURRENT LIABILITIES		
Net Pension Liability	2,957,840	3,461,597
Project Obligations	3,233	6,465
Total Noncurrent Liabilities	2,961,073	3,468,062
Total Liabilities	3,729,856	4,180,960
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals	1,527,805	1,452,611
OPEB deferrals	1,912,250	2,258,997
Total Deferred Inflows of Resources	3,440,055	3,711,608
NET POSITION		
Investment in Capital Assets	74,900	87,647
Unrestricted	5,948,580	4,486,889
Total Net Position	6,023,480	4,574,536
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 13,193,391	\$ 12,467,104

See accompanying Notes to Financial Statements.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
STATEMENT OF REVENUES, EXPENSE AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Administrative Fees	<u>\$ 3,218,653</u>	<u>\$ 2,437,351</u>
OPERATING EXPENSES		
Salaries and Related Expenses	1,902,881	1,855,729
General and Administrative Expenses	548,689	511,616
Professional Fees	75,425	59,133
Total Operating Expenses	<u>2,526,995</u>	<u>2,426,478</u>
NET OPERATING INCOME	691,658	10,873
NONOPERATING REVENUE/(EXPENSES)		
Loss of Asset Disposal	-	(129)
Investment Income	<u>757,286</u>	<u>219,573</u>
CHANGES IN NET POSITION	1,448,944	230,317
Net Position - Beginning of Year	<u>4,574,536</u>	<u>4,344,219</u>
NET POSITION - END OF YEAR	<u><u>\$ 6,023,480</u></u>	<u><u>\$ 4,574,536</u></u>

See accompanying Notes to Financial Statements.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Administrative Fees	\$ 3,179,911	\$ 2,855,101
Payments to Employees	(1,911,725)	(1,739,118)
Payments to Suppliers	(695,629)	(675,688)
Net Cash Provided by Operating Activities	572,557	440,295
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments		(87,287,466)
Sale and Maturity of Investments		87,369,221
Investment Income		222,658
Transfer to Investment	(950,000)	-
Transfer from Investment	80,000	-
Net Cash (Used)/Provided by Investing Activities	(870,000)	304,413
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of Capital Assets	(12,403)	(8,857)
Net Cash Used by Capital and Related Financing Activities	(12,403)	(8,857)
NET (DECREASE) INCREASE IN CASH	(309,846)	735,851
Cash - Beginning of Year	905,527	169,676
CASH - END OF YEAR	\$ 595,681	\$ 905,527
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net Operating Income	\$ 691,658	\$ 10,873
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	25,150	28,636
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
Fees Receivable	(43,742)	417,750
Prepaid Expenses and Other Assets	(28,104)	12,001
Accounts Payable and Accrued Expenses	50,885	67,639
Unearned Revenue	5,000	-
Project Obligations	(3,232)	(3,233)
Postemployment Benefits other than Pension and Related Deferred Items	(91,461)	(209,982)
Net Pension Liability and Related Deferred Items	(33,597)	116,611
Net Cash Provided by Operating Activities	\$ 572,557	\$ 440,295
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTMENT ACTIVITIES		
Change in Fair Value of Investments	\$ 297,040	\$ (3,085)

See accompanying Notes to Financial Statements.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
STATEMENTS OF FIDUCIARY NET POSITION
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash & Equivalents	\$ 18,018	\$ 2,808,430
Total Current Assets	18,018	2,808,430
INVESTMENTS AT FAIR VALUE		
Mutual Fund - Equity	1,790,135	-
Mutual Fund - Bond	1,546,557	-
Total Noncurrent Assets	3,336,692	-
Total Assets	\$ 3,354,710	\$ 2,808,430
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Total Net Position	\$ 3,354,710	\$ 2,808,430

See accompanying Notes to Financial Statements.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
Additions		
Investment Income:		
Net Increase/(Decrease) in Fair Value	\$ 319,341	\$ -
Interest and Dividend Income	275,152	58,024
Net Investment Income	594,493	58,024
Total Additions	594,493	58,024
Deductions		
Employer Reimbursement	(48,213)	(37,562)
Trustee Payment	-	(500)
Total Deductions	(48,213)	(38,062)
CHANGES IN NET POSITION	546,280	19,962
Net Position - Beginning of Year	2,808,430	2,788,468
NET POSITION - END OF YEAR	\$ 3,354,710	\$ 2,808,430

See accompanying Notes to Financial Statements.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 1 ORGANIZATION AND FUNCTION OF THE AUTHORITY

The New Jersey Educational Facilities Authority (the Authority), a component unit of the State of New Jersey, was created under the provisions of Chapter 106 of New Jersey Public Laws of 1966 as a public body corporate and politic. The powers of the Authority permit the sale of notes, bonds and other obligations to support the construction, acquisition and equipping of educational facilities for public and private institutions of higher education in the State of New Jersey. The Authority is also authorized, pursuant to statutory amendments, to issue State supported bonds to fund matching grants to qualified public libraries for capital improvements. The obligations issued by the Authority are conduit debt and are not guaranteed by, nor do they constitute a debt or obligation of, the State of New Jersey.

The Authority is exempt from both federal and state taxes.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The accounts are maintained on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

In its accounting and financial reporting, the Authority follows the pronouncements of the Governmental Accounting Standards Board (GASB).

Administrative Fees

The Authority charges administrative fees to its client institutions for which bond and note sales have been completed. Such fees are considered operating revenue and are charged for services related to the structuring and administration of Authority financings, investment management of bond proceeds, monitoring of financial performance and other project costs and services. These fees are recognized as earned. The fees are used to provide sufficient funds to ensure that the Authority's operating expenses will be met, and that sufficient reserves will be available to provide for the Authority's needs.

Capital Assets

Capital assets, which consist of furniture and equipment, are carried at cost and depreciated over their useful lives using the straight-line method.

Conduit Debt

Due to the fact that the bonds and notes issued by the Authority are nonrecourse conduit debt obligations of the Authority, the Authority has, in effect, none of the risks and rewards of the related financings. Accordingly, with the exception of certain fees generated as a result of the financing transaction, the financing transaction is given no accounting recognition in the accompanying financial statements. At December 31, 2020 and 2019, the amount of conduit debt outstanding totaled \$4,780,581,076 and \$4,742,324,053, respectively.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Inflows and Outflows of Resources

In addition to assets and liabilities, the statements of net position report separate sections of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period which will not be recognized as an outflow of resources until that time. Deferred inflows of resources represent an acquisition of net position that applies to a future period which will not be recognized as an inflow of resources until that time.

Deferred outflows and inflows of resources for defined benefit plans result from the difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan and OPEB investments, changes in the Authority's proportion of expenses and liabilities to the pension and OPEB as a whole, differences between the Authority's pension and OPEB contributions and its proportionate share of contributions, and the Authority's pension and OPEB contributions subsequent to the pension and OPEB valuation measurement dates.

Accounting Standard Adopted

GASB issued GASB Statement No. 84 (GASB No. 84), *Fiduciary Activities*, which is effective for reporting periods beginning after December 15, 2018. GASB No. 84 addresses criteria for identifying activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units. Activities meeting these criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. In 2019, the Authority adopted the GASB No. 84 criteria as it relates to its OPEB plan.

Recent Accounting Standards

In June 2017, the GASB issued Statement No. 87, *Leases*, which is effective for fiscal years beginning after December 15, 2019 extended to June 15, 2021. The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Authority will implement GASB Statement No. 87 when required for its December 31, 2022 financial statements.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Standards (continued)

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which is effective for fiscal years beginning after December 15, 2020. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The Authority has determined that GASB 91 will not impact its financial statements.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. This Statement addresses a variety of topics and the majority of topics are effective for fiscal years beginning after June 15, 2021. The Authority has not yet completed the process of evaluating the impact of GASB 92 on its financial statements.

Reclassifications

Certain amounts in 2019 have been reclassified to conform with the 2020 presentation.

NOTE 3 DEPOSITS AND INVESTMENTS

At December 31, 2019 and 2019, the Authority's bank balance excluding payments and deposits in transit was \$1,286,060 and \$909,724, respectively. Funds in excess of the Federal Deposit Insurance Corporation (FDIC) insured amounts are protected by the New Jersey Governmental Unit Deposit Protection Act (GUDPA).

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The types of securities which are permitted investments for Authority funds are established by New Jersey Statutes and the Authority's approved investment policy. All funds of the Authority may be invested in obligations of, or guaranteed by, the United States Government. In addition, certain funds of the Authority may be invested in: obligations of agencies of the U.S. government; obligations of, or guaranteed by, the State of New Jersey; collateralized certificates of deposit and repurchase agreements; commercial paper; and other securities which shall be authorized for the investment of funds in the custody of the Treasurer of the State of New Jersey.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (continued)

The following is a description of the valuation methodologies used for instruments measured at fair value:

- U.S. treasuries and agencies are valued at quoted price reported on the active market
- Municipal bonds, corporate bonds, mortgage securities, asset backed securities and other fixed income securities are valued using prices based on bid evaluations or quoted prices in an inactive market.
- Money market accounts are recorded at the quoted price which approximates fair value.

As of December 31, 2020 and 2019, the Authority had the following recurring fair value measurements using current sale prices (Level 1 inputs) or sale prices of comparable securities (Level 2 inputs) and using net asset value (NAV) per share valuation for Money Market Mutual Funds for investments and cash equivalents, and maturities:

Investment Type	Fair Value	2020		
		Level 1	Level 2	Level 3
U.S. Treasury Bill	\$ 849,393	\$ 849,393	\$ -	\$ -
U.S. Treasury Note	3,106,330	3,106,330	-	-
U.S. Agencies	483,547	-	483,547	-
Commercial Paper	1,536,705	-	1,536,705	-
Certificate of Deposit	3,756,054	-	3,756,054	-
Asset-Backed Security	1,180,209	-	1,180,209	-
Money Market Funds	36,106	36,106	-	-
	<u>\$ 10,948,344</u>	<u>\$ 3,991,829</u>	<u>\$ 6,956,515</u>	<u>\$ -</u>

Investment Type	Fair Value	2019		
		Level 1	Level 2	Level 3
U.S. Treasury Bill	\$ 653,642	\$ 653,642	\$ -	\$ -
U.S. Treasury Note	2,418,983	2,418,983	-	-
U.S. Agencies	1,003,288	-	1,003,288	-
Corporate Bonds	1,232,857	-	1,232,857	-
Commercial Paper	757,498	-	757,498	-
Certificate of Deposit	2,941,653	-	2,941,653	-
Asset-Backed Security	863,393	-	863,393	-
Money Market Funds	44,237	44,237	-	-
	<u>\$ 9,915,551</u>	<u>\$ 3,116,862</u>	<u>\$ 6,798,689</u>	<u>\$ -</u>

In 2020 and 2019, the Authority had \$36,106 and \$44,237, respectively, invested in a money market mutual fund, which invests in short-term and other obligations of the U.S. Treasury.

In accordance with Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures* (GASB 40), the Authority has assessed the Custodial Credit Risk, the Concentration of Credit Risk, Credit Risk and Interest Rate Risk of its Cash and Investments.

- (a) Custodial Credit Risk – The Authority’s deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held

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YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (continued)

by the pledging financial institution's trust department or agent but not in the depositor-government's name. The deposit risk is that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Authority and are held by either: the counterparty or the counterparty's trust department or agent but not in the Authority's name. The risk is that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

At December 31, 2020 and 2019, the Authority's bank balances were not exposed to custodial credit risk since the amounts were covered by either FDIC insurance or New Jersey GUDPA.

As of December 31, 2020 and 2019, the Authority's investments consisted of U.S. Treasury and Agency Obligations in the amount of \$4,439,270 and \$4,075,913, respectively, Investment Agreements in the amount of \$6,472,968 and \$5,795,401, respectively, and Money Market Mutual Funds in the amount of \$36,106 and \$44,237, respectively. Since the investments are registered in the Authority's name, they are not exposed to custodial credit risk.

- (b) Concentration of Credit Risk – This is the risk associated with the amount of investments the Authority has with any one issuer that exceed five percent of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. At December 31, 2020 and 2019, the Authority was not exposed to a concentration of credit risk.
- (c) Credit Risk – GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Securities must be rated investment grade or better by a nationally recognized credit rating agency at the time of purchase. Split rated credits will be considered to have the lower credit rating. Money market instruments must be rated AAA or better at the time of purchase. In the event that a security is downgraded below these credit quality guidelines, the investment manager(s) shall notify the Authority and provide an evaluation and plan of action.

Temporary cash balances may be invested in a money market instrument (AAAm).

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 3 DEPOSITS AND INVESTMENTS (continued)

The following table summarizes S&P's agency ratings of the Authority's investments at fair value as of December 31, 2020 and 2019:

<u>Investment Type</u>	<u>Quality Rating</u>	<u>2020</u>	<u>2019</u>
U.S. Treasury Bill	A-1+	\$ 849,393	\$ 653,642
U.S. Treasury Note	AA+	3,106,330	2,418,983
U.S. Agencies	A-1+	349,910	1,003,287
U.S. Agencies	AA+	133,637	-
Corporate Bonds	A	-	610,779
Corporate Bonds	A-	-	622,078
Commercial Paper	A-1	1,426,870	309,152
Commercial Paper	A-1+	109,835	448,346
Certificate of Deposit	A-1	2,995,785	1,990,780
Certificate of Deposit	A-1+	760,269	950,874
Asset-Backed Security	AAA	1,180,209	863,393
Money Market Funds	AAAm	36,106	44,237
		<u>\$ 10,948,344</u>	<u>\$ 9,915,551</u>

- (d) Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a written policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations, but the Authority does from time to time evaluate its investment portfolio to determine if, based on the interest rate environment, other investment vehicles would provide higher yields that lower the cost and risk. As of December 31, 2020 and 2019, the Authority had the following investments and maturities.

December 31, 2020:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>		
		<u>less than 1</u>	<u>1-5</u>	<u>greater than 5</u>
U.S. Treasury Bill	\$ 849,393	\$ 849,393	\$ -	\$ -
U.S. Treasury Note	3,106,330	2,594,084	512,246	-
U.S. Agencies	483,547	483,547	-	-
Commercial Paper	1,536,705	1,536,705	-	-
Certificate of Deposit	3,756,054	3,756,054	-	-
Asset-Backed Security	1,180,209	16,336	1,163,873	-
Money Market Funds	36,106	36,106	-	-
	<u>\$ 10,948,344</u>	<u>\$ 9,272,225</u>	<u>\$ 1,676,119</u>	<u>\$ -</u>

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
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NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (continued)

December 31, 2019:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>		
		<u>less than 1</u>	<u>1-5</u>	<u>greater than 5</u>
U.S. Treasury Bill	\$ 653,642	\$ 653,642	\$ -	\$ -
U.S. Treasury Note	2,418,983	2,418,983	-	-
U.S. Agencies	1,003,288	1,003,288	-	-
Corporate Bonds	1,232,857	1,232,857	-	-
Commercial Paper	757,498	757,498	-	-
Certificate of Deposit	2,941,653	2,941,653	-	-
Asset-Backed Security	863,393	-	863,393	-
Money Market Funds	44,237	44,237	-	-
	<u>\$ 9,915,551</u>	<u>\$ 9,052,158</u>	<u>\$ 863,393</u>	<u>\$ -</u>

For the years ended December 31, 2020 and 2019, investment income comprised the following:

	<u>2020</u>	<u>2019</u>
Interest Earnings	\$ 460,246	\$ 222,658
Net Increase in Fair Value of Investments	297,040	(3,085)
Total Investment Income	<u>\$ 757,286</u>	<u>\$ 219,573</u>

NOTE 4 EMPLOYEE RETIREMENT SYSTEMS

Description of Plans

The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the Public Employees Retirement System (PERS), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions.

However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of

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NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Public Employees' Retirement System

The Public Employees' Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction's pension fund.

Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2020 and 2019:

	2020	2019
Inactive plan members or beneficiaries currently receiving benefits	182,492	178,748
Inactive plan members entitled to but not yet receiving benefits	942	609
Active plan members	249,045	252,598
Total	432,479	431,955

Contributing Employers – 1,691

For the years ended December 31, 2020 and 2019 the Authority's total and covered payroll for all employees was \$1,401,916 and \$1,335,909. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Commission to active employees covered by the Plan.

Specific Contribution Requirements and Benefit Provisions – The contribution policy is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2019 and State fiscal year 2020. Employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Authority contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

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NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

It is assumed that the Local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 78% of its actuarially determined contribution and 100% of its NCGIPF contribution for all years of the projection. The 78% contribution rate is the actual total State contribution rate paid in fiscal year ending June 30, 2020 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2020 for all State administered retirement systems.

In accordance with Chapter 98, P.L. 2017, PERS receives 21.02% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis.

The Authority's payments to PERS during the years ending December 31, 2020 and 2019 consisted of the following:

	2020	2019
Total Regular Billing	\$ 198,422	\$ 186,870

The Authority recognizes liabilities to PERS and records expenses for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:15. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007;
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008;
3	Members who were eligible on or after November 2, 2008 and prior to May 22, 2010;
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011;
5	Members who were eligible to enroll on or after June 28, 2011.

A service retirement benefit of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, to tier 3 and 4 members before age 62 and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the PERS reported a net pension liability of \$18,143,832,135 for its Non-State Employer Member Group. The Authority’s proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Authority was \$2,957,840 or 0.0181380391%, which was a decrease of 0.0010733268% from its proportion measured as of June 30, 2019.

At June 30, 2019, the PERS reported a net pension liability of \$18,143,832,135 for its Non-State Employer Member Group. The Authority’s proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Authority was \$3,461,597 or 0.0192113659%.

The following presents a summary of the Authority’s proportionate share of the collective deferred outflows of resources and deferred inflows of resources attributable to the Authority for the year ended June 30, 2020 and 2019:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 53,857	\$ 10,460
Changes of assumptions	95,956	1,238,476
Net difference between projected and actual investment earnings on pension plan investments	101,101	
Changes in proportion	364,718	278,869
Authority contributions subsequent to the measurement date	99,211	
	<u>\$ 714,843</u>	<u>\$ 1,527,805</u>
	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 62,131	\$ 15,292
Changes of assumptions	345,653	1,201,509
Net difference between projected and actual investment earnings on pension plan investments		54,643
Changes in proportion	608,590	181,167
Authority contributions subsequent to the measurement date	93,435	
	<u>\$ 1,109,809</u>	<u>\$ 1,452,611</u>

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NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

The \$99,211 of deferred outflows of resources resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Amount
2021	\$ (241,377)
2022	(278,899)
2023	(242,968)
2024	(124,213)
2025	(24,716)
Total	<u>\$ (912,173)</u>

Actuarial Assumptions- The collective pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

<u>June 30, 2020 and 2019</u>	
Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00%
	based on years of service
Thereafter	3.00 - 7.00%
	based on years of service
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis.

Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

The actuarial assumptions used in the July 1, 2019 and July 1, 2018 valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experiences will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 and 2019 are summarized in the following tables:

	2020	
Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

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NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

2019		
Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020 and 6.28% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability – the following presents the Authority's proportionate share of the net pension liability calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	<u>June 30, 2020</u>		
	At 1% Decrease	At Current Discount Rate (7.00%)	At 1% Increase
PERS	\$ 3,723,427	\$ 2,957,840	\$ 2,308,218
	<u>June 30, 2019</u>		
	At 1% Decrease	At Current Discount Rate (6.28%)	At 1% Increase
PERS	\$ 4,372,560	\$ 3,461,597	\$ 2,693,982

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NOTE 4 EMPLOYEE RETIREMENT SYSTEMS (continued)

Plan Fiduciary Net Position – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2020 and 2019 were \$29,045,369,302 and \$29,847,977,666, respectively. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2020 and 2019 was \$22,997,176,445 and \$23,347,631,751, respectively.

Additional information

Collective Local Group balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 2,347,583,337
Collective deferred inflows of resources	7,849,949,407
Collective net pension liability	16,435,616,426
Authority's Proportion	0.0181380391%

Collective Local Group pension expense for the Local Group for the measurement period ended June 30, 2020 and 2019 was \$407,705,399 and \$974,471,686, respectively. The average of the expected remaining service lives of all plan members is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for the 2020, 2019, 2018, 2017, 2016, 2015, and 2014 amounts, respectively.

State Contribution Payable Dates

Prior to July 1, 2019 valuation, it is assumed the State will make pension contributions the June 30th following the valuation date. Effective with the July 1, 2019 valuation Chapter 83 P.L. 2016 requires the State to make pension contributions on a quarterly basis at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30.

Receivable Contributions

The Fiduciary Net Position (FNP), includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the years ended June 30, 2020 and June 30, 2019 are \$1,144,889,253 and \$1,038,892,124, respectively.

NOTE 5 POST-RETIREMENT HEALTH CARE BENEFITS

The New Jersey Educational Facilities Authority provides healthcare to its employees and retirees through its participation in the State Health Benefits Program (SHBP), a cost sharing multiple employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions

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NOTE 5 POST-RETIREMENT HEALTH CARE BENEFITS (continued)

and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

In April 2008, the Authority established and funded an irrevocable trust in the amount of \$2,000,000 to pay for the employee postretirement medical benefits. The Authority established the trust for its OPEB obligations (OPEB Trust) for the exclusive benefit of the OPEB Trust beneficiaries and not of the Authority. The ownership of the OPEB Trust assets are not considered funds or assets of the Authority for any purpose. All of the OPEB Trust assets are irrevocably dedicated to, and are used for the exclusive purpose of, making payments of benefits to or for the benefit of the Authority OPEB Plan beneficiaries and for paying administrative expenses of the Authority OPEB Plan and the OPEB Trust and will not be available to any creditors of the Authority. The OPEB Trust does not issue a stand-alone financial report and its financial statements are reported as a fiduciary fund in the Authority's financial report. At December 31, 2020 and 2019, the fair value of this trust fund was \$3,354,710 and \$2,808,430.

At June 30, 2020 and 2019, Nineteen (19) and Eighteen (18) plan members (active and retiree) were receiving postretirement health care benefits in which the Authority was billed \$105,518 and \$354,930, respectively. Participating employers are contractually required to provide for their contributions based on the amount of premiums attributable to the retirees.

Benefits Provided

The Plan provides medical and prescription drug coverage to retirees and their dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

Contributions

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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NOTE 5 POST-RETIREMENT HEALTH CARE BENEFITS (continued)

Nonspecial Funding Situation - The State of New Jersey's Total OPEB Liability for nonspecial funding situation was \$12,484,309,814 and \$8,020,352,361 at June 30, 2020 and 2019, respectively.

The amounts of the State's Non-employer OPEB Liability that are attributable to employees and retirees of the New Jersey Educational Facilities Authority was \$3,272,385 and \$2,422,579 at June 30, 2020 and 2019, respectively. These allocated liabilities represent 0.018234% and 0.017884% of the State's Total Non-employer OPEB Liability for June 30, 2019 and 2018, respectively.

Components of Net OPEB Liability – The components of the collective net OPEB liability for PERS, including the State of New Jersey, is as follows:

	June 30, 2020	June 30, 2019
Total OPEB Liability	\$ 18,111,475,228	\$ 13,819,244,582
Plan Fiduciary Net Position	164,862,282	273,173,482
 Net OPEB Liability	 \$ 17,946,612,946	 \$ 13,546,071,100
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.91%	 1.98%

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary Increases*:	
Public Employees' Retirement Systems (PERS)	
Initial fiscal year applied	
Rate through 2026	2.00 - 6.00%
Rate thereafter	3.00 - 7.00%
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020

*Salary increases are based on years of service within the respective plan.

Actuarial assumptions used in the July 1, 2019 valuation were based on the results of the PERS experience study prepared for July 1, 2014 to June 30, 2018.

100% of active members are considered to participate in the Plan upon retirement.

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NOTE 5 POST-RETIREMENT HEALTH CARE BENEFITS (continued)

Healthcare Trend Assumptions – For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years.

Discount Rate - The discount rate for June 30, 2020 and 2019 was 2.21% and 3.50%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of the State's Net OPEB Liability to Changes in the Discount Rate:

The following presents the collective net OPEB liability of the participating employers as of June 30, 2020 and 2019, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage- point higher than the current rate:

	June 30, 2020		
	1% Decrease (1.21%)	At Discount Rate (2.21%)	1% Increase (3.21%)
Total Net OPEB Liability	\$21,216,688,254	\$17,946,612,946	\$15,358,051,000
Authority's Share	\$ 3,868,650	\$ 3,272,385	\$ 2,800,387
	June 30, 2019		
	1% Decrease (2.50%)	At Discount Rate (3.50%)	1% Increase (4.50%)
Total Net OPEB Liability	\$15,662,704,137	\$13,546,071,100	\$11,826,026,995
Authority's Share	\$ 2,801,118	\$ 2,422,579	\$ 2,114,966

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NOTE 5 POST-RETIREMENT HEALTH CARE BENEFITS (continued)

Sensitivity of the State's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the net OPEB liability as of June 30, 2020 and 2019, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total Net OPEB Liability	\$14,850,840,718	\$17,946,612,946	\$22,000,569,109
Authority's Share	\$ 2,707,902	\$ 3,272,385	\$ 4,011,583
	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total Net OPEB Liability	\$11,431,214,644	\$13,546,071,100	\$16,243,926,531
Authority's Share	\$ 2,044,358	\$ 2,422,579	\$ 2,905,063

At June 30, 2020 and 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2020	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Changes between expected and actual experience	\$ 86,192	\$ 609,379
Changes of assumptions	489,446	727,728
Changes in proportion	68,123	575,143
Net difference between projected and actual investment earnings on OPEB plan investments	2,078	
Authority contributions subsequent to the measurement date	17,241	
	<u>\$ 663,080</u>	<u>\$ 1,912,250</u>
	June 30, 2019	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Changes between expected and actual experience		\$ 708,457
Changes of assumptions		858,508
Changes in proportion		692,032
Net difference between projected and actual investment earnings on OPEB plan investments	\$ 1,996	
Authority contributions subsequent to the measurement date	18,351	
	<u>\$ 20,347</u>	<u>\$ 2,258,997</u>

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NOTE 5 POST-RETIREMENT HEALTH CARE BENEFITS (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources – Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending</u>	<u>Amount</u>
2021	\$ (285,102)
2022	(285,279)
2023	(285,545)
2024	(285,756)
2025	(169,555)
Thereafter	<u>44,826</u>
Total	<u><u>\$(1,266,411)</u></u>

Changes in Proportion - The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.87, 8.05, 8.14, and 8.04 years for the 2020, 2019, 2018, and 2017 amounts, respectively.

NOTE 6 COMMITMENTS AND CONTINGENCIES

The Authority has an operating lease commitment for its offices at an annual rental of approximately \$197,340 through December 31, 2024.

The Authority, in the normal course of business, is involved in various legal matters. Under the terms of the agreements between the Authority and the public and private institutions of higher education, and costs associated with litigation are the obligation of the institution involved. It is the opinion of the Authority after consultation with legal counsel that its financial position will not be adversely affected by the ultimate outcome of any existing legal proceedings.

NOTE 7 NET POSITION

The Authority's net position represents the excess of assets and deferred outflows of resources over liabilities and deferred inflows of resources and is categorized as follows:

- **Investment in Capital Assets** are the amounts expended by the Authority for the acquisition of capital assets, net of accumulated depreciation.
- **Unrestricted** is the remaining net position, which can be further categorized as designated or undesignated. The designated position is not governed by statute or contract but is committed for specific purposes pursuant to Authority policy and/or directives. The designated portion includes funds and assets committed to working capital.

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NOTE 7 NET POSITION (continued)

The changes in net position are as follows:

	Investment in		
	Capital Investments	Unrestricted	Total
Net Position at December 31, 2018	\$ 107,554	\$ 4,236,665	\$ 4,344,219
Net Position Change	-	230,317	230,317
Loss on Capital Asset Disposals	8,858	(8,858)	-
Capital Asset Additions	(129)	129	-
Depreciation	(28,636)	28,636	-
Net Position at December 31, 2019	87,647	4,486,889	4,574,536
Net Position Change	-	1,448,944	1,448,944
Capital Asset Additions	12,403	(12,403)	-
Depreciation	(25,150)	25,150	-
Net Position at December 31, 2020	<u>\$ 74,900</u>	<u>\$ 5,948,580</u>	<u>\$ 6,023,480</u>

NOTE 8 RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Authority maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims have not exceeded this commercial coverage in any of the last three years.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE HEALTH BENEFIT LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN

LAST TEN FISCAL YEARS*

	2020	2019	2018	2017	2016
Authority's Total OPEB Liability, Beginning Balance	\$ 2,422,579	\$ 3,025,537	\$ 4,086,424	\$ 4,803,686	\$ 3,462,400
Net Activity	<u>849,806</u>	<u>(602,958)</u>	<u>(1,060,887)</u>	<u>(717,262)</u>	<u>1,341,286</u>
Authority's Total OPEB Liability, Ending Balance	<u>\$ 3,272,385</u>	<u>\$ 2,422,579</u>	<u>\$ 3,025,537</u>	<u>\$ 4,086,424</u>	<u>\$ 4,803,686</u>
Authority's proportion of the net OPEB (asset) liability	0.018234%	0.017884%	0.019312%	0.020016%	0.022119%
Authority's proportionate share of the net OPEB (asset) liability	\$ (82,325)	\$ (385,851)	\$ 237,069	\$ 1,349,459	\$ 467,762
Authority's covered-employee payroll	\$ 1,401,916	\$ 1,355,909	\$ 1,361,404	\$ 1,276,233	\$ 1,129,567
Authority's proportionate share of the net OPEB (asset) liability as a percentage of its covered-employee payroll	-5.87%	-28.46%	17.41%	105.74%	41.41%
Plan fiduciary net position as a percentage of the total OPEB liability	102.52%	115.93%	92.16%	66.07%	56.51%

The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

* This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, governments should present information for those years for which information is available.

Notes to Required Supplementary Information

Benefit Changes

As of June 30, 2020, Chapter 48 provisions were updated and adopted which provide different levels of subsidy than in the prior fiscal year.

Changes of Assumptions

The discount rate changed from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF AUTHORITY'S CONTRIBUTIONS
STATE HEALTH BENEFIT LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN

LAST TEN FISCAL YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 105,518	\$ 354,930	\$ 361,349	\$ 345,240	\$ 231,500
Contributions in relation to the contractually required contribution	<u>(105,518)</u>	<u>(354,930)</u>	<u>(361,349)</u>	<u>(345,240)</u>	<u>(231,500)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	\$ 1,401,916	\$ 1,355,909	\$ 1,361,404	\$ 1,276,233	\$ 1,129,567
Contributions as a percentage of covered-employee payroll	8%	26%	27%	27%	20%

* This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, governments should present information for those years for which information is available.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

LAST TEN FISCAL YEARS*

	2020	2019	2018	2017	2016	2015	2014	2013
Authority's proportion of the net pension liability (asset) - Local Group	0.0181380391%	0.0192113659%	0.0186655583%	0.0190835813%	0.0141831411%	0.0161515486%	0.0151122246%	0.0158916053%
Authority's proportionate share of the net pension liability (asset)	\$ 2,957,840	\$ 3,461,597	\$ 3,675,155	\$ 4,442,353	\$ 4,200,640	\$ 3,625,699	\$ 2,829,422	\$ 3,037,202
Authority's covered-employee payroll	\$ 1,401,916	\$ 1,355,909	\$ 1,361,404	\$ 1,276,233	\$ 1,129,567	Not available	Not available	Not available
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	210.99%	255.30%	269.95%	348.08%	371.88%	Not available	Not available	Not available
Plan fiduciary net position as a percentage of the total pension liability - Local Group	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	48.62%	48.72%

The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

*

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, governments should present information for those years for which information is available.

Note to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 6.28% as of June 30, 2019 to 7.00% as of June 30, 2020.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF AUTHORITY'S CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

LAST TEN FISCAL YEARS*

	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 198,422	\$ 186,870	\$ 185,662	\$ 176,789	\$ 126,001	\$ 138,860	\$ 124,583	\$ 119,740
Contributions in relation to the contractually required contribution	(198,422)	(186,870)	(185,662)	(176,789)	(126,001)	(138,860)	(124,583)	(119,740)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	\$ 1,401,916	\$ 1,355,909	\$ 1,361,404	\$ 1,276,233	\$ 1,129,567	Not available	Not available	Not available
Contributions as a percentage of covered-employee payroll	14.15%	13.78%	13.64%	13.85%	11.15%	Not available	Not available	Not available

* This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, governments should present information for those years for which information is available.

REQUIRED SUPPLEMENTARY INFORMATION

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

BALANCE SHEETS – TRUSTEE HELD FUNDS

	2020	2019
ASSETS		
Investments, Principally U.S. Government Obligations	\$ 349,667,277	\$ 235,663,277
Accrued Interest Receivable	468,519	74,115
Due from Colleges and Universities	2,345,730	2,350,492
Loans and Leases Receivable	4,750,676,076	4,707,946,553
Total Assets	\$5,103,157,602	\$ 4,946,034,437
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 19,425,791	\$ 3,328,978
Accrued Interest Payable	87,797,785	89,397,037
Bonds, Notes, and Leases Payable	4,780,581,076	4,742,324,053
Funds Held in Trust	215,352,950	110,984,369
Total Liabilities	\$5,103,157,602	\$ 4,946,034,437

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

STATEMENTS OF CHANGES IN TRUSTEE HELD FUNDS

	<u>2020</u>	<u>2019</u>
Funds Held in Trust - Beginning of Year	\$ 110,984,369	\$233,731,525
Additions:		
Proceeds from Sale of Bonds and Issuance of Notes:		
Par Amount	567,808,319	88,785,159
Annual Loan and Rental Requirements	515,901,195	499,118,381
College and University Contributions (Returned)	(119)	(33,264)
Investment Income	2,664,158	4,669,648
U.S. Government Debt Service Subsidies	373,678	1,256,039
Change in Investment Valuation Reserve	<u>(1,293,657)</u>	<u>407,522</u>
Total Additions	1,085,453,574	594,203,485
Deductions:		
Debt Service:		
Interest	210,142,370	216,483,040
Principal	298,840,478	283,210,206
Project Costs	275,557,771	192,730,702
Issuance Costs	8,789,241	270,271
Administrative Fees	2,403,863	2,437,350
Transfers to Escrow Accounts for Defeasance of Refunded Issues	<u>185,351,270</u>	<u>21,819,072</u>
Total Deductions	<u>981,084,993</u>	<u>716,950,641</u>
Decrease in Funds Held in Trust	<u>104,368,581</u>	<u>(122,747,156)</u>
Funds Held in Trust - End of Year	<u>\$ 215,352,950</u>	<u>\$110,984,369</u>

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 1 INTRODUCTION

Under the terms of the Authority’s enabling legislation, the Authority has the power to issue bonds and notes on behalf of public and private institutions of higher education in the State of New Jersey. The obligations issued by the Authority are conduit debt and are not guaranteed by, nor do they constitute a debt or obligation of, the State of New Jersey.

Because the bonds and notes issued by the Authority are nonrecourse conduit debt obligations of the Authority, the Authority has, in effect, none of the risks and rewards of the related financings. The supplemental financial statements presented herein include information pertaining to funds held by Trustees of the various bond and note issuances of the Authority.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The Trustee Held Funds are presented as fiduciary funds and are held by outside trustees and as such are not intended to present the financial position or results of operations of the Authority. The Trustee Held Funds utilize the accrual basis of accounting.

NOTE 3 FUNDS HELD IN TRUST

Funds held in trust include amounts in the construction, debt service and debt service reserve funds and the renewal and replacement accounts established for each bond issue. Balances maintained in the construction funds represent unexpended proceeds allocated for specific projects; the debt service fund, debt service reserve fund, and renewal and replacement account balances represent amounts reserved for payment of debt service and the renewal and replacement of major components of projects as required by the provisions of the various series resolutions. The following is a schedule of the aggregate funds held in trust as of December 31, 2020 and 2019:

	2020	2019
Construction Funds	\$ 190,265,074	\$ 101,391,244
Debt Service Funds	15,974,899	881,136
Debt Service Reserve Funds	7,732,251	7,732,251
Renewal and Replacement Accounts	1,380,726	979,738
Total Funds Held in Trust	\$ 215,352,950	\$ 110,984,369

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 4 CASH AND INVESTMENTS

Investments permitted in the Trustee Held Funds are authorized by the respective Bond Resolutions. All funds held by the trustees may be invested in obligations of, or guaranteed by, the United States Government. In addition, certain funds may be invested in: obligations of agencies of the U.S. government; obligations of, or guaranteed by, the state of New Jersey; collateralized certificates of deposit and repurchase agreements; commercial paper; and other securities which shall be authorized for the investment of funds in the custody of the Treasurer of the state of New Jersey.

Investments held by trustees are carried at fair value and comprise the following:

	<u>2020</u>	<u>2019</u>
Investments:		
Collateralized Investment Agreements	\$ 82,642,267	\$ 2,591,727
U.S. Treasury and Agency Obligations*	<u>267,025,010</u>	<u>233,071,550</u>
Total Investments	<u>\$ 349,667,277</u>	<u>\$ 235,663,277</u>

* Includes \$150,020,795 and \$181,974,977 of investments in pooled U.S. Treasury funds at December 31, 2020 and 2019, respectively, which are uncategorized.

NOTE 5 LOANS AND LEASES RECEIVABLE

Since its inception, the Authority has issued obligations of \$18,504,593,125 as of December 31, 2020, for the benefit of various public and private institutions of higher education. The obligations are secured by loans, mortgages, leases and other agreements, the terms of which generally correspond to the amortization of the related bond issues.

The loans and mortgages are secured by revenues produced by the facilities and by other legally available funds of the institutions. For projects under lease agreements, the Authority is the owner of those projects. It is the intention of the Authority to transfer title in the projects at the expiration of the leases. Accordingly, the leases are being accounted for as financing transactions.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 5 LOANS AND LEASES RECEIVABLE (continued)

	2020	2019
Loans:		
Institute for Advanced Study	\$ 32,225,000	\$ 35,220,000
New Jersey Institute of Technology	-	49,300,000
Princeton University	1,631,960,000	1,698,235,000
Mortgages:		
Bloomfield College	27,919,768	28,713,062
Caldwell University	17,194,649	17,511,310
Saint Elizabeth University	20,157,500	20,425,000
Fairleigh Dickinson University	50,266,099	55,926,991
Georgian Court University	24,647,500	25,762,500
Institute for Defense Analyses	6,755,000	7,320,000
Rider University	69,405,000	71,125,000
Saint Peter's University	19,885,712	22,229,980
Seton Hall University	274,117,500	166,177,500
Stevens Institute of Technology	285,087,500	113,402,500
Leases:		
Kean University	290,272,488	298,112,442
Montclair State University	357,622,500	371,162,500
New Jersey City University	128,032,500	133,200,000
Passaic County Community College	-	11,627,500
Ramapo College of New Jersey	196,610,000	204,617,500
Rowan University	45,515,000	51,340,000
Thomas Edison State University	6,941,468	8,132,777
The College of New Jersey	351,920,000	320,507,500
Stockton University	211,058,392	209,672,491
The William Paterson University of New Jersey	150,912,500	158,775,000
Higher Education Capital Improvement Fund	356,805,000	408,950,000
Higher Education Facilities Trust Fund	143,355,000	155,785,000
Higher Education Equipment Leasing Fund	19,785,000	26,665,000
Higher Education Technology Infrastructure Fund	25,140,000	27,675,000
Library Grant Program	7,085,000	10,375,000
	\$ 4,750,676,076	\$ 4,707,946,553
Total		

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 6 BONDS, NOTES AND LEASES PAYABLE

Bonds, notes, and leases payable comprise the following:

Issue	Original Issue Amount	Final Maturity Date	Net Effective Interest Rate	Amount Outstanding	
				December 31, 2020	2019
Bloomfield College 2013 Series A	\$ 32,267,000	5/13/2043	Variable	\$ 27,919,768	\$ 28,713,062
Caldwell University (formerly Caldwell College): 2019 Series A	17,000,000	6/1/2044	3.730%	16,479,490	16,796,151
Fairleigh Dickinson University: 2006 Series G	14,505,000	7/1/2028	4.954%	7,300,000	8,030,000
2006 Series H	2,147,554	7/1/2027	4.954%	463,599	521,991
2014 Series B	51,925,000	2/1/2029	3.678%	36,515,000	39,005,000
2015 Series B	19,675,000	7/1/2045	3.932%	6,370,000	8,735,000
Georgian Court University: 2017 Series G	13,325,000	7/1/2037	3.818%	13,115,000	13,200,000
2017 Series H	14,095,000	7/1/2033	4.196%	12,100,000	13,110,000
Higher Education Capital Improvement Fund: Series 2002 A	194,590,000	9/1/2022	4.599%	1,640,000	1,640,000
Series 2014 A	164,245,000	9/1/2033	3.669%	127,290,000	134,160,000
Series 2014 B	14,345,000	9/1/2033	3.671%	11,115,000	11,715,000
Series 2014 C	21,230,000	9/1/2020	1.696%	-	4,015,000
Series 2014 D	3,490,000	9/1/2020	1.712%	-	660,000
Series 2016 A	252,270,000	9/1/2024	2.841%	91,530,000	126,465,000
Series 2016 B	142,715,000	9/1/2036	4.733%	125,230,000	130,295,000
Higher Education Equipment Leasing Fund: Series 2014 A	82,235,000	6/1/2023	1.894%	17,665,000	23,705,000
Series 2014 B	7,105,000	6/1/2023	1.894%	2,120,000	2,960,000
Higher Education Facilities Trust Fund: Series 2014	199,855,000	6/15/2029	3.246%	143,355,000	155,785,000
Higher Education Technology Infrastructure Fund: Series 2014	38,110,000	6/1/2028	3.039%	25,140,000	27,675,000

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 6 BONDS, NOTES AND LEASES PAYABLE (continued)

Institute for Advanced Study:						
2006 Series B	\$ 29,600,000	7/1/2031	3.990%	\$ 17,800,000	\$ 19,500,000	
2006 Series C	20,000,000	7/1/2036	Variable	13,700,000	14,300,000	
2008 Series C	11,255,000	7/1/2021	3.619%	725,000	1,420,000	
Institute for Defense Analysis:						
2000 Series D	16,695,000	10/1/2030	Variable	6,755,000	7,320,000	
Kean University:						
Series 2009 A	179,380,000	9/1/2036	6.404%	262,488	-	
Series 2015 H	117,175,000	7/1/2039	3.762%	94,335,000	97,995,000	
Series 2017 C	184,230,000	9/1/2036	3.626%	181,615,000	184,230,000	
Series 2017 D	15,655,000	9/1/2039	3.310%	15,655,000	15,655,000	
Library Grant Program:						
Series 2002 A	45,000,000	9/1/2022	4.560%	7,085,000	10,375,000	
Montclair State University:						
Series 2006 J	154,110,000	7/1/2034	4.300%	4,315,000	11,460,000	
Series 2007 A	6,150,000	7/1/2021	4.022%	685,000	1,335,000	
Series 2014 A	189,365,000	7/1/2044	4.212%	173,290,000	177,940,000	
Series 2015 D	73,770,000	7/1/2036	3.757%	69,520,000	69,520,000	
Series 2016 B	118,190,000	7/1/2038	2.875%	116,770,000	117,490,000	
New Jersey City University:						
Series 2007 F	17,910,000	7/1/2032	4.337%	12,020,000	12,910,000	
Series 2008 F	6,175,000	7/1/2036	7.039%	6,175,000	6,175,000	
Series 2010 F	24,065,000	7/1/2028	3.313%	10,975,000	13,015,000	
Series 2010 G	18,310,000	7/1/2040	4.062%**	18,310,000	18,310,000	
Series 2015 A	35,340,000	7/1/2045	3.932%	35,340,000	35,340,000	
Series 2016 D	52,075,000	7/1/2035	2.886%	47,840,000	49,990,000	
New Jersey Institute of Technology:						
Series 2010 H	50,965,000	7/1/2031	4.280%	-	29,340,000	
Series 2010 I	20,450,000	7/1/2040	4.304%**	-	20,450,000	
Passaic County Community College:						
Series 2010 C	13,635,000	7/1/2041	5.355%	-	11,780,000	

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 6 BONDS, NOTES AND LEASES PAYABLE (continued)

Issue	Original Issue Amount	Final Maturity Date	Net Effective Interest Rate	Amount Outstanding December 31,	
				2020	2019
Princeton University:					
2011 Series B	\$ 250,000,000	7/1/2041	4.087%	\$ 209,950,000	\$ 215,845,000
2014 Series A	200,000,000	7/1/2044	3.773%	186,010,000	189,030,000
2015 Series A	156,790,000	7/1/2035	2.317%	97,305,000	117,700,000
2015 Series D	150,000,000	7/1/2045	3.403%	141,410,000	144,415,000
2016 Series A	109,500,000	7/1/2035	2.525%	101,525,000	105,610,000
2016 Series B	117,820,000	7/1/2027	1.769%	105,270,000	110,015,000
2017 Series B	342,240,000	7/1/2036	2.911%	276,635,000	307,705,000
2017 Series C	141,095,000	7/1/2047	3.505%	138,500,000	141,095,000
2017 Series I	357,105,000	7/1/2040	2.968%	341,355,000	351,820,000
Ramapo College of New Jersey:					
Series 2011 A	19,090,000	7/1/2021	3.325%	1,130,000	2,220,000
Series 2012 B	80,670,000	7/1/2042	3.689%	71,440,000	73,120,000
Series 2015 B	45,180,000	7/1/2040	3.585%	38,810,000	40,360,000
Series 2017 A	99,450,000	7/1/2047	3.505%	89,310,000	92,845,000
Rider University:					
2012 Series A	52,020,000	7/1/2037	3.741%	28,510,000	30,200,000
2017 Series F	41,770,000	7/1/2047	4.187%	41,770,000	41,770,000
Rowan University:					
Series 2011 C	30,045,000	7/1/2025	3.705%	9,850,000	12,550,000
Series 2016 C	45,300,000	7/1/2031	2.129%	38,685,000	41,595,000
Saint Peter's University					
2007 Series G	36,053,465	7/1/2027	4.217%	19,885,712	22,229,980

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 6 BONDS, NOTES AND LEASES PAYABLE (continued)

Issue	Original Issue Amount	Final Maturity Date	Net Effective Interest Rate	Amount Outstanding	
				December 31, 2020	2019
Seton Hall University:					
2011 Series A	\$ 35,470,000	7/1/2026	2.997%	\$ 4,615,000	\$ 5,270,000
2013 Series D	41,910,000	7/1/2043	2.707%	32,980,000	35,800,000
2015 Series C	22,205,000	7/1/2037	3.819%	18,785,000	19,505,000
2016 Series C	36,265,000	7/1/2046	3.198%	36,265,000	36,265,000
2017 Series D	39,520,000	7/1/2047	3.853%	39,520,000	39,520,000
2017 Series E	31,915,000	7/1/2039	3.914%	31,915,000	31,915,000
2020 Series C	33,205,000	7/1/2050	3.536%	33,205,000	-
2020 Series D	79,015,000	7/1/2048	3.829%	79,015,000	-
Stevens Institute of Technology:					
2017 Series A	119,905,000	7/1/2047	3.976%	112,120,000	114,685,000
2020 Series B	174,315,000	7/1/2050	3.382%	174,315,000	
The College of New Jersey:					
Series 2013 A	24,950,000	7/1/2043	4.561%	41,185,000	23,015,000
Series 2015 G	114,525,000	7/1/2031	3.301%	49,140,000	110,285,000
Series 2016 F	87,925,000	7/1/2040	2.928%	79,410,000	87,925,000
Series 2016 G	105,255,000	7/1/2034	3.323%	182,185,000	105,255,000
Saint Elizabeth University:					
2016 Series D	21,435,000	7/1/2046	4.566%	20,270,000	20,580,000
Stockton University					
Series 2015 E	18,830,826	7/1/2028	2.830%	11,988,392	13,447,491
Series 2016 A	202,445,000	7/1/2041	3.175%	195,330,000	197,120,000
2020 Series A	5,935,000	7/1/2035	2.171%	5,935,000	-
Thomas Edison State University					
Series 2011 D	8,000,000	10/1/2031	3.516%	3,815,953	4,237,005
Series 2014 B	7,000,000	12/1/2024	2.500%	2,985,000	3,685,000
The William Paterson University of New Jersey:					
Series 2012 C	33,815,000	7/1/2042	2.955%	29,690,000	30,230,000
Series 2012 D	21,860,000	7/1/2028	2.489%	10,640,000	11,840,000
Series 2015 C	45,695,000	7/1/2040	3.538%	27,810,000	30,785,000
Series 2016 E	60,755,000	7/1/2038	2.877%	56,100,000	58,485,000
Series 2017 B	27,065,000	7/1/2047	3.796%	25,775,000	26,255,000
Series 2019 A	5,070,000	7/1/2038	3.450%	4,860,000	5,070,000

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 6 BONDS, NOTES AND LEASES PAYABLE (continued)

Issue	Original Issue Amount	Final Maturity Date	Net Effective Interest Rate	Amount Outstanding December 31,	
				2020	2019
Notes Payable					
Princeton University:					
Various Commercial Paper	\$ 120,000,000 *	N/A	Variable	\$ 34,000,000	\$ 15,000,000
Leases Payable					
Kean University	10,000,000	7/1/2020	3.140%	-	750,000
Kean University	15,000,000	2/15/2021	2.820%	-	1,312,442
Thomas Edison State University	2,700,000	9/28/2022	Variable	140,515	210,772
Caldwell	3,000,000	N/A	Variable	715,159	715,159
				<u>\$ 4,780,581,076</u>	<u>\$ 4,742,324,053</u>

* Maximum authorized amount.

** Build America Bond

The minimum aggregate principal maturities for each of the following five-year periods are as follows:

2021 - 2025	\$ 1,115,638,125
2026 - 2030	1,206,757,737
2031 - 2035	1,056,767,318
2036 - 2040	657,225,323
2041 - 2045	475,682,573
2046 - 2050	268,510,000
Total	<u>\$ 4,780,581,076</u>

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
NOTES TO SUPPLEMENTAL FINANCIAL INFORMATION
DECEMBER 31, 2020 AND 2019**

NOTE 7 REFUNDED BOND ISSUES

When conditions have warranted, the Authority has sold various issues of bonds to provide for the refunding of previously issued obligations.

The proceeds received from the sales of the bond issues were used to refund currently the outstanding bond issues or to deposit in an irrevocable escrow fund held by the Escrow Agent, an amount which, when combined with interest earnings thereon, is at least equal to the sum of the outstanding principal amount of the bonds, the interest to accrue thereon to and including the first optional redemption date thereof, and the premium required to redeem the bonds outstanding on such date. Accordingly, the trust account assets and the liability for defeased bonds are not included in the Authority's financial statements.

Certain transactions defeased the outstanding bond issues with a resultant reduction in annual debt service during the term of the issues. The debt service savings, together with any accounting gain or loss that will be deferred, accrue to the respective institutions.

Refunded bonds outstanding at December 31, 2020 comprise the following:

Issue	Principal Amount Outstanding December 31, 2020	Refunded Issues			Refunding Issues		
		Principal Amount Refunded	Call Date	Debt Service Savings	Date of Issuance	Issue	Original Amount of Issue
Stevens Institute of Technology							
1998 Series I	\$ 2,100,000	\$ 6,050,000	No Call	N/A*	8/2/2007	2007 Series A	\$ 71,060,000
Drew University							
Series 2003 C	2,050,000	11,385,000	7/1/2021	N/A**			

* Debt Restructuring

** Not NJEFA Refunding Bonds



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

**Management and Members of
New Jersey Educational Facilities Authority
Princeton, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the business-type activities and fiduciary funds of the New Jersey Educational Facilities Authority as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 7, 2022.

Internal Control Over Financial Reporting

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

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

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

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | www.pkfod.com

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**Management and Members of
New Jersey Educational Facilities Authority
Princeton, New Jersey**

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Compliance and Other Matters

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

Purpose of this Report

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
March 7, 2022

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2022 BUDGET VARIANCE ANALYSIS
FOR THE MONTH ENDED FEBRUARY 28, 2022**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded February with year-to-date net operating income in the amount of \$57,704 based on year-to-date revenues of \$502,865 and expenses of \$445,161.

Revenues

Year-to-date revenues were \$77,294 less than projected due to timing of investment income.

Expenses

Operating expenditures for the first two month of the year were under budget by \$100,541 primarily due to timing of expenditures.

Exhibits

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NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
FEBRUARY 2022

	Month Ended February 28, 2021			Year Ended February 28, 2021		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>						
Annual Administrative Fees	\$265,079	\$265,079	\$ -	\$ 530,158	\$ 530,159	\$ (1)
Initial Fees	-	-	-	-	-	-
Investment Income	(7,630)	25,000	(32,630)	(27,293)	50,000	(77,293)
	<u>\$ 257,449</u>	<u>\$ 290,079</u>	<u>\$ (32,630)</u>	<u>\$ 502,865</u>	<u>\$ 580,159</u>	<u>\$ (77,294)</u>
<u>Operating Expenses</u>						
Salaries	\$121,556	\$124,728	\$ 3,172	\$ 239,939	\$ 249,466	\$ 9,527
Employee Benefits	46,739	58,103	11,364	89,180	116,204	27,024
Provision for Post Ret. Health Benefits	12,500	12,500	-	25,000	25,000	-
Office of The Governor	2,083	2,083	-	4,166	4,170	4
Office of The Attorney General	4,100	12,500	8,400	8,200	25,000	16,800
Sponsored Programs & Meetings	70	938	868	346	1,870	1,524
Telecom & Data	3,256	4,654	1,398	3,720	9,310	5,590
Rent	16,445	16,667	222	32,890	33,330	440
Utilities	2,131	3,333	1,202	4,263	6,670	2,407
Office Supplies & Postage Expense	343	1,913	1,570	909	3,820	2,911
Travel & Expense Reimbursement	-	1,317	1,317	-	2,630	2,630
Staff Training & Conferences	2,070	2,313	243	2,570	4,620	2,050
Insurance	4,494	4,917	423	8,987	9,830	843
Publications & Public Relations	-	1,848	1,848	-	3,695	3,695
Professional Services	8,403	19,085	10,682	16,818	38,152	21,334
Dues & Subscriptions	2,330	3,445	1,115	2,946	6,890	3,944
Maintenance Expense	1,052	1,067	15	2,311	2,130	(181)
Depreciation	1,458	1,458	-	2,916	2,915	(1)
Contingency	-	-	-	-	-	-
	<u>229,030</u>	<u>272,869</u>	<u>43,839</u>	<u>445,161</u>	<u>545,702</u>	<u>100,541</u>
Net Operating Income	<u>\$ 28,419</u>	<u>\$ 17,210</u>	<u>\$ 11,209</u>	<u>\$ 57,704</u>	<u>\$ 34,457</u>	<u>\$ 23,247</u>

NJEFA
Vendor Payments
February 2022

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Accrual Basis Amount</u>
Bill Pmt -Check	02/03/2022	EFT	NJSHBP	Feb Covg	Staff	24,929.07
Bill Pmt -Check	02/03/2022	EFT	NJSHBP	Feb Covg	Post Retirement Benefits	3,302.91
Bill Pmt -Check	02/07/2022	EFT	BMO Financial Group	AT&T, Comcast, Amazon, CrashPlan	General Telephones	139.00
Bill Pmt -Check	02/22/2022	2372	100 & RW CRA, LLC	010234, 010164	Accounts Payable	22,897.67
Bill Pmt -Check	02/22/2022	2373	DiFiglia, Ed	012522	Accounts Payable	89.00
Bill Pmt -Check	02/22/2022	2374	DocuSafe InfoStore	149843	Accounts Payable	178.02
Bill Pmt -Check	02/22/2022	2375	Government News Network	93271-G	Accounts Payable	380.00
Bill Pmt -Check	02/22/2022	2376	LaborLawCenter	1000832081	Accounts Payable	62.99
Bill Pmt -Check	02/22/2022	2377	National Association Of Bond Lawyers	Memb (SK) & Training	Accounts Payable	1,815.00
Bill Pmt -Check	02/22/2022	2378	NJ Economic Development Authority	2022January	Accounts Payable	1,450.62
Bill Pmt -Check	02/22/2022	2379	NJ OIT Fiscal Services	2022January	Accounts Payable	1,652.30
Bill Pmt -Check	02/22/2022	2380	NJBIA (Yrly Subscrip)	5145705769	Accounts Payable	345.00
Bill Pmt -Check	02/22/2022	2381	Polar Inc.	312441, 354778	Accounts Payable	123.20
Bill Pmt -Check	02/22/2022	2382	Rutgers University	2035 S Nelson	Accounts Payable	750.00
Bill Pmt -Check	02/22/2022	2383	The College of New Jersey (Bills)	2041 2/23/22 Career Fair	Accounts Payable	70.00
Bill Pmt -Check	02/22/2022	2384	Treasurer, State of New Jersey - Pinnacle	013122	Accounts Payable	1,183.40
Bill Pmt -Check	02/22/2022	2385	UPS	2Y687X052	Accounts Payable	16.55
Bill Pmt -Check	02/22/2022	2386	US Bank (PFM)	13074121, 13024041D	Accounts Payable	5,570.53
Bill Pmt -Check	02/22/2022	2388	Verizon Wireless	9898608716	Accounts Payable	370.47
Bill Pmt -Check	02/22/2022	2389	W.B. Mason Company, Inc.	IS1372994	Accounts Payable	328.89
Bill Pmt -Check	02/22/2022	2390	Vault Medical Services of New Jersey P.	12253 Covid PCI	Accounts Payabl	5,550.00
						<u>71,204.61</u>

New Jersey Educational Facilities Authority
Summary of Construction Funds
As of February 28, 2022

<u>Institution</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net Disbursed</u>	<u>Balance</u>	<u>% Complete</u>
<u>Private</u>					
Princeton University	Various Capital Improvements & Renovations, CP Refunding	\$300,151,324.35	(220,354,946.76)	\$79,796,377.59	73%
Seton Hall University	Construction new student housing and athletic facilities	70,000,000.00	32,681.89	70,032,681.89	0%
Seton Hall University	University Center & Boland Hall Renovations	30,000,000.00	(14,098,042.93)	15,901,957.07	47%
Georgian Court University	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(3,479,638.13)	4,394,745.03	44%
Sub Total		<u>\$408,025,707.51</u>	<u>(\$237,899,945.93)</u>	<u>\$170,125,761.58</u>	
<u>Public</u>					
William Paterson Univeristy	Renovation of buildings, Child Development Center	20,000,000.00	(12,571,097.18)	7,428,902.82	63%
Sub Total		<u>\$ 20,000,000.00</u>	<u>\$ (12,571,097.18)</u>	<u>\$ 7,428,902.82</u>	
<u>Other Programs</u>					
Equipment Leasing Fund	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (99,386,696.61)	\$ 1,880,196.39	98%
Technology Infrastructure Fund	Development of Technology Infrastructure	41,313,667.00	(39,702,001.92)	1,611,665.08	96%
Capital Improvement Fund	Capital Improvements	191,905,596.00	(188,677,770.72)	3,227,825.28	98%
Facilities Trust Fund	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(216,421,121.53)	3,556,042.47	98%
Capital Improvement Fund	Capital Improvements	146,700,261.19	(146,365,350.48)	334,910.71	100%
Sub Total		<u>\$ 701,163,581.19</u>	<u>\$ (690,552,941.26)</u>	<u>\$ 10,610,639.93</u>	
Grand Total		<u>\$ 1,129,189,288.70</u>	<u>\$ (941,023,984.37)</u>	<u>\$ 188,165,304.33</u>	

* This issue has reached a completion rate of 95% or higher and will not appear on future reports.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2022 BUDGET VARIANCE ANALYSIS
FOR THE THREE MONTH'S ENDED MARCH 31, 2022**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded March with year-to-date net operating income in the amount of \$25,419 based on year-to-date revenues of \$738,561 and expenses of \$713,142.

Revenues

Year-to-date revenues were \$239,927 less than projected due to timing of investment and initial fee income.

Expenses

Operating expenditures for the first three month of the year were under budget by \$105,429 primarily due to timing of expenditures.

Exhibits

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NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
MARCH 2022

	Month Ended			Year Ended		
	March 31, 2022			March 31, 2022		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>						
Annual Administrative Fees	\$265,079	\$265,079	\$ -	\$ 795,237	\$ 795,238	\$ (1)
Initial Fees	-	108,250	(108,250)	-	108,250	(108,250)
Investment Income	(29,383)	25,000	(54,383)	(56,676)	75,000	(131,676)
	<u>\$ 235,696</u>	<u>\$ 398,329</u>	<u>\$ (162,633)</u>	<u>\$ 738,561</u>	<u>\$ 978,488</u>	<u>\$ (239,927)</u>
<u>Operating Expenses</u>						
Salaries	\$159,278	\$124,728	\$ (34,550)	\$ 399,217	\$ 374,194	\$ (25,023)
Employee Benefits	44,573	58,103	13,530	133,753	174,307	40,554
Provision for Post Ret. Health Benefits	12,500	12,500	-	37,500	37,500	-
Office of The Governor	2,084	2,083	(1)	6,250	6,253	3
Office of The Attorney General	4,100	12,500	8,400	12,300	37,500	25,200
Sponsored Programs & Meetings	-	938	938	346	2,808	2,462
Telecom & Data	3,213	4,654	1,441	6,933	13,964	7,031
Rent	16,445	16,667	222	49,335	49,997	662
Utilities	4,662	3,333	(1,329)	8,925	10,003	1,078
Office Supplies & Postage Expense	1,493	1,913	420	2,402	5,733	3,331
Travel & Expense Reimbursement	199	1,317	1,118	199	3,947	3,748
Staff Training & Conferences	-	2,313	2,313	2,570	6,933	4,363
Insurance	4,494	4,917	423	13,481	14,747	1,266
Publications & Public Relations	-	1,848	1,848	-	5,543	5,543
Professional Services	10,503	19,085	8,582	27,321	57,237	29,916
Dues & Subscriptions	1,927	3,445	1,518	4,873	10,335	5,462
Maintenance Expense	1,052	1,067	15	3,363	3,197	(166)
Depreciation	1,458	1,458	-	4,374	4,373	(1)
Contingency	-	-	-	-	-	-
	<u>267,981</u>	<u>272,869</u>	<u>4,888</u>	<u>713,142</u>	<u>818,571</u>	<u>105,429</u>
Net Operating Income	<u>\$ (32,285)</u>	<u>\$ 125,460</u>	<u>\$ (157,745)</u>	<u>\$ 25,419</u>	<u>\$ 159,917</u>	<u>\$ (134,498)</u>

**NJEFA
Vendor Payments
March 2022**

3:15 PM

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Accrual Basis Amount</u>
Bill Pmt -Check	03/07/2022	EFT	BMO Financial Group	Comcast, ATT, Webcam, Keyb & Mouse	Accounts Payable	194.04
Bill Pmt -Check	03/11/2022	EFT	NJSHBP	Mar Covg Staff	Accounts Payable	22,285.74
Bill Pmt -Check	03/11/2022	EFT	NJSHBP	Mar Covg Retirees	Accounts Payable	3,302.91
Bill Pmt -Check	03/21/2022	2391	100 & RW CRA, LLC	010382, 010435	Accounts Payable	22,965.89
Bill Pmt -Check	03/21/2022	2392	Arizent (SourceMedia) RFP etc.	ADV02083	Accounts Payable	800.00
Bill Pmt -Check	03/21/2022	2393	Crown Trophy	24884 EB	Accounts Payable	60.00
Bill Pmt -Check	03/21/2022	2394	Dell Marketing L.P.	10566840685, 10559510429	Accounts Payable	3,408.28
Bill Pmt -Check	03/21/2022	2395	DocuSafe InfoStore	150722	Accounts Payable	178.02
Bill Pmt -Check	03/21/2022	2396	Government News Network	93662-G	Accounts Payable	380.00
Bill Pmt -Check	03/21/2022	2397	Momentive Inc.	INV-SM-00033601	Accounts Payable	7,000.00
Bill Pmt -Check	03/21/2022	2398	NACUBO	826002, 825793 NACUBO, EACUBO	Accounts Payable	1,895.00
Bill Pmt -Check	03/21/2022	2399	NJ Advance Media	0010243586, 0010243588	Accounts Payable	67.39
Bill Pmt -Check	03/21/2022	2400	NJ Economic Development Authority	2022February	Accounts Payable	1,765.18
Bill Pmt -Check	03/21/2022	2401	NJ OIT Fiscal Services	2022February	Accounts Payable	1,652.30
Bill Pmt -Check	03/21/2022	2402	Perna's Plant and Flower Shop, Inc.	757 MC Basket	Accounts Payable	100.00
Bill Pmt -Check	03/21/2022	2403	Polar Inc.	403337	Accounts Payable	78.45
Bill Pmt -Check	03/21/2022	2404	Quadient (Formerly Neopost)	59091840 Meter Rental	Accounts Payable	463.23
Bill Pmt -Check	03/21/2022	2405	Treasurer, State of New Jersey - Pinnacle	022822	Accounts Payable	1,184.74
Bill Pmt -Check	03/21/2022	2406	UPS	2Y687X082	Accounts Payable	15.05
Bill Pmt -Check	03/21/2022	2407	US Bank (PFM)	1310725, 13074900D	Accounts Payable	1,518.00
Bill Pmt -Check	03/21/2022	2408	Verizon Wireless	9900863355	Accounts Payable	276.83
Bill Pmt -Check	03/21/2022	2409	W.B. Mason Company, Inc	IS138441	Accounts Payabl	415.75
						<u>70,006.81</u>

**New Jersey Educational Facilities Authority
Summary of Construction Funds
As of March 31, 2022**

<u>Institution</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net Disbursed</u>	<u>Balance</u>	<u>% Complete</u>
<u>Private</u>					
Princeton University	Various Capital Improvements & Renovations, CP Refunding	\$300,151,324.35	(249,353,302.19)	\$50,798,022.16	83%
Seton Hall University	Construction new student housing and athletic facilities	70,000,000.00	28,546.31	70,028,546.31	0%
Seton Hall University	University Center & Boland Hall Renovations	30,000,000.00	(14,099,112.58)	15,900,887.42	47%
Georgian Court University	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(3,479,638.13)	4,394,745.03	44%
Sub Total		<u>\$408,025,707.51</u>	<u>(\$266,903,506.59)</u>	<u>\$141,122,200.92</u>	
<u>Public</u>					
William Paterson Univeristy	Renovation of buildings, Child Development Center	20,000,000.00	(12,571,097.18)	7,428,902.82	63%
Sub Total		<u>\$ 20,000,000.00</u>	<u>\$ (12,571,097.18)</u>	<u>\$ 7,428,902.82</u>	
<u>Other Programs</u>					
Equipment Leasing Fund	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (99,386,696.61)	\$ 1,880,196.39	98%
Technology Infrastructure Fund	Development of Technology Infrastructure	41,313,667.00	(39,702,001.92)	1,611,665.08	96%
Capital Improvement Fund	Capital Improvements	191,905,596.00	(188,677,770.72)	3,227,825.28	98%
Facilities Trust Fund	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(216,437,524.57)	3,539,639.43	98%
Capital Improvement Fund	Capital Improvements	146,700,261.19	(146,365,350.48)	334,910.71	100%
Sub Total		<u>\$ 701,163,581.19</u>	<u>\$ (690,569,344.30)</u>	<u>\$ 10,594,236.89</u>	
Grand Total		<u>\$ 1,129,189,288.70</u>	<u>\$ (970,043,948.07)</u>	<u>\$ 159,145,340.63</u>	

* This issue has reached a completion rate of 95% or higher and will not appear on future reports.